

EUROPEAN ECONOMIC COMMUNITY

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PRESS RELEASE

Herr von der Groeben on the prospects for EEC.

On Friday Hans von der Groeben, a member of the EEC Commission, warned a meeting at the Gildenhuis in Bielefeld against underestimating the gravity of the present crisis in the movement for European unity. "Our problem today is no longer just the question whether further progress can be achieved; it is that the basis of our whole policy may be in danger."

In this situation it was, he said, necessary to recall the objectives which European policy had so far pursued:

- (a) A large European market, which was necessary in order to give full play to the productive forces of our peoples;
- (b) A Europe which, using this foundation, would move on to political unity, and
- (c) An Atlantic partnership in which this Europe would be linked with the United States of America on a footing of equality.

These aims were not only still valid; they were still attainable. The success which EEC had achieved even in the current year provided specially good reason for such optimism. Von der Groeben mentioned in particular the positive results which were beginning to emerge from the economic policy recommendations made by the EEC Council of Ministers to combat inflation, and the agreement in the Council on the list of exceptions for the Kennedy Round. "Behind these events, which appear rather technical, lies much of the Community's common industrial policy. We have succeeded once again in demonstrating our liberal policy to the whole world. The result of the process of unification of the European Economic Community has not been to cut it off from the surrounding world, but on the contrary that it is proving to be a decisive stimulant for world trade."

In this way the Community proved to be the basis of any European policy. The starting point for any solution of the present crisis therefore also lay in EEC. "In the European Economic Community there is no getting around the fact that the question of grain prices must first be solved." Whereas in the industrial field the inter-penetration of markets to form a common internal market had already made great advances, agriculture was still largely broken up into six national markets, as it had been when the European Economic Community

started. In solving the grain price question the French interest in a common agricultural market had to be considered in the same way as the legitimate claim of German agriculture that the task of adapting itself to the modern industrial economy and to the common market should be facilitated.

It had moreover become clear that the progress of economic integration must henceforth be accompanied by co-operation in foreign policy and defence policy. "Here very different conceptions still confront each other. For this reason we cannot begin with integration in these fields, but gradually we can move towards co-operation, starting with genuine consultation." For "it is better to speak with each other than to act without reference to each other." Once the grain price question had been solved, the Federal Government's European proposals could quite well serve as the basis for further action. Continuation and completion of economic integration therefore appeared increasingly as the key by which the political problems besetting Europe and its relations with the other countries of the free world could be resolved.

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