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EXTRACTS FROM A SPEECH BY SIR CHRISTOPHER SOAMES, VICE-PRESIDENT OF THE COMMISSION, TO THE GERMAN SOCIETY FOR FOREIGN POLICY, HOTEL KONIGSHOF, BONN - 21 MAY, 1974.

The Federal Republic has been unfaltering, constructive and generous in its psychological and political and economic contribution to our Community. I have admired the effective yet sensitive manner in which the Federal Republic has built up its economic strength during the past quarter century and the constancy of its dedication to the European idea. It has been of special value to Europe that here the attachment to European unity runs right across party lines. That is not, alas, yet the case in all our countries!

1973 was a year of pressures - pressures on our economies, on our individual governments, on our societies - and do not let us delude ourselves, there is more to come... In the very difficult times which clearly lie ahead of us, the new leaders of Europe will be called to give that decisive leadership which can only come from Heads of State and of Government. Politics is the art of the possible. But the art of the statesman is to make possible that which is necessary.

In the past, it has largely been what was going on in Europe that determined the Community's actions, the shape of its institutions, indeed its character and essence. Now the enlarged Community has increasingly to meet the demands not only of our internal problems, but even more - indeed above all - the demands that are made on us by world problems. It is imperative that we gird ourselves to respond to these external challenges, and to contribute to these world tasks.

First, our Member States must, together, consciously summon up the political will to arrive at common foreign policies. Second, they must, together, create an institutional framework, in some way grafted on to the Community, which enables these policies to be effectively expressed, explained, and pursued. Not to do this would be to abdicate that measure of control over our international environment which should be ours... It is only by pressing on towards a more politically united Community that we shall earn the full support of our peoples which is so essential if we are to rise to the global challenge which remains Europe's destiny.

Just because of the difficulties, just because of the dangers that surround us, now is the time to try harder. Unless we have the determination to go forward, we shall be slipping back and slipping fast. The international system of co-operation could disintegrate before our very eyes, as it did in the thirties, and unless we cement the political coherence of our Community, not only could the economic framework of Western Europe collapse, but we would also bear a heavy share of the responsibility if the world at large regresses into disasterous protectionism.

USA

What we are now seeking to construct with America is not an extension of German-American, Franco-American, or Anglo-American relations, but a truly European-American relationship, in which the European Community can - if it but will - play a far more valid, far more equal, far more effective role than any of our Nember States ever did - or ever could - on its own.

EASTERN EUROPE

Because the Community now has a common commercial policy, national trade agreements will expire at the end of this year. But it is open to any East European country that wishes to do so to seek the negotiation of a Community-wide trade agreement. We are conscious of both the economic and the political importance of this trade, and are more than willing to do what we can to further it. Any such new arrangements will, we hope, be more on both sides than simply the addition of the nine pre-existing sets of bilateral arrangements, and may well prove the occasion for new perspectives in this field.

THIRD WORLD

Now, with the rise in petrol prices and the prices of other vital primary commodities, many of the poorest countries face ruin. The Commission proposes that the richer nations - including of course the oil producers, - should set up an emergency fund of 3 thousand million dollars (to which the Community would contribute 500 million) to offset to some degree the loss in these countries' purchasing power. Whatever our domestic and balance of payments problems, the richer countries must surely move now from words to deeds.