

*The National Broadcasting Company Presents*



# MEET THE PRESS

*America's Press Conference of the Air*

*Produced by* LAWRENCE E. SPIVAK

*Guest:* DR. WALTER HALLSTEIN,  
President, European Economic Community

MR. ETIENNE HIRSCH,  
President, European Atomic Energy Community

MR. PAUL FINET,  
President, European Coal and Steel Community

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# MEET THE PRESS

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**ANNOUNCER:** Now, MEET THE PRESS, produced by Lawrence E. Spivak. Ready for this unrehearsed conference are four of America's top reporters. Their questions, please remember, do not necessarily reflect their point of view. It is their way of getting behind the headlines. Now here is the Moderator of MEET THE PRESS, Mr. Ned Brooks.

**MR. BROOKS:** Welcome once again to MEET THE PRESS. Our guests are the three Presidents of the European Community, whose members are France, West Germany, Belgium, the Netherlands, Italy and Luxembourg. The representatives of these three nations are working toward an economic and political integration with the ultimate goal, a United States of Europe. With a population close to that of the United States, the six nations have an economic potential as great as that of the Soviet Union. Our government has encouraged the European Community as one of the bulwarks against Communism. The three Presidents came to the United States on an official visit.

Now, meet our guests, Dr. Walter Hallstein, President of the Economic Community, former law professor, former Secretary of State for Foreign Affairs for West Germany; next, Mr. Etienne Hirsch, President of the Atomic Energy Community, former chief economic planner for the French Government; and Mr. Paul Finet of Belgium, President of the Coal and Steel Community, one of the leaders of the trade union movement of Europe.

Panel members, you may direct your questions to any of our guests. They are here to answer and also to observe. We will start the questions with

Mr. Spivak.

**MR. SPIVAK:** President Hallstein, there have been many reports to the effect that Dr. Adenauer changed his mind about giving up the Chancellorship because he was afraid that Dr. Erhard would be cool towards the Common Market. Would you be concerned about the success of the Common Market if Dr. Erhard became Chancellor?

**PRESIDENT HALLSTEIN:** No, I wouldn't. Dr. Erhard has immense merits for the recovery of the economy of Western Germany, and I have no doubt that, as he has done as Minister for Economic Affairs of Western Germany, he would always be most helpful in bringing about the biggest success for European intergration.

**MR. SPIVAK:** In April of this year, Dr. Erhard suggested a 17-nation free trade area. What would the effect of such an area in Europe have on the Common Market?

**PRESIDENT HALLSTEIN:** I think it is absolutely in the line of the basic philosophy of the Common Market to extend the advantages of a liberal commercial policy to other European countries, and there is agreement among the six governments that some sort of association should be brought about to the effect to have them participate in these advantages.

**MR. SPIVAK:** You, I would take it, would be for such a free trade area, then?

**PRESIDENT HALLSTEIN:** Our Commission came out the first of March of this year with a memorandum dealing with the matter, and there we have pronounced our own opinion that we are looking for a way to solve the problems of such an association.

**MR. SPIVAK:** Why is it then that there have been so many charges in Europe and in England, particularly, that the Common Market is splitting Europe into two hostile camps, that one is your Common Market and the other is another Common Market which England is trying to form with some of the Scandinavian countries?

**PRESIDENT HALLSTEIN:** That is because many people are overrating the consequences of a different treatment of states inside and states outside of our Community. I just got the last figures on foreign exchange of the commercial exchange trade of Community countries with the countries outside, and they clearly show a big increase of imports in the community countries during the first quarter of this year—a much bigger increase of imports out of the OEEC [Organization of European Economic Cooperation] countries into Community countries than vice versa.

**MR. SPIVAK:** Am I to understand then that you do not believe that another Common Market group would do your Common Market group any damage?

**PRESIDENT HALLSTEIN:** Certainly not.

**MR. FREEDMAN:** President Hirsch, what can the United States do now to promote greater cooperation with the European Atomic Energy Community in developing the peaceful uses of atomic energy?

**PRESIDENT HIRSCH:** As you know there is already an agreement between our Community and the United States, and this agreement is starting to work, in effect. That is an agreement which is not only to help the Community but it is also meant to help the United States, that is, it works both ways. The amounts of money which are appropriated on each side for the development of research are equal. The results will be available both to the United States and to the Community countries.

On the development of power plants, we have received a few weeks ago letters of intent from the public utilities, who state that they intend to make use of the facilities which will be granted to them in getting special fuel and some facilities. When they are in operation, the results both technical and economical will be available to all members of the Community and at the same time to the United States.

**MR. FREEDMAN:** Do your European scientists want more information from this country?

**PRESIDENT HIRSCH:** Certainly. I think all scientists are very keen on getting the most information possible. As soon as any information can be made available, it is of universal use and that helps us.

**MR. DALE:** I would like to address this to President Finet: Our impression here is that the Coal and Steel Community failed to meet its first real test of the supra-national idea, and that came up over the coal surplus crisis this year. Is it true, Mr. President, that the members in the end voted for their own national interests rather than follow the recommendations of the High Authority of which you are the head? Is that the case?

**PRESIDENT FINET:** I don't dare to say that is because of some survivance of nationalism, that the six governments don't accept the proposal put forward by higher authority. I think that the six governments don't forget the arrangements they made in ratifying and in the application of the Treaty. But it seems to me that the six governments don't agree about the basic idea of the High Authority. The French government and the German government were thinking that it was not a general crisis in the coal industry but it was only located in one country. That country is Belgium. But it was the rule of the Treaty that before making or taking some measures, the High Authority was to get the agreement of the six governments.

**MR. DALE:** Do you expect it to be easier to get the agreement of the governments in some future test than it was this time?

**PRESIDENT FINET:** I don't know. You see you are asking me to make some prophesy, and I am unable to do that.

**MR. CHILDS:** President Hallstein, does the fact that the Common Market includes West Germany, while East Germany is a part of the Soviet economic empire, mean in effect acceptance of the permanent division of Germany?

**PRESIDENT HALLSTEIN:** By no means.

**MR. CHILDS:** But doesn't it become very much more difficult to

unite Germany, and isn't it a fact that if Germany were united and in the Common Market, Germany would have the preponderance of economic power?

**PRESIDENT HALLSTEIN:** No. I think the chances of bringing about German reunification are improved by the work of European integration. The stronger Europe becomes, the better are the chances of coming to an agreement on the East-West problems of which German reunification is a very important one.

**MR. CHILDS:** But doesn't that mean the stronger Western Europe becomes—the Common Market—the less likely the Russians are to surrender their hold on East Germany?

**PRESIDENT HALLSTEIN:** Nobody can say today what conditions must have materialized until the Russians will come to a point that they agree to the reunification of Germany. But it is certain that certain things have to change until we have reached this point.

**MR. CHILDS:** In your Treaty you say it will take 12 to 15 years to bring the Common Market into being. Would you anticipate that Germany would be reunified before that date, President Hallstein?

**PRESIDENT HALLSTEIN:** It goes beyond all capacity of prophesy to say when the time will be reached. I wouldn't dare say anything concrete on that.

**MR. CHILDS:** But you don't think a divided Germany is any handicap for the Common Market whatsoever?

**PRESIDENT HALLSTEIN:** I don't think so, no.

**MR. SPIVAK:** President Hirsch, as I understand it, all three of you Presidents are strongly for a united Europe and look forward eventually to a political unification of the six countries involved in the European Community, is that true?

**PRESIDENT HIRSCH:** That is absolutely true. I can say for myself and certainly for my colleagues that we never would have accepted such a job, which is not an easy one, if we didn't do that in order to accelerate the unification of Europe. This process has started. We have great confidence on achieving—we can't prophesy how long—a real United States of Europe.

**MR. SPIVAK:** Do you think there is much chance that the European Community will achieve political integration in the face of France's rising nationalism?

**PRESIDENT HIRSCH:** There are ebbs. Things move—ups and downs. Things move. We must not only look at what is happening today; we must see the trends as they are. I am quite confident that the younger generation in France knows that the only hope for giving to our culture—for which we stand, which is so important in Europe—for giving it the chance of surviving and not having what happened to Greece, is to unite.

**MR. SPIVAK:** Are you suggesting then that President de Gaulle's France is an ebb?

**PRESIDENT HIRSCH:** I think the judgments which are made of President de Gaulle's position are simplified. General de Gaulle, contrary to what was expected from him as soon as he came into power, made a very clear statement that the treaties as they were signed would be applied, and up to the present we have no single sign that this is not the fact.

**PRESIDENT HALLSTEIN:** May I add, perhaps, one remark concerning this point. I think it is not quite correct, or at least not quite complete, to say that economic integration, as we represent it here, is only a step toward political integration. It is already the beginning of political integration. For that reason it does not only consist of abandoning trade barriers, but at the same time, policies which so far have been isolated state policies, have merged. The very existence of our Treaty with our Communities is the functioning of common Community policies.

**MR. SPIVAK:** When you speak of an integrated political unity, do you really mean a United States of Europe in the sense that we have a United States here in America—where you will have one political head, and you will have a Congress that deals for all of them?

**PRESIDENT HALLSTEIN:** I think it is premature to say today what specific form complete political unification of Europe would take, but we have already a structure, a setup of institutions, which are quite similar to any federal structure. We have the executive branch as it is represented by our Commissions; we have a judiciary, sort of Supreme Court; we have a European parliament, quite different from the national parliaments; and we have a Council of Ministers where the states rights find expression—are represented.

**MR. SPIVAK:** Yes, but you have to have a fading away of nationalism, don't you, in order to get the political integration that you are looking for?

**PRESIDENT HALLSTEIN:** We have it already. Otherwise, we would never have come as far as we have come.

**MR. SPIVAK:** Even in the face of what Prime Minister Debré of France, said, for example: "Where there is no nation, where there is no fatherland, there is no freedom"?

**PRESIDENT HALLSTEIN:** But Prime Minister Debré has accepted these communities as a living reality, and he has solemnly confirmed the decision of his government to respect and execute the treaties. If I am right—I hope I am—that these treaties are already a part of a political structure—then, we have already the actual support of the French government of such a policy.

**MR. FREEDMAN:** President Hallstein, you referred to the Common Market's desire to reduce the barriers to trade. But isn't there a great danger that the Community will discriminate against the trade of all other countries?

**PRESIDENT HALLSTEIN:** It depends on what one understands by discrimination. If two people marry, of course, all others are discriminated against in a way. You cannot admit as we do and as even the GATT

[General Agreement on Tariffs and Trade] rules do—the rules of this world-wide agreement on trade and tariffs. If we agree that it is possible to form a customs union, we accept already the idea that it is lawful to make a distinction between the treatment of people living inside this community and people living outside. So, practically, your question leads to the point where we have to ask ourselves, what will the external, what will the commercial policy of that Community be.

**MR. FREEDMAN:** And what is your answer to that question?

**PRESIDENT HALLSTEIN:** There are two answers: One answer is given by the Treaty itself, because the Treaty commits us, commits all the institutions of the Community to lead a liberal trade policy. There is another point; even if there were no commitment of this sort in our treaty, we have to lead a liberal policy because we depend on trade. We are, as you know, mainly a manufacturing area. We need imports; we need imports of raw materials, and we need exports in order to give work to do to our own labor. Therefore, we cannot even exist without a free exchange.

**MR. FREEDMAN:** One last question. As a practical matter, what is the Community doing right now to deal with the problem of monopolies and cartels?

**PRESIDENT HALLSTEIN:** We have to pass some additional legislation. We have already rules on competition, free competition and rules against cartels and monopolies in our Treaty, but they are not complete. We have to rely on some additional legislation in the six countries. Some of them have it already; some have not. Some time ago we passed a suggestion, an invitation, to three of our six governments to go on with this legislative effort in order to make the legal basis for this effort complete.

**MR. DALE:** I would like to pursue with President Hallstein this idea of the external tariff of the Common Market. It is correct, first, to say that the outcome of that is still not known, we do not know how high a tariff against American goods, for example, there will be ten or twelve years from now. Is that correct?

**PRESIDENT HALLSTEIN:** Partly yes, partly no. It is correct insofar as we do not have for every single item the exact tariff. But we do have an indication of what will be the scale of this tariff, because we are all committed to stick to what we have been committed by the GATT rules. We are only allowed, according to the GATT rules, to bring about a customs union if the external tariff of the whole Community is not higher than the average tariffs of the six so-far separated national units. We have lived up to this commitment. Our treaty, indeed, foresees a level of tariffs which is exactly defined by this rule. It is, as a matter of fact, even lower.

**MR. DALE:** As I understand it, in the fall of 1960, next year, your Community will begin to negotiate with the Americans, we using our authority under the Reciprocal Trade Law, to get that level of tariffs even lower, is that correct?

**PRESIDENT HALLSTEIN:** That is correct.

**MR. DALE:** And if we are able to negotiate you downward, then, this new lower level will apply to the whole world, is that correct?

**PRESIDENT HALLSTEIN:** Indeed. Indeed.

**MR. DALE:** Do you anticipate significant reductions in tariffs of the six as a result of these negotiations? Are you looking toward that, or are you going to try to keep those to a minimum?

**PRESIDENT HALLSTEIN:** It certainly does not depend entirely on us, because a tariff negotiation is always a give and take. As far as we are concerned, we are perfectly willing to bring the tariffs down as much as we can.

**MR. CHILDS:** It has been said that the attraction of the Common Market is so great that within a year to a year and a half, even though you make no moves at all, Britain and the six other countries who are outside the Common Market will have to join up with you. Do you believe that is true?

**PRESIDENT HALLSTEIN:** It is difficult to say, because, as you know, joining the Common Market means abandoning parts of national sovereignty, and the main difficulty we have run into during the former negotiations, the Paris negotiations in the framework of OEEC, when we tried to bring about a free trade area, was just this one, that our partners in this conversation have not been willing to accept such rules whereby they lose part of their autonomy with respect to foreign trade.

**MR. CHILDS:** I wondered if you could tell me what steps you in the Common Market are taking to try to resolve the conflict with the British, which seems fairly acute?

**PRESIDENT HALLSTEIN:** We are just now proceeding in a pragmatic way. That is to say, we have extended, immediately after the coming into being of the first lower tariffs in our community, these advantages to a high degree—not absolutely to a degree of 100 percent, but to a very high degree, to our partners in the OEEC, to the other European countries, and by way of the most favored nations clause, extended to other countries as well.

**MR. CHILDS:** Would you say that the future of the Common Market depends upon resolving this conflict, or can you go ahead regardless of what happens to the British and the other six?

**PRESIDENT HALLSTEIN:** I would say personally—and I think I said it already a minute ago—that the good development of the Common Market depends highly upon a liberal policy of the Common Market, and this with respect not only to our European neighbors but to all other trading units in the world as well.

**MR. SPIVAK:** I would like to direct this question first to President Hirsch and then to President Finet: You already have a surplus of coal and unemployment in the coal industry in your Communities. Isn't this going



to be made worse as you begin to develop more and more atomic energy?

**PRESIDENT HIRSCH:** I would say that the problem of atomic energy is not for tomorrow. The new power plants which will come into operation won't come into operation before 1964. In the meantime, we hope--and we will do our best with various governments--to incase economic expansion. The problem of coal at present is largely due--partly, but largely, to the fact that economic expansion has not followed the pace which we enjoyed during the last ten years, so that we foresee that in 20 years' time, for instance, with economic expansion, we will require four times as much electricity.

**MR. BROOKS:** I am sorry that I am going to have to interrupt. I see that our time has run short. Our thanks to all the three Presidents of the European Community for being with us.

**Next Week: Mr. Thomas Patton, President, Republic Steel Corp.**