The Council

STATEMENT

by Mr K.B. ANDERSEN,

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(Luxembourg, 18 January 1978)

President, Honourable Members,

I have the pleasure today of reviewing the prospects for the Communities' work over the next six months during which Denmark holds the Presidency. I look forward to an open and constructive exchange of ideas with the Parliament today and on my monthly visits in the next six months as well as during the visit of the Political Affairs Committee to Copenhagen.

A genuine dialogue is the heart of the democratic process. The role of the European Parliament illustrates the fundamental fact that the EEC is a democratic community of democratic member states. Therein lies the Community's strength both for its own citizens and for other countries outside it.

I am also pleased to be able to tell this Parliament that in last week's debate in the Danish Folketing there was a substantial majority behind the Government's policy for Europe and the objectives of Community advancement which the Danish Presidency will do its best to achieve.

There is now a clear majority in favour of direct elections in all the Member States. This is a crucial point. I am able to inform you that the Council yesterday discussed the question of direct elections. I can assure this Parliament that I and my colleagues in the Council will do our utmost to ensure that a date is set for the first direct elections as soon as possible, and in time for the meeting of the European Council in Copenhagen in April.

Denmark is taking over the Community Presidency on a significant date. 1 January 1978 was the 20th anniversary of the entry into force of the Treaty of Rome. The date also marks the end of the transitional period for Denmark, Ireland and the United Kingdom.

The main reason for the disparity between the high aims set by the Paris Summit in October 1972 and the progress since then is, as we all know, the economic crisis, which began in earnest in 1973 in the wake of the energy crisis.

The crisis revealed the vulnerability of Europe and its dependence on co-operation with the rest of the world. At the same time, it was a sharp reminder that co-operation within the European Communities still had not brought about the mutual solidarity which has been the main objective from the first.

In the five years since then the Member States have slowly but surely begun to adapt themselves to the realities of European co-operation under these new circumstances.

The major problems have shown one constant feature they cannot be solved outside the Community framework, nor can the Community solve them on its own. The energy problems are a clear example of this.

The European Community has definitely, in an extremely difficult situation, succeeded in withstanding the temptations of national protectionism and disregard of the rest of the world. Not only did it avoid those temptations, but it also succeeded on the whole in living up to its responsibilities towards the developing countries, whose

problems were to an even greater extend exacerbated by the crisis. I should like, if I may, just to mention here the Lomé Convention, a large number of agreements with developing countries outside the Lomé framework, and the Community's overall Mediterranean policy.

During our Presidency, we shall work unceasingly to develop the Community's relations with the third world.

Relations with the USA play a central part. A large number of the major problems can be solved by co-operation with the USA. The past year has seen a definite advance in relations between the European Community and the USA, both in the field of treaty co-operation and in the discussions of foreign policy questions between successive Presidents of the Council and the USA. President Carter's recent visit to Brussels was a clear demonstration of America's positive interest in European co-operation. We have every reason to regard this with the greatest satisfaction.

As far as Europe is concerned, the openness of the Community is shown principally by its positive response to three European countries which have applied for membership of the Community after passing from dictatorship to democracy. This openness has also been evident in our active efforts for détente and closer contacts through bilateral and multilateral negotiations with the East European countries.

Another clear and positive tendency has been the major advance in foreign policy co-operation among the Nine. Now this co-operation is seen both by ourselves and by the rest of the world to an increasing extent as a natural adjunct to co-operation by treaty. Attempts to co-ordinate the foreign policies of the Nine have revealed a considerable number of common points of view, which have enabled the Nine - often in close co-operation with other Western democracies - to take part

with greater weight and play a more constructive part in the international debate.

Internally, the Community's achievements have perhaps been less striking but all told, they nevertheless constitute considerable progress, and are an increasing feature of co-operation among the Nine and of the everyday life of the ordinary citizen.

In spite of considerable difficulties, it has been possible to maintain the common agricultural policy.

On 1 January 1977, the EEC countries as well as a number of other countries introduced an extension of their fishing limits to 200 nautical miles. This action, and the fact that several species of fish in European waters are threatened with extinction through over-intensive fishing, have made the establishment of a common fisheries policy a matter of the utmost urgency.

Among the other objectives laid down in October 1972 was the establishment of European economic and monetary union.

All the Member States have come to recognize that progress in this field calls for ever-increasing co-ordination of each country's economic policy. Obviously, this does not mean that all the Member States of the Community should pursue the same economic policy. That would not be appropriate in view of their differing economic situations. What is, however, both right and necessary is that there should be increasingly greater harmonization of the economic policies of each Member State.

Monetary co-operation has inevitably been marked by the unsettled international currency relations. This is why the so-called "snake" is so important. The snake constitutes the basis by which the Community can make a gradual return to true co-operation on monetary policy, a matter which we in Denmark regard as of the highest priority.

By virtue of its participation in co-operation in all aspects of Community activity, Denmark has increasingly been able to make a direct and active contribution to the development of Europe, which is crucial to our future. We have thereby clearly affirmed our desire for joint responsibility for and influence over developments in our part of the world. Under our Presidency, we shall take every opportunity of furthering the positive development of the Communities which is so necessary.

The theme of our Presidency will be to ensure practical progress over as wide a field as possible with a view to advancing co-operation towards the objectives laid down in the Treaties and later Decisions. At the same time it is of the greatest importance to us that co-operation should reflect the will of the Member States to fulfil their obligations under the Treaties. The difficulties of the last few years have shown only too clearly how important it is to counteract the forces which initiate against co-operation.

We shall try to keep the agricultural and fisheries policies in line with the basic principles of the Community. We shall also continue efforts to reduce the unreasonable strains placed on both the Community budget and the common agricultural market by monetary compensatory amounts. In the fisheries sector we shall strive for a policy which is an expression of the principle of free and equal access to common Community waters for all fishermen.

The enlargement of the Community to take in three new countries raises a whole range of problems, not least of an economic nature. The solution of these problems will require both considerable political will and a financial cash contribution.

The enlargement debate has in some quarters been marked by apprehension that the process of enlargement might mean a dilution of Community co-operation.

I would stress that it is in no-one's interest that enlargement should be carried through in such a way that the Communities are weakened thereby. The three applicant countries do not wish to be members of a watered-down Community.

It is also my view that the risk of a breakdown of Community co-operation would be greater if the Community were unable to live up to its responsibilities towards the new democracies in southern Europe.

It is essential that substantial progress be made in the current negotiations with Greece during the Danish Presidency.

The Community's credibility is at stake here. There will also have to be some movement in the negotiations with Portugal and Spain as soon as possible.

Enlargement underlines not only the need for a further extension of Community co-operation, but also for closer links with the other European countries, including the Scandanavian and other EFTA countries. These countries did not wish to be members of the Community, and this sets certain limits on both the form and the content of direct co-operation between them and the Community. Within these limits we shall strive to ensure that this co-operation becomes as positive as possible. It is worth stressing that Denmark's participation in Nordic co-operation does not conflict with or obstruct EEC co-operation. On the contrary, this gives the Community a more intimate contact with the other Scandanavian countries, and this in no way prevents us from fulfilling our European obligations.

The present time sees the start of the final stage of the GATT international tariff and trade negotiations, the so-called Tokyo Round. This was the most important item on the agenda for yesterday's Council meeting. The significance of these negotiations in the current situation cannot be overemphasized. Their successful conclusion may be decisive for the credibility of a policy which aims to preserve a free international trading system.

The success of the tariff and trade negotiations depends not least on co-operation between the Community and the major industrialized countries, primarily the USA and Japan. Broadly speaking these countries share the same view of the significance of the negotiations. The problems are, however substantial ones and a smooth progression of the negotiations will require considerable flexibility. The Community's preparations for and participation in these negotiations represent one of the biggest and most important tasks we face in the months to come.

The need for action to combat excessive unemployment will be given the highest priority during the Danish Presidency. In the current crisis situation the Community's possibilities of assisting in the fight against widespread unemployment will of course be a test of confidence in Community co-operation.

A direct consequence of unemployment is the tendency to protect particularly exposed industries by means of national rules. We attach importance to the speediest possible practical measures in the Community to reverse this development, which is threatening the common market. To be effective these efforts should aim at state support both within the Community and in our chief trading partners outside the Community. I have stressed this to the Commission and requested it to take the speediest possible action to deal effectively with this problem.

Over the next few years the Community will undoubtedly be faced in an increasing number of spheres with the need once

and for all to ensure continued industrial development in the poor part of the world and to see to it that our own industries have time to make the necessary conversions and adjustments.

We intend during the Danish Presidency to continue our efforts to achieve a constructive common Community position in the global discussions of the North/South dialogue concering a new international order.

Co-operation on foreign policy has seen great developments. On the Danish side we find this quite natural. It can only be to our advantage for the Nine, where possible, to endeavour to speak with one voice so as to give our views the far greater weight which joint presentation entails.

Certain important questions which have been under discussion by the Nine for some time will continue to occupy a central position under the Danish Presidency. These are the follow-up to the Conference on Security and Co-operation in Europe, the situation in the Middle East and developments in Southern Africa.

In connection with the Security Conference and the meeting in Belgrade, the Community countries have in a constructive fashion become the spokesmen for those Western points of view to which Europeans attach special importance.

With regard to the situation in the Middle East, the common interests of the Community countries have now been clearly expressed with a view to contributing to a peaceful solution to this problem which - looked at globally - is a serious international one.

I am thinking of the statement issued from the Brussels meeting of the Ministers for Foreign Affairs in November 1977 in connection with President Sadat's courageous visit to Israel. The objective must be to reach an agreement which includes all parties to the Middle East conflict.

As you know, the Community countries have involved themselves in earnest in the search for a peaceful solution to the situation in Southern Africa. This development clearly derives from a joint Community view that if no peaceful solution is found to these problems, the alternative is an armed conflict of which the consequences cannot be accurately predicted. In view of the obvious importance of exerting pressure on South Africa and since the Nine have now begun to speak with one voice on this issue, it will be one to which we in our Presidency will give very great priority.

There will henceforth be an increasing need for the Nine to present joint views, not in order to isolate themselves from the rest of the world - quite the contrary - but to make possible open and confident co-operation on an equal footing with other countries and groups of countries.

As part of this development, we in Denmark attach great importance to the European Parliament likewise being involved in foreign policy co-operation, which represents an important aspect of the European Community.

It should not be our ambition that the Community should become a superpower in the sphere of foreign policy. On the other hand, it would not be acceptable for the superpowers jointly to decide upon the affairs of our peoples over our heads. The Nine must accordingly endeavour to speak increasingly with one voice in the international debate in order in this way to give our views the weight to which they are entitled.

It would be a misinterpretation and a misunderstanding to attribute military ambitions to the Community. Military questions fall within the purview of NATO, which will for the foreseeable future represent the sole credible basis for a West European defence policy.

Splitting the Atlantic alliance by military discussions amongst the Nine would in no way serve security and détente in Europe.

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Allow me in conclusion to mention some salient points in the Danish Government's assessment of the current situation of the European Communities and the demands made on us by this situation.

Over the last few years the Community has combated tendencies which threaten to negate the results we have achieved.

What can the Community do to help relaunch this progress?

First and foremost we must strive against any disruption of the foundations on which free international trade and solidarity with the rest of the world are based. We can make constructive contributions to this aim in the GATT negotiations and the North/South dialogue.

Secondly we wish to take more systematic action to consolidate and broaden the many positive achievements the Communities have accomplished during their first twenty years of existence.

Thirdly, all possible steps should be taken to tackle the problem of unemployment purposefully and directly.

We shall have to concentrate on each day's problems as they arise. The measures we shall have to take to combat unemployment must be chosen with a view to curbing protectionism and encouraging adjustment to the new circumstances both in the industrialized and in the developing countries.

It is through practical and systematic efforts such as these to resolve the real problems of today and the future that real content can be given to the fundamental Communtiy objectives of ever closer relations between the Member States and their peoples.

At the same time it seems to me that action along these lines is of far greater importance than considerations of principle about individual institutional developments. A decisive factor for many of those in Denmark who in 1972 supported Denmark's accession to the European Communities was that many of the problems facing society today cannot be solved by any country in isolation but only through co-operation. This point of view to which the years of economic crisis have only given force. Similarly, we in the European Communities must be realistic enough to realize that we cannot stand alone, but that the weighty problems facing us call for co-operation with other countries outside our own circle. It is therefore, as I said in my introduction, very positive that the area in which the Nine have this past year been able to make great progress is that of extending co-operation with the rest of the world.

Co-operation in the field of foreign affairs is one instance of co-operation between our nine independent nations. In this area of co-operation no decision can be adopted save with the consent of all sides. The same holds good as regards matters of importance in the Community context also. These are facts and they should be clearly stated. However, it is also true to say that it is not through vetoes and reservations that progress is made but by the relaxing of positions far enough for results to be achieved.

Relations between the Nine are founded on an avowed democratic basis. Commitment to democracy is a necessary

precondition for membership of the Communities and we can rejoice that the three applicant countries have stated their desire to strenghen democracy in their countries as one of their reasons for applying for membership.

However, democracy will be unable to survive as a political system, unless it can find solutions to the many great problems facing our society, the family or the individual. These are therefore the very years in which to strengthen the European Communities to solve the problems of the day. By so doing, we shall be contributing to that democracy on which our very existence is founded, and which we wish to see gain the understanding and trust of the rest of the world.