

ADDRESS

by

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presenting the

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Tradition requires that the annual report of the Commission - formerly the Commissions in the plural - be introduced by a statement from the President. It has been the custom for my predecessors, or for myself, to analyse the main features of the document submitted to Parliament for its approval and to make some general remarks on the events of the previous twelve months.

I should perhaps follow this pattern in dealing with 1968. With your permission, however, I would like this year to depart a little from tradition. I will, of course, tell you what we think of our report on the year gone by, but most of what I have to say concerns the political situation in Europe and in the Community today.

Public opinion, both inside the Community and beyond its frontiers, has been disquieted by recent events. In addition, the President of the United States has been visiting us. I feel that these two factors alone are enough to justify my giving a slightly different slant to my address this year.

I must, however, say something to you about this 500-page tome which you have in front of you. When we read it - and we too have read it, because members of the Commission must from time to time get an overall view of the situation rather than just the particular sectors for which they are responsible or just a chronological record - when, then, my colleagues and I considered the entire Report submitted by our administration, when we discussed, supplemented and corrected it - for this is a task for the Commission itself and not for the administration alone - and when we had, in the introduction, to make an overall assessment of the situation, we were once again amazed at the progress made by the Community in 1968, despite the fact that 1968 was a year of crisis.

It was in December 1967 that our Governments agreed to differ on the major problem of the enlargement of the Community. You know that the rather fierce and occasionally vehement discussions between our Member States continued throughout 1968 and that, as yet, no solution acceptable to all has been found.

But, despite these political disagreements, the Community has made great strides forward and we felt that this point had to be stressed from the outset in our introduction to the Report.

May I remind you then, very briefly, that it was in mid-1968 that we took the final step in the establishment of our customs union, eighteen months ahead of the time-table laid down in the Treaty.

It was in June and July that we adopted and brought into effect the important agricultural regulations which had been missing in sectors as important as those covering beef and veal and milk products - with the result that most, I do not say all - farm products can now move freely within the Community.

It was in 1968, again, that the Council adopted important decisions which, though they do not complete the task of elaborating a common commercial policy, do at least represent progress. We have seen our Member States comply with the decision taken by the Council in 1967, and so make headway with the harmonization of indirect taxes and the progressive application of the tax on value added in our different Member States in accordance with agreed time-tables.

Towards the middle of the year came the final decisions and the adoption of the final regulation which, as my colleague Levi Sandri has just told you, made it possible to put the finishing touches on freedom of movement for workers within the Community, which is assuredly one of the main social aims of the Treaty.

When we see how many decisions have been adopted and implemented, it is really difficult to accept, with some sectors of public opinion, that the Community is at present paralysed. Before I close I will have something to say to you about the state of European public opinion, about which we are concerned.

I would like at the same time to mention that, in addition to the decisions which have been adopted, the Commission has submitted to the Council a number of highly important proposals and memorandums and that, since we are now rid of the problem which occupied so much of our time in the first months of the new Commission, namely the problem of the merger and the establishment of a single administration, we were able to devote ourselves fully to the fresh task in 1968. Thus, in accordance with a time-table which is known to you, we were able to submit to the Council in September a white paper on industrial policy, research policy and nuclear policy, a very important document which you are now discussing. This paper shows quite clearly that, in terms of intelligence, brains, laboratories, industrial establishments and money spent, the effort being made by Europe, although considerable and almost comparable with the effort being made by the United States, continues to be so dispersed that results are still falling far short of what, in our view, they ought to be.

During the month of December, we adopted a group of agricultural documents dealing with prices, balanced conditions on the markets, and structure; these will shortly be discussed, and indeed are already being discussed, not only by the Parliament but by the six Governments and the big farming organizations.

With regard to energy, our predecessors made such excellent progress, much of it within the inter-executive group set up by the former Commissions and the High Authority but we have been able to present Parliament and the Governments with a document which sets out the first guidelines for an energy policy at Community level. Since its first appearance this has been universally recognized as being a really serious document, and it will provide an extremely effective guide for future thinking and decision-making.

Lastly, on 12 February, a month ago to the day, we adopted a memorandum addressed to our Governments on general economic policy and on monetary co-operation within the Community; this document will, I think, be on the agenda for your next session.

I have no wish, Ladies and Gentlemen, to weary you with talk of what we are going to do because these things will happen all in good time. Some are already well advanced. What I have said should suffice to show that both at Council level, where decisions are taken, and at Commission level, where proposals are formulated, 1968 was a year full of genuine activity.

We must now ask ourselves what tasks lie ahead - and this is where we enter the field of political difficulties - both within the Community itself and in our external relations.

With regard to the Community's internal problems, the first thing to do is to get an idea of what the Community should set out to accomplish in the near future. There are three possible ways of going about this, and I hasten to add that they do not contradict but rather supplement and reinforce each other.

The first line of approach covers the tasks to be accomplished by the Community between now and the end of 1969; because this, as you know, should, in the normal course of events, mark the end of the transition period. We have sent the Council an analysis of all the problems to be tackled; it seems that in some sectors the necessary decisions have been taken, while in others they have not.

Although it can be claimed that during the transitional period the Community has, for all practical purposes, attained its objectives in the customs field and with regard to the movement of farm products and of workers, it is quite obvious that we are behind schedule in other spheres, such as non-government monopolies and freedom of establishment.

I have not attempted to draw up a balance sheet. It is clear to us that we must, with the Council, make still greater efforts to pick up as much as possible of the lost ground between now and the end of the year.

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The second line of approach is to look at the problems at present before the Council - there are many of them - and to try to arrange them in some sort of order of priority. We are faced here with three Plans - perhaps the term "Plan" is not completely appropriate but we might as well stick to it since they have been christened as such - produced by the Foreign Affairs ministers of our Community: the Brandt Plan of September 1968, the Debré Plan of November 1968 and the Harmel Plan, also of November 1968.

The third line is to ask, perhaps in a somewhat more systematic way, what the Community should attempt to accomplish over a slightly longer period, say three years.

Our Commission thought that we would be doing a service to the Council by drawing up a document of this kind. It is at present in a very advanced stage and I think that before the month of March is out it will be possible to make it public.

It should not then be very difficult for our Council of Ministers to establish, with the help of the Commission, a real programme of work and a time-table. This is the first thing we have to do in common.

The second is to get down to the major decisions still to be taken on agricultural policy. These are of three kinds. First, market organizations: these do not yet exist in the tobacco, wine and fisheries sectors, and here we shall have to reach decisions in the near future. Then there is the definitive finance regulation for agriculture. As you know, the present regulation expires at the end of this year, and the Community is therefore faced with the great problem of working out and bringing into force a definitive financial regulation. Finally, there is a whole range of structural problems. A moment ago I listed for you the problems of prices, of balanced conditions on the various markets and of structures, all of which incidentally are closely linked and all of which will need to be decided at various points during the year. On the whole 1969 will certainly be a great year in this respect.

Where industry is concerned, I would not want to reiterate the speech which I made in this House on 15 May last when, on behalf of my colleagues, I set out the essence of the Commission's views on industrial policy and indicated that they would need to be differently formulated when we were dealing with the Communities' industrial activities as a whole, with the traditional industries and with the growth sectors.

Since then things have moved on. I have just spoken to you of our white paper on nuclear and research problems. In the technological field you know that the Maréchal Group has fortunately now been allowed to resume its activities. In the next few days we may expect the report of the Group, which is now presided over not by M. Maréchal but by M. Aigrain; it will be given the closest attention. Finally, as I reminded you a while ago, a memorandum on energy policy has now been tabled.

I planned to say nothing about the Community's general economic situation, as I believed that a general debate on this subject would begin tomorrow. If the debate is not held this time, it will be for next time. I would in any case not wish to anticipate on the statement which will be made by my colleague, M. Raymond Barre, who gave you an overall view of our approach to these problems at the last session of the Parliament. So much for our normal tasks within the Community.

I would now like to say a few words about what has been called the strengthening of the Community. This is a rather curious expression, for we have sometimes had the impression that all it is intended to mean is the normal pursuit of the policies to be worked out in conformity with the Treaty. We do not feel that the normal pursuit - I deliberately use this word twice - of the Community's activities in framing and building up the common economic policies constitutes a strengthening. It is simply a matter of the normal development of the Community as laid down in the Treaty.

In our eyes strengthening means something different. It means special measures which must be taken because the Community's development demands them and because in a certain sense they are linked with the enlargement of the Community. I will speak to you on this question of enlargement in the second part of my statement, and confine myself for the time being to the matter of strengthening the Community.

In the Commission's view strengthening is first and foremost the problem, which has long been awaiting solution, of granting the Community resources of its own. As you know, this problem created very great difficulties in 1965, but has now matured sufficiently to be tackled in a less strained atmosphere. The Community can now ask itself the question - which is largely linked moreover with the adoption of a definitive finance regulation for agriculture - whether the time has not come to obtain resources of its own of such a sort that its day-to-day life will no longer depend on the fluctuations that occur in the national policies of the Member States.

We think, too, that strengthening the Community means strengthening its institutions.

In this respect I can refer to the declaration we made in this House on 1 July 1968, a declaration which the Parliament will certainly not have forgotten. In it we devoted to the strengthening of the Community a whole paragraph of our considerations on the Commission's powers of management, which should in our view be reinforced, and on the authority of the Parliament, which should be strengthened both in its powers and in the way it is recruited, in other words, in the method of its election.

Finally, we had referred, and we refer again, to the merger of the Treaties as a further measure which will have to be carried out in the coming years in order to strengthen the Community.

And here we are faced with an important question. I brought it up at the Council of Ministers last week, and planned to deal with it in clear terms in public session before this House. You

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know that among the European public there are some who wonder whether there is not a kind of choice to be made between the enlargement of the Community and its strengthening.

Some people within our Community are wondering whether by strengthening the Community, thanks to this and that major measure I have just indicated and to the completion of our common policies, we are not going to complicate the negotiations on enlargement to which so many people inside and outside the Community are justifiably attached. This is not the opinion of our Commission, and we should be clear on the point. The Commission has discussed the matter and considers that we must in any case strengthen the Community. This strengthening is indispensable in view of the Community's importance, its weight and the problems it has to master as the years go on, particularly in a period which has ceased to be one of construction and is already one of administration.

As we said in the Opinion submitted to our Council in September 1967, strengthening the Community is one of the preconditions for its enlargement. In any case it would make it easier to solve the problems with which we shall have to deal at that time. As and when membership of the Community expands, as we are convinced it will, when, instead of being six States, we are eight, nine, ten and perhaps more, we will have to ask ourselves - and we have done so already - what measures will need to be taken if our Community is to remain a handy instrument, if it is to continue in the framework originally planned and not to be weakened by its enlargement. As you know, our Commission devoted much time to this study during the summer and at the beginning of the autumn of 1967. These studies could doubtless be rounded off. I imagine that one day they will be discussed again more thoroughly in the Council, but the problem is still with us.

When, furthermore, we survey in the light of our experience what has happened in the last five years, we do not at all have the impression that the development of the Community has hampered its

enlargement. On the contrary, when we compare the situation at the end of 1968 with the one which confronted us in January 1963, when the first large-scale negotiations to widen the Community were broken off, we find that throughout this period the Community was making enormous progress in each and every one of its activities. Far from cooling the enthusiasm of our neighbours and friends to enter the Community, our progress has only encouraged them. This seems very important to us and it should be pointed out clearly to those who entertain doubts as to this way of doing things: the strengthening of the Community through pursuit of the Community policies from 1963 to 1968 has in no way prevented the renewal of applications for membership. On the contrary, our neighbour States are more determined to join us than they were six years ago. The strength and the development of the Community are one of the elements of its enlargement.

Thus, to slow down the Community policies is a bad cause which helps nobody; it does not help the Community.

This is perhaps the time to quote a saying of Pascal: "To kill a man is not to demonstrate a truth; it is simply to kill a man". To slow down the development of the Community does not serve a cause; it is to slow down the development of the Community, and to us this slowdown seems fatal. It is not the way in which the Community or the unity of Europe will be strengthened.

I now come to the second chapter of my statement. It concerns external relations, and I hope that the Parliament is prepared to hear it. Here there are three points which I should like to discuss: the enlargement of the Community, our relations with the United States and the Yaoundé negotiations.

As to the first point, enlargement, I presume that nobody expects me here, in the name of I know not what authority that my colleagues and I do not possess, to distribute prizes, pronounce judgements or look for responsibilities for what has happened.

It is regrettable that our Member States should be in disagreement within a great European institution which is not ours - I mean Western European Union - but with which our Commission maintains real co-operation since we regularly participate in the work of the Council of Ministers of WEU and also very often in that of the Parliamentary Assembly in Paris.

This being so, it is a rather sad matter for us when our Member States are at loggerheads within this Union. It is perhaps even more so when we see that two great European States, one of which is a member of our Community and the other our great neighbour, come to the point of quarrelling publicly, as we saw last month, in a way which gave no joy to us. However, that is the position, and I would not be serving any common interest if I went on to analyse it here. On the contrary, we must endeavour to turn the page on this disagreement as quickly as possible and see what can be done in the future.

I will therefore confine myself to a few remarks. The first is that the problems are still there. No one should imagine that, because there has been a quarrel, the problems are settled; they are still with us. I remember the visit I received from the Indian Ambassador in February 1963, a fortnight after the breakdown, at the end of January 1963, of the big conference on enlargement of the Community. He began the conversation by saying: "Mr. Minister, the negotiations are interrupted, but our problems remain."

It is quite obvious that the problems of enlarging the Community are still there and the wishes of our neighbours are still there. How, moreover, can one make Denmark, Norway or Ireland responsible for discussions in which they took no part and on which their opinion was never asked?

Secondly, we must also realize that not to settle our relations with Great Britain does not prevent the problems from existing. As was pointed out to me once, the fact of not opening the door of the

Community to Great Britain does not settle our problems with that country. When Great Britain has economic difficulties, it takes measures to solve them. Against whom does it take these measures? Against us. Let us recall the notorious surtax of 15%, which hit the Community hard at the time. When the British currency is in bad shape and the central banks have to help Great Britain to navigate a difficult pass, it is first and foremost the central banks of the Community which must intervene. It must not therefore be imagined that relations between our Community and this great and friendly neighbour are settled simply because we refuse to negotiate with it. The problems remain. Moreover, the problem which faces us all is quite obviously that of the union of Europe. If we want Europe to be independent - as we all do in our Commission, our Council and this Parliament - Europe must unite and not remain divided or fragmented as it is today. Since we have succeeded after years of discussions in convincing our European neighbours that the proper method of uniting Europe is in and through the Communities, we must respond to the appeal which has been addressed to us.

I take it that, like myself, you will have felt a certain discomfort that, when the new President of the United States decided to come and visit the European States - I will speak of this visit a little later - he arrived at a time when the Europeans were quarrelling publicly instead of showing the image of a Europe in process of unification.

Ladies and Gentlemen, these problems are not settled and it is still incumbent on us to endeavour to guide them progressively towards a solution.

You will remember that in the course of 1968, failing the negotiations which our Commission had proposed - and it has never changed its opinion on this point - provisional solutions were sought for. As a Commission, we have co-operated in this quest to the best of our ability. We considered that this was our normal role. May I say that we are now having some doubts.

We wonder whether these solutions are not more or less lame ducks. I refer to these commercial arrangements. If commercial arrangements have no political objective (and this is not the wish of the Commission) one may ask whether they are really useful, whether there is any point in presenting them. One may even ask whether they would not rather be grist to the mill of those - and there are such people, particularly outside our Community - who are inclined to believe that a free trade area should be created in Western Europe. Our Commission, I repeat, does not share this opinion.

If on the contrary it is desired to endow the trading arrangements with a political purpose and thus give them the note they should have, and which our Commission hoped they would have in April last, it would seem wise, after the quarrels we have recently witnessed, to wait until the dust of battle has subsided and tempers are cooler. I think, moreover, that they are cooling down. We would then have to reflect calmly on how, in the not too distant future, a fresh opportunity could be grasped. On this point I am giving you the Commission's thinking. Our good will is as great as ever, and if an opportunity should arise to get things moving in the direction of unification and thus of the enlargement of the Community, we would be only too happy to seize it.

Finally, we and all our Governments are at one in thinking that there can be no changing the nature of the Community, no transformation of the Common Market into a free trade area, and no going back on what we have maintained for ten years, that a free trade area is not a good way of organizing relations between highly industrialized countries. On the contrary, it is in a tighter organization and in common policies that we must seek a solution to our problems. In this respect there has been no change in the opinion of either my colleagues or myself.

Nor do I believe that there has been a change in the political thinking of our Member States. On this point our neighbour States must know that if they still want - as I believe they do, and I am glad they do - if they still want to join the Community, it will be

the Community as it stands, with its common policies, its political aims and its institutions.

Of course this poses problems; I mentioned these just now. We studied them in 1967 and we did not then feel that they were insoluble. The study of these problems can be resumed, and we still think that with good will and imagination it will be possible to resolve them.

My second paragraph on external policy relates to President Nixon's visit. My colleagues and myself had an opportunity to speak with him at some length and to thank him for having crossed the Atlantic to see the Europeans at home at the outset of his new period of office. We thought it our duty to stress the political importance of this action. We were very happy to receive the visit of the United States President and, despite the limited time available, we had a fairly detailed round-up with him of the problems of relations between the United States and the countries of Europe, particularly those that are members of the Community, for whom we can speak.

In the course of this conversation three matters were taken up. The first is an enumeration which is easy to establish and which contributes to mutual understanding of the problems which have existed since the Kennedy Round ended nearly two years ago and which have caused concern and sometimes bad feeling between the United States and us.

You know that the Americans complain of our agricultural policy. They consider it is too protectionist, that we are using subsidies to make war on them on the markets of other countries, that this is going too far, and that we are not zealous enough in eliminating certain non-tariff obstacles to trade. We made it perfectly clear to President Nixon that we were quite aware of this list of problems, which in fact we had drawn up ourselves, and that it was our intention not to treat them lightly but seriously.

We had an opportunity on our side to tell him that we were worried by certain measures taken by the United States authorities as regards trade in farm products, particularly in certain sectors which we mentioned to him.

In the industrial field we spoke of the measures taken in the wool sector and which are specially troublesome for one Community country.

We told him that we were not happy about the negotiations in the private sector - in which we thought the public authorities had all the same been to some extent involved - relating to quantitative restrictions on steel, and our concern that this method, which we do not like, might later be extended to other sectors such as textiles. We reminded him that we were still awaiting the abolition of the American Selling Price which had been agreed on in Geneva a year and a half ago, and we found that President Nixon was perfectly aware of these problems.

In this way both sides noted that there were a number of questions, none of which perhaps is of major importance in itself but which when taken together form a fairly impressive array and, it must be said, create a disagreeable climate between the United States and us.

After noting this first point, we came to a second, namely, that we have common responsibilities. What we said to President Nixon on this theme really seemed to please him. We told him that we did not think these problems could be solved either by his country or by the Community and that to solve them we would have to join forces. Once again - for he has done it several times in public - the President emphasized in this conversation how anxious he was that his country should not get involved in a series of measures of protectionist character. Both sides noted that it was impossible for such measures to be settled on one side of the Atlantic alone and that there could be no question of

the United States pursuing a liberal policy on its own if the Community did not do the same, and conversely, that we would have difficulty in maintaining our liberal commercial policies if protectionist measures were taken in the United States. And this common responsibility, the most important point highlighted during this visit of the President of the United States, exists in the field of trade, in the field of development and in the monetary field. It is quite clear that we - the United States and ourselves - are committed to responsibilities which we must shoulder together.

The third point noted is that we will now have to resume this confrontation with the new Administration. I have not pronounced the word "confrontation" in English. When once I employed the word "confrontation" in a conversation in New York, I received the reply. "Confrontation?" Do you mean you are in favour of a clash between the police and the students? It would seem that "confrontation" in English is equivalent to "affrontement" in French. We have therefore avoided this expression.

What we want is to review our common problems jointly, once a year or even on a semi-permanent basis. You will remember that the last review took place a year ago in February 1968, when I paid an official visit to the President of the United States. With the help of my two colleagues, M. Hellwig and M. Deniau, and with our officials, we had an exchange of views at the State Department on the problems confronting the United States and the Community. I must say that this was extremely useful, and the results were appreciable.

We therefore told President Nixon that we would like to resume this procedure and he agreed to this. Together we made arrangements for deciding who would go to the United States and who would come to Europe, and when. All this would be done in the simplest and most friendly fashion. We got the impression that this would be the best way for us to settle all our problems or at least - for we must not be too ambitious - to eliminate a certain number



of them and also to get to understand each other's points of view better and work together on the search for solutions. It seems to me that this is really the essential task awaiting the United States and the Community.

Of our external tasks, finally, I will mention the negotiations on the renewal of the Yaoundé Convention. These have opened in an excellent spirit between our Governments, who are unanimous, and our eighteen Associates. The allocation of responsibilities agreed to has so far not created too many difficulties between the Council on the one hand and the Commission on the other.

I would merely like to say here before the Parliament, so that I may be heard in Africa, how much importance our Commission attaches to the negotiations and how hard it will strive to ensure that they are rapidly crowned with success.

Ladies and Gentlemen, I come now to the final part of my statement. I would like to speak to you of some political difficulties and of the state of public opinion. Of the political difficulties - there are naturally a certain number - I will mention only a few.

The first concerns the harm caused by the veto policy. You will remember that in our declaration of 1 July the terms we used were that "the out-of-date system of the right of veto, which paralyses action, must be done away with".

What has happened since 1 July has only strengthened our opinion that the veto machinery is a bad one - I will again tell you why in a moment - and that we will have to look for better methods to settle problems in dispute between our Member States.

The veto procedure shows a lack of respect on the part of anyone using it - and not only one country is involved, as I will recall a little later - in dealings with his partners. Leaving aside the basic disagreements on the enlargement of the Community, the last striking demonstration which we have had of this was in

the argument about the political consultation which should, or should not, have taken place in the framework of WEU concerning the problems of the Near East. Goodness knows that these are worrying enough and that, as you will remember we said to this same House last year, it is worth while for all our Member States to give thought to what is going on in that part of the world.

And suddenly there is a dispute, a dispute on the point whether or not the Brussels Treaty provides that procedure should be unanimous. I will not go into this problem, so as not to comment on an organization which is not our own. But let us suppose that its decisions have to be unanimous and that one of the partners says: "I consider this meeting pointless and consequently it will not take place." This is what the veto means and it is a hateful procedure. It means that you flout the opinion of the others, that what the Germans, Italians, Luxembourgers, Dutch or Belgians may say is of no importance if the sixth country simply says, "I consider the matter pointless." It is a bad procedure; other and better ones must be found to settle these problems.

I will add that the veto procedures inhibit the development of the Community. At present we have three such procedures initiated by three different Governments. One, which is well known, concerns the enlargement of the Community. The second, which is being applied by another Member State, blocks negotiations with a country of Central Europe. I deplore this and I recently tackled those concerned in this affair. The third is the one by which, after we had convinced one Member State by dint of great efforts to unfreeze the Maréchal Group procedure, discussion of the European company is hindered. However, it is extremely important that we should be able to construct Community machinery, legal and fiscal machinery, which will make it possible to those who so wish - for nobody is obliged to do it - to establish industrial, commercial or banking companies at Community level. The fact that these discussions are being blocked by a Member State is a result of a bad procedure which inhibits the development of the Community.

I now come to my last remark on this point. Not only does the veto cause blocking, which I deplore, but also, and inevitably, attempts are made to sidestep it. This is what we have seen in the Security Council. When the other members were tired of too many vetoes by the USSR, what did they do? The problems which should have been settled in the Security Council were transferred to another forum, another setting; they were taken to the General Assembly, because nobody has a right of veto there.

On a smaller stage we are witnessing similar manoeuvres by which certain of our European States, certain States which are members of the Community, tired of a veto which has lasted too long, are endeavouring to get round it by external procedures, by movements on the flanks. And we then see proposals brought out - you know of those recently made in Rome or Luxembourg - which are so many ways of circumventing the veto at present paralysing the Community.

This is not a very happy state of affairs. It would be better if there were no veto. We would then not see any of these flanking measures. The question is put to us from time to time and was put to me again very recently. What do you think, we have been asked, of the outflanking measures being used to get round the Community? Personally, I think no good of them, but I am not surprised that they should be used. And how can we rail at them if the veto remains in force? Thus, I recently had the opportunity to say to the French authorities - and I also stated publicly at a lecture I gave in Paris on 31 January - that I did not think it wise to block both the Harmel and the Brandt Plans. It is one or the other. If you do not like the Harmel Plan, and this I can understand, you must accept the Brandt Plan, which is moderate and reasonable and which aims at resolving the problems within our organization. A choice must be made, but to block the one and the other is overdoing it. This is not the way we must proceed.

I have laid some stress on this problem for it is a major one in the development of European affairs. And although this part of my address is not the one which gives me most pleasure, I consider that it was my duty as holder of my present office to say here, in public, what I think on the point.

The second political problem I am going to speak about is that of the complementary programmes. You are familiar with this very regrettable expedient to which our Governments have had recourse. As they were unable to agree on the multiannual nuclear programme for the Community, they adopted a provisional mechanism which is to last a year and be reviewed on 1 July. It is a mechanism under which half the Community programmes are financed by the six Governments and the other half by only five of them.

This is a detestable procedure. As we still have a little time to reflect about it between now and 1 July - the final date by which the Council must adopt the multiannual programme at present being worked out - I would like to say here what anxiety I feel over procedures of this kind. I understand very well that there can be differing opinions as to the scope of what the Community should or should not do in a specific field, such as the nuclear field, even though any slowdown in a joint technological effort must be scrutinized closely and if possible avoided. I could understand that Member States which have to make reductions in their national programme should ask for a reduction of the Community programme. The pros and cons are open to discussion, but the system under which half the programmes are financed by everybody and the other half only by those actively concerned is a detestable one and profoundly dangerous for our Community. For once this procedure is accepted there will be nothing to prevent it being extended to other sectors, and then what will we see?

I will mention an example which is very topical - that of the Community's agricultural policy. Between now and the end of the year we are going to have to rediscuss the financing of the

Community's agriculture. Just picture the Member States extending the idea of complementary programmes into agricultural policy! Nothing could be more dangerous! I said to the French authorities - and repeated it publicly in Paris, for these things have to be said very frankly - can you think what would happen if in the field of agricultural financing we were to accept this principle which you, the French, have created in the nuclear field? In 1969 France is to receive three hundred million u.a., equivalent to 15 000 million Belgian francs, which will be paid by its partners to help finance the French agricultural policy decided on in the Community framework. That is Community policy, and rightly so! However, the share which the French Government is being asked to provide for Euratom is 15 million, that is to say the twentieth part of what it will receive under our agricultural policy. And France tells us that it will pay only half this amount!

I have asked the French authorities to reconsider this attitude, which is a very dangerous one. And although I can understand that France, which has pursued further than other countries its national effort in the nuclear field, should perhaps have less need than others of the policies followed at Community level, it is still true that the principle of holding one's hand when called upon to help finance policies of which one has no great need could lead to disastrous consequences. The day when a Member State says, for example, that it considers exports of French wheat to China not of major interest to it and that consequently they should be covered by a complementary programme, action by the Community will truly be endangered.

This being so, I ask all who bear responsibility in this field to act in such a way that the concept of complementary programmes be eliminated from our nuclear programme, which the Council is to decide on by 1 July, and that programme be laid down and financed by all.

I will close by speaking to you of the condition of public opinion. The present state of European opinion presents a very curious spectacle. But we must distinguish between the opinion of

Governments and opinion in general, which finds expression in all the many ways with which you are familiar.

I note first of all that the Governments - I mean those of the Member States - are in disagreement on a certain number of important problems (which I have enumerated) but are fully determined, all six of them, to continue the Community undertaking. The incidents we have seen recently are extremely enlightening in this respect.

For example, we could have seen one Community Government - since this intention was attributed to it in the press - tell us that the machinery had to be changed, that the Common Market had to be transformed, that a free trade area had to be set up and that special responsibilities had to be given to certain leading European countries. However, the Government concerned has said the contrary. It has convoked the Ambassadors of the Five to tell them: "That is not our policy, you should not believe it, we are continuing the Community task." And in order to provide us with proof, the Council which followed these events eight days ago in Brussels was an extremely constructive one at which important decisions were taken in common. Not only did it adopt customs regulations which are the result of years of effort by our Commission and the Council but also concluded two important negotiations on which I worked a great deal in the past and which have just been completed by my colleague, M. Edouardo Martino: the negotiations with Morocco and those with Tunisia. At the end of this month we will be going to Tunis and Rabat to sign these agreements.

We have no doubt that, despite everything which may separate them, the political will of our Governments is a unanimous will to pursue and develop the Community venture. For my part I have no qualms on this point.

On the other hand there is public opinion, and this is really in very great disarray. When we come to a political turning point in the Community, the public imagines that it is a dangerous corner; when there is a molehill, it is looked upon as a mountain. When there is an incident, the public smells a crisis, if not a catastrophe.

I think that it is the "you are there" methods of transmitting information, so different from those of former times, which have produced this result. I believe that responsible statesmen work with an eye to the long term, unlike public opinion, which reacts in the immediate context.

This, I need hardly say, imposes on all of us enormous efforts of persuasion. My colleagues are constantly at considerable pains to make statements in the various Community countries to convince public opinion that in reality things are not as catastrophic as people claim. In my own particular case, since the office of President is naturally rather special, I note that, independently of my normal duties, and taking only my schedule of engagements from 1 January onwards, I have spoken in the eight weeks since that date at Düsseldorf, Brussels, Ghent, London, New York, Lyons, and Rome. Everywhere I have found sympathetic but astonished audiences. How is it possible that the President of the Commission is not in despair? How can it be that the President of the Commission is not discouraged? What, doesn't the President of the Commission think everything is going to rack and ruin? No! They saw a President who is fully aware of the problems and anxieties, a President who does not claim that everything is going smoothly in the Community - I have just told you why - but who does not manifest the slightest doubts about the future of our great undertaking.

Ladies and Gentlemen, this is what we, as the members of the Commission, can do.

But there are circles, and I now turn to the Parliament, to which we have less access, circles to which the European Parliament has an access which we do not have. I mean the national parliaments. We members of the Commission have no access to these, but you, Gentlemen, have certain possibilities of action there, not only because you are members of these parliaments but because your officers have access to them. About a week ago we received President Poher, who did us the honour of coming to see us with the other officers of the Parliament, who were approaching the end of their period of office.

We spent the late afternoon and evening together reviewing the problems of the Community with him and his colleagues. This was an excellent idea! Ladies and Gentlemen, could not your new President and officers do the same thing in the national parliaments? Would it not be a good thing if you were to go to Bonn and discuss the agricultural policy? Would it not be a good thing if you went to Rome and discussed the tax on value added, to convince the Italian Parliament that this matter should be settled this year? Would it not be a good thing if you went to The Hague to discuss with the members of the Dutch Parliament the advisability of a joint effort to advance the European company? I think, Gentlemen - it is just a suggestion - that we have here something which the Parliament could do pending the day - for which, like all my colleagues, I long with all my heart - when it will be an elected Parliament. For I believe that there will be no better means of making Europeans and public opinion aware of Europe than giving Europeans the right to vote. I do not say that this will be a revolution, but it will be an event. And when I think of the young people who, yesterday, were shouting on this rostrum - it was certainly not a very happy idea, for the place is not a suitable one - but who were also expressing very attractive federalist intentions, I believe that rather than seeing them on a rostrum draped with banners, they should be given the right to vote. When they have attained the requisite age it would be normal for our European youth to have the right to vote to elect the European Parliament.

Ladies and Gentlemen, I have now come to the end of my statement. I admit that it has been rather long, but I felt it would be profitable to make a general round-up of the political situation. I would not wish to leave this rostrum without telling you that my colleagues are unanimous in their unshaken and unshakable confidence in the future of the greatest undertaking at present going on in the world - unification of the continent of Europe.