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EUROPE IN TRANSITION. A NORWEGIAN VIEW.

It is a paradox that we should come here - to <u>you</u> in Poland - to talk about Europe in change. You do indeed know more about that subject than we will ever do.

Poland has been the birthplace of the new Europe. It all started here, the breaking away from the old order. You have been - and continue to be - a powerful engine for change. Your political reforms have shown the way. And the difficult process of economic reorientation, on which you have now embarked, will inspire others.

Including us. It is our hope that the peaceful revolution in Eastern Europe will also remind us in the West - the politicians as well as the public - that democracy, freedom and human rights are not values that simply are there. They cannot be taken for granted. They have to be fought for. And they are worth fighting for. Indifference can be a most dangerous enemy.

But even if you in many ways stand closer to the present transformation of Europe than we do, we are certainly in it together. The future of all European peoples are involved. Each country has its own perspective. In shaping a new European order we shall have to bring these various perspectives together. If we fail to do that, then we will not achieve the durable stability that all of us seek.

My task - today - is to present the Norwegian perspective. A brief look at the map and at basic strategic realities will

give you a good introduction to that perspective.

To the East, Norway and the Soviet Union share borders. The world's largest concentration of naval forces is located in our immediate vicinity. Half of the Soviet strategic and attack submarines are based at the Kola peninsula. So are the most modern Soviet surface vessels. These forces form part of a global competition. But they certainly also affect and complicate Norway's position.

To the West, our long coast is facing transatlantic lines of communication and support. For most of the postwar period, these lines have been of crucial importance to the security of our country - and of the entire Western Europe.

Of course, the political as well as the military realities are changing. The Soviet military threat has diminished. Withdrawals and reductions of forces are taking place. The Warszaw Pact is clearly in transition, as the summit meeting in Moscow on Thursday will demonstrate. The political climate cannot be compared with that of the early 1980's. These positive developments affect us all favourably. We do today enjoy a better and more constructive climate in our bilateral relations with the Soviet Union.

But the military realities in the North remain largely unchanged. The modernization of the Soviet naval forces continue. New ships are still being added. These forces constitute a serious threat, not least because of their capability to disrupt transatlantic lines of reinforcement. And let me add: As the level of US troops in Europe is reduced, the importance of these lines for the stability of our continent will not diminsh - but rather increase. Of course, the warning time will increase. But so will the time needed to prepare on our side. It is our view that the positive trends in Central Europe should now be followed by a similar development in the North. Reduction of the Soviet

naval forces and of the threat they pose to the transatlantic support lines would be a contribution to stability.

These few basic facts are, of course, of fundamental importance to Norwegian security policy. Norway cannot escape from our geograpgic location. We cannot solve our security problems solely by national efforts. We will continue to depend on firm links accross the Atlantic and to our European allies.

Even if we look <u>beyond</u> the present stage the Soviet Union will remain by far the largest military power located on our continent. It may move towards pluralism and democracy. But a potential for disagreements and conflicts of interests will remain. A policy of equilibrium will be required for as long as we can see. And in all this, the United States will have to play a vital role. Not only by being involved in CSCE-discussions on issues of common concern. But by being both physically present and politically engaged. No other framework than NATO can secure this presence and this engagement. The Alliance has oriented the United States away from isolationism and towards a lasting commitment to stability in Europe. Today, it is in the interest of all of us that this commitment be maintained.

Of course, the role of the Alliance will evolve. It already does. At the NATO Summit next month a wide-ranging strategy review will be launched. We will look at our future conventional defence requirements and the next steps for conventional arms control. We will discuss the future of US nuclear forces and our objectives for negotiations on nuclear weapons in Europe. We will seek to define the role of the Alliance in the 1990s.

NATO will no longer be built on the sharp military confrontation of the past, but on the need to contribute to our <u>common</u> stability. Nevertheless, the collective security

mechanism must remain intact if that stability is to be achieved.

Now, some will say, couldn't the CSCE be given the task of providing our common security?

Yes, the CSCE must play an important and growing role. But it would, I think, be unrealistic to assume that the CSCE in the foreseeable future could become the principal element of a European security structure. As a mechanism it is simply too loose, too vaque and too diversified. Those who argue otherwise should first prove how in times of crises the stability and mutual support, let alone the organizational problem of defence, could be handled. Overloading the CSCE by expecting too much of it too soon - could lead us back to a time of opportunistic alliances within Europe. It could result in an unstable, shifting environment without the reassurance and proper security that we all need. will function as an important supplementary mechanism. must provide the wider framework, the bridge. However, at this stage it cannot carry the burden of European security in the full sense.

We shall, of course, move vigourously towards wider European security structures. The CSCE Summit later this year must embark on that process. But it will take time. If we proceed too fast we will risk loosing stability on the way.

I am not trying to belittle the progress which has been achieved over the last few years. But we are clearly not at the end of the road. In fact, a first CFE agreement has yet to be signed. The restructuring of Soviet forces has yet to be completed. In the political field important question marks remain. In a speech in Moscow in April this year, Foreign Minister Shevardnadze expressed grave concern about the future of the Soviet Union and of the policy of reform. His fear that if perestrojka fails a new dictatorship may follow cannot

be taken lightly. The conflict over the independence of the Baltic republics and the serious economic situation illustrate the dimensions of the problem.

So, we still have a long way to go. As we proceed unpredictability will be a faithful companion. In planning a new structure of cooperation and security we must keep our eyes firmly on the horizon and our feet firmly on the ground.

Nevertheless, the CSCE will be an important vehicle for the construction of a new European order. It will - throughout this decade - be the main framework for reductions of conventional forces in Europe. And it will remain our principal forum for translating fundamental principles of human rights into national laws, regulations and practices.

And we will go much beyond that. As Europe now opens up this must be reflected in the creation of new European institutions, or a Council of European Cooperation, to use a term launched by your Prime Minister. Security is not merely a matter of battalions. It is essentially a matter of politics. A European architecture in which free, democratic and propserous countries find a place together is the most important prerequisite for security.

We will, therefore, need a firm political structure, which could serve as a framework for a dialogue at the CSCE level. Annual - or semi-annual - meetings of Foreign Ministers would be a useful step. Regular Summit meetings should be envisaged. A more permanent machinery would have to be established to support this structure. This will represent a first stepping stone on our way to a wider European security structure.

And - to go one step further; de Gaulle once said that "politics is too important to be left to politicians". Let me add; at least to Foreign Ministers alone. There is no reason

why - for instance - ministers of defence, trade, industry, justice or environment should not be increasingly involved. On the contrary, there is an undisputable need for such involvement.

To us the environmental challenge is of particular concern: For the pollutants Europe was never divided. Political and physical barriers never stopped them from crossing national borders. But they prevented efficient political counter measures.

The military threat has diminished - but the environmental threat is growing. Today, a regional environmental strategy is urgently required. And the opening of Europe has made such a strategy possible. We need political will. And we need the proper institutional and practical tools: The Norwegian Government is ready to pool resources and to develop new patterns of cooperation with Poland and its neighbouring countries. Our first aim must be to transfer environmental knowledge and technology. Yesterday, we have launched several promising projects to that effect.

But we must also look at new and more ambitious steps. For example: The cost of reducing the sulphur dioxide emissions by one kilo in Norway would be sufficient for a ten kilo reduction in Eastern and Central Europe. Such basic facts cannot be ignored in our common planning. We are no longer talking about <u>our</u> environment and <u>yours</u>. A truly costeffective environmental policy will only be meaningful if seen in this regional perspective.

Furthermore, we need a binding environmental "code of conduct". The Norwegian Prime Minister has proposed the following possible steps:

 First, to give a suitable European forum the task of presenting periodic reviews on the environmental policies of member states.

- Second, to arrange for annual multilateral examinations of individual member states and thus ensure that their environmental policies meet common requirements.
- Third, to agree on commitments to notify and to keep each other informed about potential environmental risks and plans which may have transboundary effects.
- Fourth, to agree on ways to monitor and inspect projects and facilities which may cause transboundary pollution.
- Fifth, to equip future international agreements with stringent provisions to secure that they are fully respected by all.

Ambitious? Yes! But the problems are such that ambitious solutions are required. And all these proposals are built on what we already do in other fields. In the OECD, regular reviews of the economic policies of member states are presented - with recommendations for corrections to be made. In NATO, annual and detailed examinations of the defence policies of member countries take place. In arms control, intrusive monitoring and inspection has become the norm. So why not apply the experience we have gained in other fields to meet the threat to our environment?

However, we lack an efficient European machinery to elaborate and implement a regional environmental strategy. It has to be established urgently. The CSCE Summit will discuss the future political order of our continent. Our common environmental challenge must form an integral part of that agenda. The Summit should start a process of creating the machinery we all need. It could do so in close cooperation with the ECE and the newly created environmental agency of the European

Community.

The technology that you now choose - in your process of economic reform - will have a decisive impact on our common environment for several decades to come. Of course, rapid economic growth will be an essential aim. But we must elaborate policies which enable us to see that aim in a wider perspective. Ways must be found which allow you to base your new growth on tomorrow's technology and not on yesterday's.

This brings us into the crucial interrelationship between energy, environment and sustainable economic development. In Eastern Europe the connection between energy and environment is obvious. To turn the present and disastrous trends bold steps will be required. Natural gas will have to play a key role. Tremendous reserves exist on our continent. A major part is located under the Norwegian continental shelf.

For decades political barriers prevented the flow of energy. Now, we must think of Europe as a whole - in this as in other respects.

We encourage Norwegian companies to look to the markets of Eastern Europe. And to look for new ways of transportation. The first steps have been taken. Exploratory talks between Norwegian companies and Polish buyers are underway.

Transition to cleaner and safer energy resources is a common European concern. It is therefore important that the process of economic reconstruction be given an overriding environmental dimension.

This can only happen if we join forces; the oil and gas companies - with their own agenda - and European governments - with theirs. We have different roles. But these roles

should be brought together in a common effort to map out a different course. New important tools - such as the European Bank for Reconstruction and Development - must also be used to this effect.

The unification of Germany stands at the center of our attention. It is a difficult process. It gives rise to worries and uncertainties. That is unavoidable.

Nevertheless, we cannot but welcome it. The divison of Europe can only be overcome with the unification of Germany. It is really that simple.

But it is of crucial importance that the interests of all of Europe be clearly understood and taken into account. must be clarity whereever clarity is possible - such as in the important border issue. There must be openness and transparency as the principles guiding the 2+4 negotiations. And furthermore: The discussions of the unification of Germany must not be over-loaded with questions which simply do not belong in that framework. Let me mention one example, which to me is of special importance: Problems relating to arms control and the size of armed forces must be dealt with in Vienna, as they have in the past. The two German states and the four Berlin powers carry a special responsibility in the question of German unification. They must assume that responsibility. That is clear. But the security of all European states - including ours - is involved. That must also be respected.

Where should then a unified Germany fit into our future security arrangements? A unified Germany as a member of NATO seems - as of now - to be unwelcome to the Soviet Union. A unified Germany not belonging to NATO would be an unnacceptable proposition for the rest of us. A neutral Germany should not be welcomed by East or West.

We will, of course, do well to remember that we cannot achieve

security if the Soviet Union feels insecure. We must find ways of ensuring the Soviets that the developments of the last year pose no danger from the West and that there is no desire or intention of taking advantage of it. The fact that we are today supporting the Soviet leadership - politically and practically - in the process towards reform constitutes evidence clear enough. It demonstrates our strong determination to contribute to peaceful transformation. The Allies will, of course, respect the Soviet Union's legitimate security interests, so that it can embrace reform in full confidence. We want that process to succeed. It can only happen in an atmosphere of security.

A united Germany firmly anchored in the West represents a contribution to that atmosphere. It means making the inherent right of self-determination of the Germans compatible with stability in Europe. But let me add two important considerations: We are talking about a NATO quite different from that of past decades even if it has always been a defensive Alliance. And we are talking about an Alliance which will be built into gradually more ambitious European structures. In creating these structures the need to provide reassurance to all countries involved must be a priority concern.

I have mentioned the CSCE and NATO as pillars in a future European order. Let me add another pillar, an obvious one: The European Community. Today, the Community is the main engine for economic development and integration in Europe. That affects all of us, whether or not we are members of the EC. Some predicted that the opening up of Europe and the unification of Germany would slow down the process of integration within the Community. They were wrong. The opposite has actually happened. The process of economic integration goes forward at a higher speed than before, even with the added challenge of including the other Germany. That is indeed remarkable. And important - to all of us. It gives

us a firm structure on which to build a wider European economic order, embracing not only the Western part of the continent, but gradually all of it.

Norway and the five other countries of the European Free Trade Association, EFTA, will now enter into new negotiations with the European Community. Our objective is to set up a European Economic Space, embracing 18 countries of Western Europe. This wider space will form part of a new European order and stimulate further economic development. It will provide a possible model for the future economic relationship between East and West on our continent.

During the last weeks new cooperative projects have again been launched within the European Community. The twelve member countries have embarked on the process of political integration in order to supplement their economic integration. I welcome this development. The future of our continent must be guided by political decisions and not by economic considerations alone.

The European Community will in the future play a more prominent political role, both in transatlantic relations and within the wider European framework. Even if Norway and Poland are not members of the Community I think it will serve our common cause. It will provide another contribution to European stability. Recent experience shows that cooperation breeds more cooperation and that integration leads to more integration. Europe is growing together and the European Community will have to play a vital role in that endeavour.

We will need a vision of where to go. But we will also need the instruments with which to get there. I have mentioned some. There are others, such as the Council of Europe.

In our eagerness to create new conditions for European security we must not create a vacuum by pushing these existing

organizations aside. If today we hold one trump card over previous times, it is the many structures of European cooperation which have emerged. They must now be exploited.

We had better get it right: It is not only a question of overcoming 40 years of post-war division. The Europe we want to create must not simply be a regression to an older Europe. We must come to grips with tension and strife that reach far back in the history of our continent. It is indeed a formidable task.

How far will we be able to go? And how fast? This we do not know. But that very fact - that we do not know and cannot know - should also guide us.

There will be a lot of good suggestions. Fine. We will need imagination and creativeness. But we will also need some very hard thinking. All the more since we are at a crucial crossroads in Europe's history.

In this broad European endeavour, bilateral efforts also count. A few days ago we marked the 50th anniversary of the battle of Narvik. Polish soldiers fought for our independence. Let us now again seek partnership - a new kind of partnership - in building our common future.