FOURTEENTH JOINT MEETING

of the Members of

THE CONSULTATIVE ASSEMBLY

OF THE COUNCIL OF EUROPE

and the Members of

THE EUROPEAN PARLIAMENT

(STRASBOURG, 21ST AND 22ND SEPTEMBER 1967)

OFFICIAL REPORT OF DEBATES

STRASBOURG

NOTE

This edition contains the original texts of the English speeches and translations of those delivered in other languages.

The latter are denoted by letters as follows:

(*F*) = speech delivered in French.

(*G*) = speech delivered in German.

(*I*) = speech delivered in Italian.

(*N*) = speech delivered in Dutch.

The original texts of these speeches will be found in the separate editions which are published for each language.

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FIRST SITTING

THURSDAY, 21st SEPTEMBER 1967

IN THE CHAIR : Mr. ALAIN POHER
President of the European Parliament

The Sitting was opened at 3 p.m.

1. *Opening of the Joint Meeting*

The Chairman (*F*). — The Sitting is open. I declare open the fourteenth Joint Meeting of members of the Consultative Assembly of the Council of Europe and members of the European Parliament.

May I remind you that the rules of procedure in force are those which were agreed upon jointly, on 22nd June 1953, by the Bureau of the Consultative Assembly and the Bureau of the European Parliament.

I would ask members who wish to speak to put their names down on the list of speakers in room A 70 before the close of this afternoon's sitting.

2. *Exchange of views*

The Chairman (*F*). — We shall first hear the presentation by Mr. Pedini, Rapporteur of the European Parliament, of the Report to the Consultative Assembly of the Council of Europe on:

I. The European Community after ten years. An economic and political assessment.

II. Activities of the European Parliament from 1st May 1966 to 30th April 1967 (Doc. 94 E.P. = Doc. 2250 C.A.).

I call Mr. Pedini.

Mr. Pedini, *Rapporteur of the European Parliament (I).* — In briefly introducing the report which I have had the honour of presenting on behalf of the European Parliament, let me record with satisfaction the substantial identity of political assessments between my paper and the report of the Council of Europe.

The subject selected calls for a review of those ten years which have imparted life and substance to the European Economic Community.

When the Rome Treaties were signed, and when, still earlier, the Treaty of Paris was signed, we were only too conscious that a political situation had been reached in which the frontiers, and some of the functions, of the age-old European nations had been overtaken by events. Peace, industry, security, economic progress, scientific research—none of these things could any longer be circumscribed by national boundaries. The strength and prestige of great nations like the United States of America or the Soviet Union originated still more in the juridical fact of their political unity than in their economic wealth.

What made Europe so weak, so extremely weak, in those years was less the economic gap than the political gap. The

United States of America was already a great power because it had a single government, it had unity, both of economic and of political structure.

To give flesh and bones to the Treaty of Paris, first, and then to the Rome Treaties signified a commitment on the part of the peoples of Europe emerging from a fratricidal war to the task of establishing a new "Community-type" State, on a continental scale in which the old-established nations could combine and transcend themselves. If, then, the achievement of these ten years shows gaps and inadequacies, they are justified by the very size of the task; which at the same time enhances the work accomplished and the intuitive wisdom of our best elements.

In these ten years, generally speaking, the process of integration between the six countries of the European Economic Community has gone on and is still going on—this is the interesting point—without detracting from the identity of the individual nations that signed the Treaty of Rome: on the contrary, membership of the Community has enabled these nations to express their political personalities and their economic attitudes still more effectively.

There is, moreover, one fact that illustrates how, notwithstanding periodically recurring crises, the good will of the signatory States of the Rome Treaty has proved a reality. That Treaty allows for recourse to escape clauses when economic difficulties make the process of economic integration a dangerous undertaking. Yet, in the ten years of the Community's history, despite recurrent economic crises, no member State has ever made use of these emergency provisions or jeopardised the building of the European Economic Community on account of its own domestic difficulties.

The account which I am placing before you demonstrates how, in the implementation of the Treaty, we have gone beyond what was required, we have contrived to initiate phases of Community action which were not actually foreseen in the original agreements.

A year ago we were discussing in this hall the opinion of the European Parliament on the economic programming of the six EEC countries. But such programming was not prescribed in the Treaty: it is the outcome of the actual realisation of European integration in its essential aspects.

Undoubtedly, we must see in this progress of the European Economic Community the fruits of the highly important functions performed by the Commission, then presided over by Professor Hallstein.

We owe it largely to the imagination of the men of this historic Commission that so many essential elements of the Treaty of Rome have been translated into practice.

The data showing the economic and social advance of the EEC during these years speak for themselves. The gross national product of the Community has gone up since 1958 by 45 per cent, as against an increase during the same period of 29 per cent for the United Kingdom and 38 per cent in the United States of America. Industrial production has registered a 50 per cent increase, and intra-Community trade has risen by 238 per cent. And this economic development of our nations possesses an additional merit. It does not merely satisfy one of the fundamental objectives prescribed in the Rome Treaty—to secure harmonisation in the development of living conditions for our several peoples and human progress within the bounds of the European Economic Community by virtue of the economic policy of individual and social freedom which is characteristic of our way of life. What I take pleasure in emphasising in this introductory statement is the fact that EEC's development has not been achieved at the expense of the growth of the human family as a whole. The European Economic Community has not been enclosed within itself, it has participated actively in world trade, in all those exchanges from which our contemporary society so largely draws its sustenance in an age geared to large-scale markets. The recent participation of EEC in the Kennedy Round is proof of its firm intention to co-operate over the major problems of the development of the international society.

The European Parliament has on several occasions expressed the hope—and it is still our hope—that the EEC may operate increasingly in world politics not as representative of the individual States but with the purpose of expressing an international personality of its own. For us one of the most encouraging elements in the Kennedy Round negotiations was the fact that the EEC negotiated in its own name. On the eve of another important international economic conference, that of UNCTAD in New Delhi, we trust that once again the Community may act in the fullness of its unitary personality, thus presenting to the world a new pattern of State, a "Community" State.

Incidentally the EEC, in these last few years, has brought into being a new type of international relationship: association. This relationship takes the place of what in the past was an alliance between nations. Association is organic alliance, total alliance, matching the exigencies of our times, measuring up to the totality of our problems, requiring the integration of all essential factors in the life of peoples.

The association of other countries with the EEC has brought about the development, for example in the Mediterranean region, of a new kind of relationship, a new form of international solidarity. The EEC might well in this way, for instance, make a real contribution to overcoming the Middle East crisis and be the means of promoting, in its own interests too, and more effectively than the individual nations have done, a better understanding between all the countries which face the Mediterranean.

Another chapter of association policy has been added to the record of EEC with the Yaoundé Convention on association with 18 African countries (AAMS). Like the Community itself, this association is extensible to other countries: and it constitutes, in any case, a modern and ingenious model of all-round collaboration between highly industrialised countries and developing countries. In fact, only by basing relations with the new nations on equality of sovereignty in form and in substance, and then inserting a network of commercial, economic and cultural rela-

tions within that context, can we make a solid contribution towards the solution of the problem of the century: under-development.

What, then, are the reasons for the success, albeit partial, of the EEC? In the judgment of our Parliament the essence of the EEC lies in the "political investment" of which the Community is the expression. The EEC was conceived by its architects as a political instrument, as an indirect road to the political unification of Europe. And the institutions with which the EEC is endowed are precisely the guarantee of its political content.

That is why this Parliament has always followed vigilantly and supported with conviction the action of the three executive Commissions, as it will always follow with vigilance the action of the single Commission. In the efficient working of that Commission there is indeed something more than the functioning of a bureaucratic organ: through the success of that institution the validity of the political substance of the European Economic Community is attested.

If the EEC had been nothing more than a collection of commercial or economic agreements, if provision had not been made also for the articulation of its institutions, if it did not constitute a transition stage towards a new type of State, not only would it never have achieved even that partial success of which we boast, but probably it would not have any future at all, in face of the complex new problems that are going to descend upon us within the next decade.

It is just because of the value and political content of these institutions that the European Parliament feels its function to be important and has never let pass any opportunity—this I must repeat—without voicing its aspirations for an increase in its powers as soon as possible. The function of our Assembly is *sui generis*: the powers of the European Parliament cannot be measured by the same standards as the powers of a national Parliament. The European Parliament is the expression of a new political and

juridical reality in process of formation which represents the transition from national to Community life. But for this reason too it is necessary to face up to the problem of elections and to increase Parliament's powers of direct control over the budgets. For the more the importance and prestige of the European Parliament are reinforced, the more solid will be the political substance of the Communities which, in our view, constitutes the fundamental reason for their historical significance.

Yet the value of these institutions will be further enhanced if we consider the undoubted deficiencies to be observed in many pages of the EEC's story and if we seek ways and means of remedying them.

How many things must still be done!

The report which I have the honour to present illustrates the dangers involved in not having achieved, so far, a common commercial policy among the six countries of the Community, notwithstanding the fact that such a policy was prescribed in the treaties.

Then, the recent dramatic events in the Middle East have high-lighted the perils arising from the absence of a common energy policy, not only to ensure supplies for the large market which we represent but also to be the governing factor for an important chapter of the Community's relations with third countries.

The more we can build up the strength of our institutions, the more chance we shall have of coping with the existing shortcomings in the record of the European Economic Community.

As we now set out upon our second decade we must not so much keep our eyes on the pages already written as look ahead to the pages that still remain to be written to complete the story of the European Economic Community. That Community is facing tasks of its own, but it is also required to deal with a mass

of important problems now accumulating—problems which did not exist ten years ago, in 1958, when international life under the domination of the cold war was much simpler than it is today.

A great deal remains to be done, and if the outstanding problems were not tackled now, the very survival of the EEC would probably be jeopardised.

For that reason our satisfaction at what has been accomplished should never allow us to lose sight of what must still be done. Hence the insistence in my report on the urgent need of bringing to fruition the economic union prescribed in the treaties, while duly maintaining the balance between the institutions—the Council of Ministers and the Commission; for a rupture of that balance would distort the very nature of the Community. The emphasis in my report is on total implementation of the Treaty, on the harmonising of legislation among the six Community countries, on the elaboration of a corpus of Community law, such as may procure the harmonising of tax systems and complete freedom of movement of labour and capital.

But that is not all. In face of the progress in great markets like those of the United States and the Soviet Union, it emerges plainly that it is now necessary to move on beyond the simple customs union to a true economic union, which will also involve a structural transformation of industry and labour to bring them up to European dimensions.

There will be no future for Europe if it does not have its own aircraft industry, if it does not face up to the problems of modern electronics, if it does not also cope with all the problems of the peaceful use of atomic energy. A Community basis is imperative for action in these fields, with participation by all the States and at least a minimum of supranational authority. Steps must be taken to deal with the problems of a common company law, the unification of fiscal legislation and company mergers. There is a whole corpus of company, economic and commercial law still to be written, and with all possible speed, if the European Eco-

nomic Community is to be enabled to move on to its second fundamental stage, namely the forging of economic unity.

And this seems to me the moment to introduce the other vital issue which is uppermost in our minds and which is treated in both the reports presented to our Assembly. I refer to the attitude of the European Economic Community towards requests by other States to join, to the problem of its extension. We look forward to the advent of new Members bringing with them new interests; we hope that at no time will the negotiations be jeopardised by bungling. At the same time we hold that every new entry must be placed in its proper political context, that this presupposes an accurate inventory of the various cognate problems. This joint meeting is perhaps the most suitable forum for a rehearsal of the impending debate.

The President of the new unified Commission, Mr. Rey, rightly said yesterday that no enlargement of the Community could be contemplated it that were to involve a weakening of its institutional substance and political significance.

We are utterly convinced, with him, that this thesis is correct. And the obligation incumbent upon us to forge ahead with the construction of the European Economic Community, in accordance with the Treaty of Rome, is no less in the interests of those States that will join the Community tomorrow: they will need to find, not a Community weakened, but the effective structures of a new "Community-type" State, contemporary in its dimensions and in which they may share with full rights of citizenship.

It is necessary that this joint Assembly, both now and in future debates, which we hope may take place more frequently, should thresh out all aspects of the problem of the entry of Great Britain into the EEC.

In 1964 the negotiations with Britain came up against specific difficulties in regard to the common agricultural policy and the

future of the Commonwealth. Well, these important problems today appear to have been substantially overtaken by events. The common agricultural policy of the EEC is a reality. The common external tariff is likewise an accomplished fact. The relation between Community and Commonwealth could be fitted into the relationship of association already established with the Associated African States.

The truth is, however, that there are new problems now going beyond the bounds of the treaties, and all these things must be the subject of frank and all-embracing debate.

The negotiations with Britain must also bring us back to Europe—and essentially to what seem to me today to be the indispensable conditions for European unity, not merely to survive but to continue to function in conditions of freedom and in accordance with the requirement of the international society of today.

The world is divided between two super-Powers. A wider and more united Europe would undoubtedly represent a valuable new factor of the international equation. But what are today the conditions for Europe to have a place in this constellation, for Europe really to fulfil its distinctive function like any free Power? We must talk, with anyone applying to join the EEC, about the common action in matters of trade which all of us have to undertake together, especially now that adoption of the Kennedy Round supplies a fillip for us vigorously to extend our trade with America. We must talk, with anyone applying for membership of the EEC, about security for our industrial development and hence security for our supplies of energy. And, since today no State enjoys prestige unless it is a nuclear Power, the nuclear package must also be placed on the negotiating table, and the negotiations must cover everything. A nuclear non-proliferation treaty is desirable, but it must not impair the right of Euratom to exercise its Community control. We must therefore know, too, how our British friends intend to contribute to our energy policy, mindful of their long-standing traditions and influence in the Middle East. We must know what they propose to do in

order to define with us a policy for the Middle East, how they envisage a European nuclear policy, that policy to which their contribution is indispensable, particularly now that the latest American plan for anti-missile missiles is bound in the long run to devalue the nuclear strength of those European nations that possess nuclear weapons. These are some of the major themes with which the future of Europe is bound up: let us start discussing these problems here, in a manner that will be helpful to the future negotiators.

The desired enlargement of the EEC will also compel us to face up to certain problems which have been maturing in the last few years, among them that of the *détente*. No question but that there is going on, on the other side what is still called the Iron Curtain, a far-reaching evolution, the effect of which is to demolish many of the traditional dogmas of Marxism.

In any case, this evolution of Eastern Europe, if it is to be helped along, requires more than political tinkering, it needs wide-open vistas agreed among us all. We shall be able to make real contribution to this ferment in the East, the necessary premiss, surely, of a conceivable wider Europe, if we present ourselves as Western Europeans, ready to establish contacts on a universal scale, strong in the strength not simply of individual national achievements but by virtue of this Community personality of ours. And this same Community personality is necessary in order to tackle yet another problem, that of under-development, the problem on which the peace of future generations will actually depend. For peace rests on two pillars: political equilibrium and social justice as between the nations. But help for the under-developed world will have a much more limited effect if it comes from nations that are themselves divided in a divided world; it will be effective, convincing and organic if it comes from nations united in one single Community with a clear-cut personality.

In conclusion, this record of ten years of Community life contains its gleams of light and its shadows, but, in essence, the message is that the road we have travelled is one which can be

continued, with a view to the construction of a wider Europe. The EEC is making a substantial contribution to such a construction: the institutional experience we have had in these years, through the EEC, with its economic and legal components, is of value to one and all. If it is true that the time is now ripe for the transition from small nation to Community super-State, it is true that the latter also needs its own institutions, its own rules, its own security resources, its own means of action.

We believe in the future of a wider Europe: this aim will have to be translated into reality with all possible speed, in the interests of world peace and equilibrium.

In 1966 total world income was about 1,600 milliard dollars: 745 milliard was accounted for by United States production, 535 milliard by Western Europe, including Britain, 350 milliard by the Soviet Union. America is still in the lead with its splendid development record which, as I have said, is the result of the size and unity of its market. California alone produced an income last year of some 81 milliard dollars for a population of 20 million, whereas France produced about 85 milliard for a population of 48 million.

These figures tell us what is lacking in our productive economy is that Community character, that continental-size market and that wide-ranging enterprise which today stands for modernity. What would those 535 milliard dollars produced last year by Western Europe become if the latter could really establish among its various nations a close collaboration for the construction of a modern society, geared to its social responsibilities and to the technical progress which we must pursue?

What a new force of attraction there would be for the development of the poor peoples and for the close-knit collaboration of the whole free world!

The picture is certainly one of responsibilities devolving upon us, responsibilities which, in a new political context, require

new resources and new spheres of action. But, the fundamental theme in all this remains the obligation incumbent upon us to suceed in developing this Community of ours by strengthening its institutions, by making of it the model of a new State adapted to these new problems that have evolved in the last few years.

One final word. A conspectus of the Community's 10 years of activity enables us to record some important achievements; but, above all, it enables us to appreciate the democratic vitality of the Community institutions that have engineerd those results. The nearer we come to the goal, however, the greater the obstacles to be surmounted. For the transition from the national to the Community State involves a real mental revolution, a revolution of habits and of structures. (That is why we shall be bound in the future to talk more and more about youth policy, about educating future citizens to kindle the flame of the European ideal.) The success or failure of our endeavours will depend on what we can achieve in the next few years. This, our Community, can become a robust entity, irrefragable, endowed with a distinctive personality—or else it will remain an unfinished torso and as such doomed to disintegration and destruction. But that would mean the end of our civilisation and the end of our freedom. (*Applause.*)

The Chairman (*F*). — The next Order of the Day is the presentation of the Report by Mr. Haekkerup, Rapporteur of the Consultative Assembly of the Council of Europe, on "Ten years of activities of the European Communities and the objectives to be achieved to bring about the economic and political unity of Europe and more efficient co-operation in the field of science and technology (Doc. 2260 C.A.).

I call Mr. Per Haekkerup.

Mr. Haekkerup, *Rapporteur of the Consultative Assembly of the Council of Europe.* — Mr. Chairman, Ladies and Gentlemen, the topic chosen for the 14th Annual Joint Meeting between members of the Consultative Assembly of the Council of Europe and of

the European Parliament comprises two distinct themes. The first part calls for an economic and political assessment of the European Community after 10 years of activity; the second part concerns the aims still to be achieved with a view of the economic and political unity as a whole and closer co-operation in the fields of science and technology.

As regards the first part, I can be relatively brief. In my Report I have concentrated on what has been achieved by the establishment of the European Community up to the publication of the Tenth Annual Report of the EEC Commission, on which I have largely relied. I should like to take this opportunity to pay tribute not merely to the technical competence of that body, but also to its political vision.

As Rapporteur General of the Council of Europe, which has long recognised the European Community as the nucleus of the future economic and political unity of Europe, and as a representative of a country which aspires to membership of that Community, I did not feel that it was my duty to criticise the member States of the Community, or the Commission, for failing, in the short space of 10 years, to set up a complete economic and political union; but neither did I feel it my duty to record uncritically everything that has been achieved and to ignore the failures and shortcomings. The members of the European Parliament, in their debates here in Strasbourg, do not deny themselves the privilege of criticising the acts of the Community or the elaboration of its policy. If members of the Consultative Assembly claim the right to do the same, this is a tribute to the success of the Community, and I hope that my comments will be taken in that spirit.

In my Report I have identified the two major achievements of the past 10 years. In 1957, the European Community was still an institutional experiment. The signing of the Treaty of Rome was an act of political will. Its full implications were grasped neither by Governments nor by industry. To many, the dangers of free trade were as great as its potential benefit.

In 1967, the Community has been established as an economic and political fact beyond the point of no return. It has been almost universally recognised as the only possible framework for the future economic and political unity of Europe. In 1957, Europe was still divided into a series of national markets each protected by the traditional paraphernalia of tariffs and quotas. In 1967, this division has been virtually reduced to that between the "Free Trade" area of the Seven and Finland, on the one hand, and the Common Market of the Six, Greece and Turkey, on the other.

Tariff reductions negotiated in the Kennedy Round will reduce the present discrimination between the Six and the Seven even further.

How successful has the European Economic Community been in achieving the specific objectives laid down in the Treaty of Rome? In my Report I have emphasised both the positive and negative elements. The industrial customs union and the common agricultural policy will have been completed 18 months ahead of the time-table laid down in the Treaty of Rome. This is the best known success of the Common Market though I hope members will not mind my pointing out that EFTA succeeded in creating an industrial Free Trade area in an even shorter period of time.

On the other hand, if the customs union has been completed ahead of schedule, the Six have as yet failed to agree on a common policy of either transport or energy. An enormous amount of preparatory work has been done and a certain number of minor decisions have been taken; but we are still waiting for the kind of breakthrough that Dr. Mansholt achieved in the common agricultural policy as early as January 1962. The decision to adopt a common system of business turnover taxation, which is the indispensable first step towards the abolition of export rebates and import taxes on intra-Community trade has been rightly hailed as a major success. On the other hand, little has been done in practice to remove the technical obstacles to trade result-

ing from divergent national laws of the production and marketing of goods. A good start has been made with the establishment of machinery for dealing with restrictive business practices and monopolies.

But, no way has yet been found of overcoming the legal, fiscal and psychological obstacles to the formation of European, as opposed to national firms. The formation of a single market, embracing 180 million people, does not automatically lead to any significant industrial integration. As I have pointed out in my Report, industry in the Common Market remains national. Some progress has been made towards the liberalisation of capital movements between the Six, but, on the other hand, the creation of an integrated capital market is still a long way off. A common labour market in which workers may move freely from one country to another without any loss of social security benefits will shortly have been achieved, yet vocational training, that is to say, the adaptation of the labour force to the structure of the Common Market economy remains, to all intents and purposes, outside the scope of the Community. What should also be borne in mind is that the general level of working conditions and wages will depend on the relative productivity of the workers. In most cases they will be negotiated directly between trade unions and employers.

Similarly, the progress made on guaranteeing the right of establishment for the professions and services is not matched as yet by any real progress towards the harmonisation of academic qualifications and conditions of entry to the professions concerned. That is, of course, a field in which the Council of Europe is equipped to make a big contribution.

The conclusion I draw from this very summary review of what the EEC has achieved in the ten years since the signing of the Treaty of Rome is that the Community still has a long way to go to establish a complete economic union. Indeed, I would go so far as to say that the customs union and the common agricultural policy, which have provided the dynamic element in

the Community's progress so far, are merely the first step towards economic union. The most difficult part of the task, namely, the formulation of common policies and the harmonisation of national law, still remains to be accomplished.

I would like to complete my remarks on what the Common Market has achieved so far by saying something about the Treaty of Rome. As I said in my Report, long before the objectives of the Treaty of Rome have been achieved, the Community is already moving beyond the Treaty of Rome. The Treaty merely aims at the establishment of a common market in which goods, labour and capital can circulate as freely as in a national market. But, in the long run, this is probably less important than the economic policies which the member States as a group decide to pursue. The long-term planning now going on in the framework of the Medium-Term Economic Policy Committee may hold the key to the future development of the Community. Ultimately, as I point out in my Report, economic union means more than the establishment of a common market; it means the merger of the economic policy-making institutions of each member State, with all that this implies in loss of national sovereignty.

This point brings me to the second part of my speech, namely, the prospects for European economic and political unity. I have already indicated what I consider are the aims to be achieved with a view to completing the economic union of the Six. I would now like to say something about the prospects for political union and the problem of how to extend the economic and political union of the Six to the rest of Europe, or at least to the other member countries of the Council of Europe.

My colleague, Mr. Nessler, the Rapporteur of the Consultative Assembly's Political Committee, states in his introduction — I quote — "there is a point of no return beyond which the economic aspect ceases to be economic, i.e. where the purely functional side of the institution is no longer sufficient for the Community's purposes."

I think there is general agreement that the development of the Community in the economic field has reached a point at

which the need for political direction has become acute. Without it, the Community will neither be able to normalise its economic relations with Eastern Europe, nor assume its responsibilities *vis-à-vis* the developing countries of the Third World. Nor is it realistic to suppose that the member countries will be prepared to merge their scientific and technological resources if they have no confidence in each other politically. Yet, if we do not merge our scientific and technological resources, we will never be able to create the economic basis for an independent European role on the world scene.

There is, I think, a distinction to be made between political co-operation and political union. As President Hallstein told us long ago, the Common Market is not in business; it is in politics. It is now absolutely clear that the complete economic integration of the Six, which must sooner or later mean the adoption of a common commercial policy, will imply a series of decisions of a political nature and which will affect member States' external relations. However, these problems could certainly be dealt with without too much trouble by a process of regular consultations and co-ordination between member Governments, which would leave them perfectly independent as regards the rest of their foreign policy. When the French Government proposes organised political co-operation between the Six, it goes without saying that this does not involve a loss of national independence.

However, the mere fact of setting up a system of political consultations to supervise the economic development of the Community is not the same thing as establishing a political union. Political union means nothing less than the adoption of a common foreign and defence policy, based on firm treaty commitments and guaranteed by strong central institutions. It may be that some form of political co-operation, like that proposed in the Fouchet Plan, is a necessary first step to political union: but do not let us confuse the Fouchet Plan with political union as such.

Personally, I am convinced that we will never pass from the stage of political co-operation to that of political union by a kind

of progressive evolution. At some point, there will have to be a dramatic leap forward. Look at the history of the existing Economic Communities. The Treaty of Paris setting up the ECSC, and the Treaty of Rome setting up the EEC, were not the result of a progressive evolution. The Communities were set up when they were because the situation was ripe and because of the imaginative leadership of one man—Schuman in 1951; Spaak in 1955-1957. The political initiative was seized at the psychological moment. As far as the prospects for the establishment of a European political community is concerned, that moment seems as far away as it was in 1954, and further away than it seemed in 1957.

I have been talking so far about the economic and political union of the Six. This is not the same thing, however, as the economic and political unification of Europe as a whole. In the long run, of course, a wider conception of Europe, embracing both East and West, may prevail. For the time being and for the forseeable future, the process of unification must be limited to the Western half of our Continent, and, within the Western half, to those countries whose system of Government is based on the principle of parliamentary democracy.

Our aim must clearly be the establishment of an economically and politically integrated Community, including as many European countries as are willing and able to take part. Some countries in Western Europe might be unable for political or institutional reasons to accept the obligations of full membership. Our immediate aim should, therefore, be the establishment of a Community consisting of a politically integrated nucleus of ten, or possibly eleven, countries, and an outer ring of other democratic countries which would be associated economically in varying degrees.

As you all know, the enlargement of the Community, which the Consultative Assembly will be debating next week, has always been closely linked with the problem of the political development of the Community. The 1962 negotiations on the Fouchet Plan came to grief, among other things, on the question whether the

United Kingdom, which was then a candidate for membership of the Economic Communities, should be invited to take part. The breakdown of the negotiations with the United Kingdom in 1963 was justified in some quarters by the alleged effect of British membership on the political orientation of the Community.

We are now once again faced with the question whether to give priority to the political development of the Community, or to its enlargement. My colleague, the Rapporteur of the Assembly's Political Committee, has suggested that the Six may wish to consolidate their economic achievements politically before involving the Community in what is, for it, the secondary problem of its extension. The Six may quite legitimately feel that as founder members of the Community they have a right to ensure that the various countries wishing to join share their views about the way that the Community should develop.

The dilemma facing the Six is that they themselves are in disagreement as to how the Community should develop politically. If all that was required was a declaration from the new member States that they were aware of the political implications of the Rome Treaty and accepted them, there would be no problem. To give an example, my own Government is perfectly well aware of the political implications of the Rome Treaty and fully accepts them. The British Prime Minister, Mr. Wilson, has frequently emphasised that the primary reason for his Government's application is political. Furthermore, with the possible exception of Sweden, none of the applicant Governments foresee any difficulty about accepting any form of organised political co-operation that the Six are likely to adopt.

I think that the problem is deeper. The priority which some people give to the political union of the Six, as opposed to the enlargement of the Community, reflects a subconscious unwillingness to share the vital decisions about the future development of the Community with the new Members.

This attitude seems to me to be behind the argument which has been openly used about the effects of the enlargement of the

Common Market on the purely economic plane. It has been suggested in certain quarters that the increase in the number of Members from six to ten or eleven would mean the dilution of the Common Market into a glorified trading area.

I hope you forgive me for emphasising the irony of this argument. In 1963, we were told that the applicant countries, or at least the leading applicant, was not yet "ripe" for membership. Now we are being told that it is the Community which is not yet "ripe" for extension to other countries.

The argument that the EEC was unprepared to survive the strain of enlargement might have been valid in the first few years after the signing of the Treaty of Rome, when the institutional system was still untried and it had not yet been proved that the Community method could produce results. However, one cannot maintain that this is a valid argument in the light of what the Community's own spokesmen have repeatedly said about the point of no return having been reached.

I have pointed out in my Report that the Community still has a tremendous way to go to establish a complete economic union. If the enlargement of the Community is put off until this goal has been attained, we will not have to wait two years, but ten, fifteen or twenty years. I do not think that the rest of Europe would be prepared to wait that long. Even if they were, putting off the admission of new Members for another ten years would make the problems of adaptation on both sides far more acute than they are at the moment. Paradoxically, enlargement in ten years' time might subject the Community structures to greater strain than enlargement in two years' time.

The argument that the Community should be consolidated before any new Members are admitted implies, quite unfairly, that the four countries which have explicitly asked for membership would act as brakes on the economic and political progress of the Community. This is an argument which, as spokesman for the Consultative Assembly, I cannot accept. On the other hand,

it is undoubtedly true that the addition of four new Members from the North of Europe, with their distinct national traditions, will affect the centre of gravity of the Community and change its political image. In the last resort, we cannot separate the desire for an economically and politically united Europe from the desire for a certain kind of Europe. It is untrue to say that the prospective new Members will undermine the development of the Community; it is perfectly true, however, that the political weight of a ten-nation Europe will be greater than that of a six-nation Europe.

I am convinced, furthermore, that it would be a more balanced Europe.

My final conclusion is this. The Community cannot and must not stand still. It must develop economically, because the present situation, where we have a complete customs union and an incomplete economic union, cannot be allowed to continue. It must develop institutionally, because strong central institutions subject to proper democratic control are, for the smaller countries like mine, tremendously important in the framework of both economic and political union. It must develop politically because that is the ultimate goal of the whole operation. And it must expand, because the only way to ensure the economic and political unification of Europe as a whole is to bring the future member States into the Community at a formative stage of its development. For the past 10 years, the Six have been the guardians of Europe: the time has now come to widen the circle. (*Applause.*)

The Chairman (*F*). — I call our former colleague Mr. Edoardo Martino, whom I am happy to greet as a new member of the Commission of the European Communities.

Mr. Edoardo Martino (*I*). — Mr. Chairman, you know how I feel about this Assembly, of which I had the honour to be a member until recently, and I am grateful to you for having recalled the fact. When I now take the floor at this Joint Meeting of members of the Council of Europe Assembly and of the

European Parliament I am only too conscious that the present gathering occurs at a moment which may well be decisive for the future of European unity. It was for this reason, Ladies and Gentlemen, that, when selecting the specific theme of your meeting today, you did not restrict yourselves to a survey of ten years of Community activity; you have also shown your awareness of the fact that we are at a phase in history when it will depend on certain choices—to which each one of us is required to make his due contribution—whether the enterprise in which we are engaged will be able to make headway towards complete economic and political integration (on a wider and at the same time more solid basis), or whether that integration process is to be temporarily halted, with consequences that might well be seriously detrimental to the progress of our nations and the future of Europe, as Mr. Haekkerup said only just now.

The two reports by Mr. Pedini and the Rapporteur of the Consultative Assembly have admirably brought out the import of the two alternatives before us.

Both reports, showing a significant degree of identity of views, have laid stress on the positive aspects of this integration process and the results achieved hitherto; but they have also indicated the necessity not to come to a halt, but press on with confidence and tenacity towards the objectives looming up before us today on the road to Europe.

I wish to express to the two Rapporteurs, on behalf of the Executive of the Communities, our warm appreciation of the work they have put in, which is indeed praiseworthy, as well as for the speeches made today, which have summed up eloquently what has been done.

It has rightly been observed that the European Communities have taken their place in the trend of our age towards a dialogue between continents and that, at the same time, they have contributed to speeding up this tendency.

The Europe of the Six at the present time carries weight far beyond the capacities of its individual Members; and this weight

has been shown, as it continues to be shown, in the force of attraction exercised by the Community, so that many third countries are induced to take active steps to avoid remaining excluded from the Community enterprise. These States have asked to take part in accordance with formulas corresponding to their respective potentialities, or else they have applied to have their relations with the Community itself regulated through the expedient of commercial agreements.

The Community's decisive role in matters of trade exercised a considerable influence on the progress of the multilateral negotiations in Geneva, the outcome of which will go down in history as a particularly important stage in the growth of international trade.

But the success of which you are aware, and which you have recalled once again today, can only be reinforced and consolidated in so far as the Community is capable of strengthening further its own orbit, matching its drive to the imperatives of a more wide-ranging collaboration such as our times require, and in so far as it really remains true to its outward-looking vocation—a vocation which is spelt out in the treaties and is intended to orientate the Community's action towards the rest of Europe and the world.

Doubtless under the first of these headings nobody can fail to appreciate the importance of the stages scheduled for next year, when the customs union for industrial products and the single market for agricultural products will be a reality. Even so, it will be necessary to complete the economic union, and that as soon as possible, inasmuch as the coexistence in the Common Market of a complete customs union and an incomplete economic union is bound to be productive of imbalance and might even lead to rupture.

Hence it is important to go ahead with greater decision and incisiveness—as your Rapporteurs also indicate—towards those forms of ever closer co-operation which are the essence of eco-

nomic union. And the fusion of Community structures which has come about, involving as it does a constructive rationalisation of the Community as a whole, will provide a real stimulus to the pursuit of our purposes.

We can say that, through the common planning scheme they have elaborated, the six States have mapped out the general context within which common policies will have to be operated—policies which are destined to supply economic union with a more specific and all-embracing content.

Among the sectors towards which this increased effort of collaboration among the Six must be directed, priority is proposed for scientific and technical research. Both Mr. Pedini and Mr. Haekkerup have demonstrated in this context the need to regard this problem as one of urgency, in other words to impart to the productive potential of the Community the impulse and support which will increase its competitiveness in the world at large.

It is common knowledge, I think, that the Community institutions are now engaged in a thoroughgoing investigation of this exciting theme, and that it will be the subject of a special debate in the Council of Ministers at the end of October; and you will also bear in mind that there is a massive consensus of opinion which recognises that no effective policy in the matter of technological progress today can do without the contribution of Great Britain.

And so, in this connection once again, our attention is drawn to one of the aspects to which I have alluded: the most appropriate dimension for the Community to be able to continue to establish itself in the world, not withdrawing into its own shell, which might destroy its present dynamic potentialities.

Our thoughts naturally turn—and here I link up what I was saying at the beginning—to the choices with which we are faced with regard to the prospects of an elargement of the Community.

I realise that it behoves a representative of the Commission to maintain complete discretion on this particular matter. But it need not be pushed to the point of remaining utterly silent about the problem of the applications for membership now pending before the Council of the Community, a problem that is going to be amply discussed today and tomorrow in this hall.

As you know, the Council of Ministers has charged our executive Commission to express an opinion on the applications for membership of the Community, under Article 237 of the EEC Treaty and the corresponding Articles of the ECSC and Euratom Treaties.

You also know that this opinion is to be transmitted to the Council by the end of September.

This means that the document which the Commission is assiduously engaged in drafting is not yet finalised; and, even if it were, it is unthinkable that any of its contents should be divulged before the Council has seen it.

What I can say, however, is that the Commission is in process of completing a serious and objective analysis of all the problems arising for the Communities as a result of those applications.

Following up the statement made yesterday in this hall by our President, Mr. Rey, to the European Parliament, I may add that, from the outset, in its discussion of the opinion to be transmitted to the Council, the Commission has had two preoccupations, has been guided by two exigencies.

Our first concern has been to provide the Council with a positive contribution to the study of the internal problems raised for the Community by an increase in the number of Members. It is not a question, obviously, of indicating here and now viable solutions, which can only result from actual negotiations, but rather of giving pointers, showing trends and lines of development—and this in a positive way, because we fully realise that

an extension of the Communities, which, after all, is foreseen in the treaties themselves, constitutes a major, a decisive step forward towards the construction of European unity.

The second of our preoccupations is to see to it that an enlargement of the Communities does not operate to the detriment of their dynamic quality, does not involve any weakening of their efficiency, strength or value.

For the rest, the Commission follows its President in expressing the hope that the Council of Ministers will consider, as we do, that the time has come to open negotiations, because it is only by direct contact with Great Britain and the other States concerned that it will be possible to investigate properly the whole complex of problems and thus to determine whether or not the moment has come to bridge the great gulf.

Well, I must not, at this point, hold up any longer the debate on the documents that have been laid before our two Assemblies whose members are met together here today.

I am sure that this debate will be in keeping with the splendid tradition of these Joint Meetings; and it will not fail to shed light on the chief problems which our continent has to face, to probe the implications involved, as the Rapporteur of the Council of Europe has sought to do.

All I want to say is that the Commission will certainly follow the course of this debate with the utmost attention seeing that the trends reflected here are, in actual fact, a most representative expression of the aspirations of our various peoples. (*Applause.*)

The Chairman (*F*). — Thank you, Mr. Edoardo Martino. I call Mr. Furler, on behalf of the Christian-Democrat groups of the two Assemblies.

Mr. Furler (*G*). — Now our debate is to begin—it is always an impressive affair—and I am privileged to speak on behalf of the

Christian-Democrat groups of both Assemblies. It seems to me of some political importance that they have succeeded in agreeing on a common spokesman. That shows that, so far as the Christian Democrats are concerned—and I notice the same with other colleagues—ideas about European development inside and outside the Six have in the last ten years drawn much closer together than we dared to hope when EEC was set up.

I was very glad to see Mr. Haekkerup's comment in his report on behalf of the Council of Europe that, although we are still divided economically, the situation has become simplified. He finds that the European Community is not just a free trade area, not just a customs union, but a joint economic territory on the way to becoming a common market; it is actually the pattern on which the new economically unified Europe must be modelled. In order to achieve this, Mr. Haekkerup says—and I am entirely with him—we surely need something more than the EEC pattern with its evolution confined to the present European Community: we quite definitely need an extension of this EEC pattern to the whole of Europe. I shall have something to say about that later.

The first point I want to put to you, then, is that—at least on the theoretical level—we are much nearer together in our political contentions and conceptions than we were six of seven years ago. After the great setback of EDC came the Messina Conference and, in 1957, the Rome Treaties. In those years it was not generally believed in the outside world that the six States could agree over such an up-to-date undertaking. When, nevertheless, they did agree, there was the attempt to create the greater Free Trade Area. Members of EEC feared that their basic ideas would come to grief in the process. The greater Free Trade Area project broke down, partly because of EEC itself, partly owing to the attitude of one of EEC's particularly important member States.

At that point EFTA was established. I can quite understand the reasons for that. When agreement between EEC and the other States proved impossible, the latter tried to find a solution among themselves. EFTA, however, was constructed on quite different principles from EEC.

The fourth stage: In 1961 Britain, much to our surprise—I remember this very well as a member of both Assemblies—approached EEC and asked to join; and along with Britain other States. Yet others, such as Switzerland, Austria and Sweden, sought association, as they had certain reservations because of their neutrality status.

You remember the dramatic situation in 1963. The negotiations were in full swing when any further discussion of economic unification on the basis of this up-to-date EEC pattern was shattered by a veto.

In this year of 1967, however, Britain has made a fresh approach, and other States with her, for the purpose of establishing this economic union—I shall have a few words to say later about political union. I know there are great difficulties. Do not forget, my friends, that the EEC Treaty says quite plainly: the acceptance of new Members requires a unanimous decision.

I am nevertheless convinced—and I think the overwhelming majority in both Christian-Democrat groups is likewise convinced—that this enlargement is going to come about. If not today, it will be tomorrow. It is inevitable—I am speaking still of the economic union—because we have recognised that there is no other and no better way. For me, a Europe divided economically for all time is no Europe. Only a unified Europe, especially in the economic sphere, represents what we seek for the future.

Now there have been many changes in the world in the last ten years. *Détente* has set in. The pressure on Europe to unite is perhaps somewhat weaker on that account—though I regard that as questionable. We need unity as much as ever. Do not imagine that the *détente* makes a unified Europe superfluous! We are determined to go on working towards our goal. We want, above all, to go ahead with these negotiations.

I can presumably take the reports as read—though they are voluminous. Both Mr. Pedini's and Mr. Haekkerup's reports are

admirable, as is also a report which I shall return to briefly, that of Mr. Reverdin, which is specially interesting but also particularly difficult and not very suitable for exposition here, because it contains a very great deal of scientific and technological material.

Well, the EEC, everyone knows, has completed its customs union. It has instituted a common agricultural policy, thus once again astonishing half the world—for nobody really supposed that we should succeed in reconciling the conflicting interests of the six States in this matter. We have overcome them, at the cost of sacrifices. Not everybody has the same opinion as to the excellence or the advantages of this agricultural policy. But there it is, and I believe that it is going to work out, that, in particular, the farmers in the six States are fairly satisfied with this agricultural policy.

In the matter of freedom of movement we have also had decisive developments. The right of establishment still leaves something to be desired, but we are moving forward here too.

There is one thing on which I would lay particular emphasis, also for the benefit of members whose countries do not belong to EEC. Our Treaty provides for a common policy on foreign trade which will be expressly binding on any other States that join. This is very, very important, and we shall press for the full implementation of the Treaty on this point, however many Members we have.

We have also gained useful experience with certain agreements in the field of economic and structural policy. Again, as we have seen quite recently, EEC has helped in establishing a fairly stable monetary policy on a world-wide basis.

Now, there are certain points to which particular importance is attached in the Haekkerup Report, and I should like to make a few reassuring comments on them.

Mr. Haekkerup says it is essential that tariff frontiers should not be replaced by tax frontiers. That is indeed among us in the

EEC an extremely important consideration. We certainly do not want that. And this is why we have instituted the added value tax. Once we have overcome the tax frontiers, we are going to do everything possible to prevent any others from growing up.

For even in a larger Community, if one is thinking in national and not European terms, it is not difficult to bring about the dissolution of a real and genuine common market by a deliberate policy of differential taxation. We can assure the Rapporteur that we will not have that, not even for an enlarged Community.

Mr. Haekkerup then has something to say about patent law. As a veteran patent lawyer, I am tempted to expatiate on this. But all I would say is: I am not keen on replacing the national patent by a six-country patent, but am in favour of trying to settle these matters on a wider basis.

There are still, I agree, many imperfections, as there are also in EFTA, as there are in uncommitted countries, as there are all over the world. But the European determination to overcome these deficiencies and imperfections about which the two Rapporteurs have spoken is something very great.

I now come on to speak about enlargement of the Community. And, please, do not misunderstand me when I say that there is no sense in expanding the European Community unless it is to remain strong, that is to say, provided it runs no risk of disintegrating or being weakened. For in such a case we should certainly not achieve what Mr. Haekkerup has in his admirable report affirmed to be our goal: an up-to-date, large-scale economic union.

Whenever the Community adopts a common attitude, as has been shown, it is notably successful. Our new President, Mr. Rey, together with the Commission—and even the Council of Ministers—has given us a perfect example of this. The common attitude of the Community States was certainly a very big factor

in bringing about the considerable success of the Kennedy Round. Do not forget that the Kennedy Round, that brilliant inspiration of the assassinated American President, was prompted by the existence of the European Economic Community! It is true that, when he brought out this idea, President Kennedy still thought Britain would come in—the talks were still going on; but when that enlargement of the Community came to grief temporarily, he continued the negotiations, as did his successor after his death.

For the Community to remain an element of impulsion the institutions of the Community must remain robust, and I am referring especially to those institutions which have a specifically European vocation: the Commission, represented by Mr. Rey, whose task is typically, not to say exclusively, European, whose function is to seek European solutions, and the European Parliament. True, we in the European Parliament have no overriding powers, we do not possess the sovereign status of a national Parliament, but we have, all the same, some important prerogatives—and I think I may say that we have won for the Community and for the cause of democracy a position commanding respect. Our demand is that, on the occasion of the impending fusion of the Treaties at the latest, the powers of this European organ shall be strengthened. For I cannot imagine an economically unified Europe without the genuine representation of the European peoples in a Parliament.

And now I shall say a few words about the report I referred to just now by our Swiss colleague, Mr. Reverdin, a report at once interesting and rather pessimistic. He says that technological progress is necessary in order for Europe to remain up-to-date, in order that we may keep pace in our standard of living and technical development with the United States and Soviet Russia. He comes to the conclusion that we have indeed developed a very feeble European conscience—to my mind it is a guilty conscience, but let us hope it will become a clear conscience!—but that deeds are lacking.

Mr. Reverdin makes the suggestion of an additional Technological Community, but the crux of his report is that we need a

new Europe. I have just been speaking in the United States. People there think that a larger Common Market, a real common market—even of our kind—would powerfully strengthen the industrial and general trend towards a modern technology, which is simply not possible in small truncated regions.

And now I come on to the necessity for enlargement. My party stands, as I do myself, for the necessity of expanding this Economic Community. It is essential that Britain becomes a Member of this Community, and also other States which so desire.

Let me say, however, that on this we are not doctrinaires and we are not sticking out for a single model. Besides actual membership there is also association. Five years ago there were some States which simply could not join the Community because they had certain difficulties in the matter of foreign policy. These States must be given the possibility of belonging to the Community through association. There is also provision for special treaties to meet the case of such States. I am thinking now of Austria, who wants to go with us, for whom it is vital to collaborate with us, but who can do so only through a special agreement. In this connection, I cannot refrain from the somewhat bitter comment—I am speaking for the Community—that Austria has been waiting and waiting ever since 1963 or 1964. I deplore this. Here we are in 1967, and the treaty is not yet completed. Then we have examples of association, and we have had good experiences with them—I will not raise matters of domestic politics. I believe that, by means of membership, association, and special treaties, Europe could be made into an even stronger economic unit.

And now the political aspect. That is a particularly difficult question—both for EEC and for the other European countries. It is so easy to say: politically we want a United States of Europe. Ladies and Gentlemen, anyone who has been working on this issue for the last 15 years knows that it is easy to proclaim the purpose but difficult to achieve it. But I should like to say one thing: at the same time as these economic connections, we also

want to produce a new Europe politically, not a confederation, as was perhaps the customary notion in 1815, but a Europe in keeping with the world situation in the year 1980, or 1990 at the latest, and that means, as I see it, a federal, really effective Europe with indispensable common organs.

There is now talk of transitional solutions. But such transitional expedients do not really get us any further, because there is too much uncertainty about the sectors of foreign and defence policy. I am in agreement with what Mr. Rey said yesterday: let us make an effort to come together on an empirical basis, let us endeavour to forge a common European foreign policy case by case. But I need only point to certain problems and you will see at once how difficult that is going to be. Our goal, however, is still a politically united Europe. Do not underrate, in this connection, the importance of an effective Common Market, of a large common economic area. The contemporary State, after all, has become predominantly an economic instrument. Social policy, transport policy, energy policy all represent a far larger percentage of government activity in the sovereign States of Europe than in 1750. The State must live by money, and where are the resources to come from for a sovereign foreign policy if not from the economy? Let us therefore rejoice that we are at any rate making some progress in the economic sphere, that we are developing common ideas and setting ourselves common tasks.

I am glad to think—and this is my conclusion—that we have made an advance in our joint discussions in these ten years—not only in fact and in law but in the concordance of ideas which now prevails in these two Assemblies. I think we have reason to be satisfied with that. (*Applause.*)

The Chairman (*F*). — I call Mr. Reverdin.

Mr. Reverdin, *Rapporteur of the Committee on Science and Technology of the Consultative Assembly of the Council of Europe* (*F*). — Since our debate a year ago Europe has developed a much greater appreciation of the very serious problems for its

future well-being arising from its backwardness in the fields of science and technology.

The Assembly of the Council of Europe, for its part, has set up a new Committee, with instructions to follow these problems. This Committee is endeavouring to find its way through the jungle of European organisations; its ambition is not to be a busybody but to do a useful job. On behalf of this Committee, I shall now supplement its report with a few remarks.

Opinion in Europe is becoming agitated; it feels threatened; it fears the consequences of the scientific and technical backwardness of Europe.

Mr. Furler, a moment ago, said he thought our report was too pessimistic. I believe this pessimism to be substantially justified, on any analysis of the present situation. Which does not mean, of course, that we should relax our efforts to get out of that situation—on the contrary!

Schemes for getting out of it are appearing thick and fast: what is required is to find a common denominator for them.

The crisis would seem to have been for a time most acute in the field of space research. And one good effect of that crisis will have been to make us alert to the situation in which we find ourselves. The fact is that, to stimulate our effort in the field of science and technology, what is lacking is a precise, compulsive motivation. Our big partners and competitors, the United States and the Soviet Union, have a will to power and a military policy which are sufficient motivation for the scientific and technical efforts to which they are devoting a very substantial part of their wealth and best brains.

Europe, too, doubtless has its motivation: the fear of falling into a state of dependence *vis-à-vis* the United States, because of the inadequacy of its technical and scientific development.

And yet this fear does not seem so far to have induced a firm determination to do what must be done to escape from the predicament. In any case, negative motivations are very often misleading. After all, in the forties the motive force for the creation of the Council of Europe and its Assembly was also fear, fear of the Soviet Union, of Communism. That fear produced a rallying of forces and, now that the threat is diminishing, we have witnessed a progressive loosening of the ties.

I am doubtful, therefore, whether a purely negative motivation could be enough. And I am afraid that some people may want to base Europe's scientific and technical endeavour on an emotional anti-Americanism. That can never bring us all together nor be an encouragement to action.

Of course, Europe, in this field of science and technology, has some very impressive achievements to its credit.

The example always quoted is CERN.

There, of course, we are dealing with fundamental research, where co-operation is easier than in technology. However, there are certain lessons to be drawn from the successes achieved by CERN.

The problem which faced European physicists at that time was the very size of the apparatus which they needed. So what was done was to entrust a European body with the task of constructing an instrument of dimensions such that no single country could have provided it with its own resources.

The dimensions have grown remarkably since. I think the decision to be taken during the next few months about the new 300 GEv accelerator which CERN plans to construct will be a touchstone of European scientific co-operation.

If our physicists do not have such an instrument at their disposal there is considerable danger that the teams will break

up and that Europe will be deprived of the essential elements of its strength in a sphere in which it has contrived to be a match for other Powers and, often indeed, to surpass their achievements.

This question of scale, which is the bedrock of any successful federalist policy, however it be conceived, is fundamental. And I wonder whether some of the difficulties of Euratom, for example, do not arise precisely from the fact that this institution included in its schedule undertakings which were still on the scale of the national State, with the result that certain countries have outstripped and competed with them, which has meant, of course, a dispersal of effort!

The significance of CERN for Europe is not merely that it is a model of co-operation but also that it has displayed all the characteristics to be expected, for the purposes of scientific research, from the existence of what might be called a "Mecca." CERN has indeed become the "Mecca" of European physicists; they go there in the spirit of pilgrims, they meet their colleagues there, they take part in the experiments that are going on, and then they go home intellectually and scientifically enriched, with encouragement to pursue their efforts on the national plane.

In the field of molecular biology, one of the disciplines which has now come to occupy a position in the vanguard of research, it is desirable that Europe should create an organisation comparable to CERN. The European Conference on Molecular Biology, which met this spring, is heading in this direction. There again, we have a problem of scale. The instruments of research can probably still be constructed by individual countries, but mobilisation of the personnel, and the contacts between them, would be easier if there were in this field a European organisation and a joint endeavour.

So far as technological co-operation is concerned, it is obvious that one comes up straightaway against existing economic structures. . . But is there not in Europe a tendency to perfectionism? Our tradition impels us in the direction of disinterested

research and speculation. We are frequently unskilful in exploiting our discoveries, to the point where, in our scientific and technological endeavour, we often seem to be frightened of compromising ourselves by coming to terms with economic interests.

Yes, I think we can say that where Europe has been least successful hitherto—and I think the crisis in space policy is an illustration of this—is in the transition from scientific discovery to technological innovation and then on to industrial exploitation.

The very different way in which ESRO and ELDO place their orders shows that we are still unsure as to the best way of proceeding.

Our weakness—and that is one of the reasons why there is no cause for despair—is not in the brains of our scientists or technicians. On that score we need fear nobody. We are on a level with the greatest; perhaps, indeed, we can flatter ourselves that in some fields we are better than they are.

It is in organisation, in what is called in English "management," that we are weak. In the organisation of our endeavour, up to now, we have shown hesitation, we have been erratic, we have set up a great variety of undertakings, of organisations, in somewhat incoherent, disjointed fashion, and without having a clear picture of what would need to be done, once the initial results had been obtained.

In that very fact, however, there could be an opportunity which we should be very wrong to let slip.

European scientific and technological co-operation has not taken final shape either in the framework of EEC or in that of EFTA. It does not conform to the logic of either of these two associations.

Doubtless the Community is in process of groping its way in this field. The political working party on scientific and tech-

nical research of the Medium-Term Economic Policy Committee —whose Chairman was for a time Mr. Maréchal and is now Mr. Spaey—is engaged in exploring this whole subject, and I know that its programme includes investigation of the question: what ought to be the geographical context of scientific and technical collaboration?

I was very glad just now to hear Mr. Edoardo Martino lay stress on the dangers that the Community would be running if it withdrew into its shell. It commands only a portion of the European scientific and technical potential but I believe that we need all that potential to safeguard the independence of Europe and that, in consequence,—this is the conviction arrived at after lengthy deliberations by the Committee of which I am Chairman —a policy of collaboration open to all countries which are interested for good reasons is the best policy.

Does not this offer the possibility of immediate, non-institutional, enlargement of the Community, which might pave the way to other extensions?

The ideal solution, of course—and that is the very object of our deliberations—is to put an end to the European economic schism.

The Committee on Science and Technology of the Consultative Assembly, in the course of its discussions, speculated—opinion was fairly divided on the subject—as to the extent to which the absence of a large-size European market was at present an obstacle to technological co-operation.

For my part, I am convinced that the piecemeal character of our endeavour and the plethora of organisations are obstacles. The ideal would be to have plenty of projects but to entrust the work to a small number of organisations. But this would not be enough.

If we had a wider market we should succeed more easily in resolving problems such as the manufacture of aircraft in Europe.

Not long ago, when talking with the manager of a national airline, I asked him to what extent his company was contemplating, by way of encouraging technological development in Europe, choosing European aircraft now being developed, for instance the Concorde. His reply was rather disappointing. He said: "We study the market and we buy what is available and what suits us best." As long as that attitude persists, there will be little encouragement for the efforts now being made to safeguard the European aircraft industry.

There is an urgent task awaiting us, one which I hope can be accomplished on an all-Europe scale: namely that of supplying computerised scientific information. A European convention which established certain common rules so as to make possible the exchange of information between the various centres would be an immense advantage for the future. Let us avoid the mistake that was made in the field of television, with its PAL and SECAM systems, the consequence of which is that colour television programmes, in Europe, are going to be stopped by new frontiers!

Those are the few remarks I wanted to make reflecting the deliberations of the Committee whose spokesman I am. I would sum them up as follows. The members of this Committee, to whichever of the economic groups they belong, are convinced that we must avoid any further European divisions and must opt resolutely for a system that will provide an open door for all those who wish to collaborate, so that there shall be no sacrificing a scientific and technological potential which is only just sufficient to allow Europe to hope that some means will be found of overcoming the scientific and technical gap which is causing her so much disquiet.

The Chairman (*F*). — I call Mr. Dehousse, on behalf of the Socialist group of the European Parliament.

Mr. Dehousse (*F*). — We have had the good fortune this afternoon to listen to three very remarkable and full reports, reports that were also packed with material covering a host of questions of all kinds.

It is obviously impossible, even in a speech made on behalf of a political group, to deal with all these problems. That is why, personally, I shall confine myself to the question of the enlargement of the Community; and even that alone is quite an ambitious aim.

When I have finished my statement you will notice that I shall actually have tackled only certain aspects of the extension of the European Communities.

I shall not now dilate on the questions relating to accession, for our debates have shown clearly for a long time that in both of our Assemblies there is a very substantial majority favourable to the idea of adding a number of new countries as Members as soon as possible. Obviously, on a question which is so delicate and so difficult, there may well be certain nuances in the mental approach, differences of conception; but on principle the broad and entirely favourable current of opinion has asserted itself unmistakably, and this exempts me from pressing that particular question.

So I propose to turn my attention rather to the problems relevant to association. You will soon see that they are numerous, complex and calculated to cause considerable controversy. While I am about it, I shall not simply be interpreting the ideas of my political group, but I shall venture to introduce a certain number of distinctions of my own.

Talking of association, Mr. Pedini told us that there was no definition of it either in the Treaty of Paris or in the Rome Treaties. On the whole, the wittiest and also the most accurate definition in my opinion was given by Mr. Jean Rey when he was not yet President of the unified Commission but Commissioner for external relations. He said, "association begins a little way beyond an ordinary commercial Treaty and stops a little way short of full and complete membership."

I myself have a rather simpler formula for it: association, in the context of the European treaties, is a nebula in quest of its comet.

Actually, of course, there can be as many different types of association as there are, or will be in the future, particular treaties giving that association shape and form.

But there are a certain number of principles to which we must pay heed, if the result is not going to be, with regard to certain associations, a kind of perversion of the philosophy which inspired the creation of the European Communities. In other words, we are dealing here with ideological problems which I have already discussed in a report which I presented at the May Session of the European Parliament and which was adopted.

Albeit, before tackling those ideological problems, I should like to place in a separate category, among the forms of association, the case of Austria and to repeat how very anxious we are, in all European circles, particularly among progressives, that Austria should be associated with the Community.

It is not unknown to you that some difficulty is being encountered at the moment. When she signed the State Treaty in 1955 Austria made a declaration of neutrality, and the Soviet Union apparently considers even simple association with the Common Market incompatible with that declaration.

This is the time to make it clear that the neutrality of Austria is purely military and it is only by a very stretched, not to say distorted, interpretation of the notion of military neutrality that any such conclusion can be drawn.

We are living in a period when people are fond of talking about *détente*, and here is a magnificent opportunity for the Soviet Union to give proof of her will for *détente*. Otherwise many European circles are likely to interpret her negative attitude as anything but an encouraging sign for the prospective rapprochement between East and West.

I know that to use this sort of language will not please everybody, but I felt it had to be used.

So much for that. I now come to what is really the main point of my speech, namely the cases of Greece and Spain, which I regard as inseparable, as I am now going to try and show you.

Greece is a signatory of the 1950 European Convention on Human Rights. It is only necessary to follow the course of events in that unfortunate country to realise that the present Government is committing numerous breaches of almost all the fundamental rights listed in that Convention and which Greece is bound to guarantee: for example, the right of the nation to give itself a parliament through free elections, the right to life, the prohibition of torture and bodily maltreatment, the right to liberty and security, the inviolability of private life—and I will only mention for the record freedom of thought and freedom of expression as well as freedom of assembly and of association.

At this point a striking piece of evidence has to be produced. In a document distributed to certain members of the European Parliament and of the Consultative Assembly of the Council of Europe, the Centre Union in exile tells us that four Greek Deputies who are members of the joint Parliamentary Committee of the European Parliament and the Greek Parliament—in other words, the Committee responsible for exercising parliamentary control over the Treaty of Association—were arrested without any warrant and have been ever since either in prison or in a concentration camp. They are MM. Zighdis, Chassapidis, Loulis and Charalambopoulos, and it seems there is another name to be added: Mr. Papaconstantinou.

Is it because gatherings of more than five persons are forbidden in Greece today? Anyway, the fact is that five Deputies belonging to one of the bodies in contact with the European Communities have been deprived of their freedom.

The extraordinary thing about this affair, according to that same document which I mentioned, is that these arrests occurred only a few hours after the visit by Mr. Bruno Pittermann, Chairman of the Socialist International. It is indeed disheartening for

parliamentary organisations to send missions or emissaries to countries in such a state.

The fact that obligations undertaken in the European Convention on Human Rights have been violated is thus indisputable, and the European organisations would lose face, would forfeit their very souls, if they were to remain impervious and indifferent to such a spectacle.

It is possible to envisage two courses of procedure. One of those courses, indeed, seems to have already been followed by three Scandinavian States, who have lodged an application against the present Greek Government with the European Commission of Human Rights.

I do not doubt, and someone has already alluded to this possibility, that the Greek Government will invoke a provision of the Convention which authorises, in certain contingencies, suspension in whole or in part, of the rights listed, for instance when there is a threat to law and order or a disturbance of the King's peace.

It will be for the Greek Government to demonstrate—somewhat surprisingly—to the European Commission of Human Rights that on 21st April 1967, the day when the military *coup d'état* happened, there was a threat to public order and that this threat was so dire as to justify the suspension of almost all the freedoms enumerated in the Convention.

The effect of Article 15 cannot be appraised unilaterally like that. One of the essential characteristics of the Convention, one to which its architects attached the greatest importance when it was being drafted, is that the rights listed there are placed under a collective guarantee. It is thus not a convention of the type of former times, it is a convention equipped with collective organs designed to secure collective supervision. Consequently, unilateral interpretations are irrelevant and cannot just be accepted to order.

However that may be, the procedure is certainly slow, as Mr. Rutschke pointed out this morning when speaking on behalf

of the Socialist group. The European Commission of Human Rights is bound by a time-table duly prescribed in the Convention itself. If it accepts an application, the Commission must first set up a sub-commission, which has to produce a report within a certain time-limit. Then, the plenary Commission examines the report. This procedure, therefore, may well take a year or eighteen months or even more.

Moreover, there is a risk in adopting this procedure, owing to the fact that the European Commission of Human Rights is not a community-type body and has no powers, not even limited powers, of its own. The European Commission of Human Rights aims at obtaining a friendly settlement that presupposes conciliation. And conciliation, in turn, postulates good will on the part of applicant and respondent.

If such good will is not forthcoming, where does the Commission stand?

In a case like this, there are theoretically two possibilities. One, which was used recently in a case affecting Belgium, is to bring the matter before the European Court of Human Rights, which does possess the power to pass judgment. But the prerequisite for this is that the respondent State shall have recognised, by an express declaration, the compulsory jurisdiction of the Court. Now Greece has been careful not to do so; she is not included in the list of States that have accepted compulsory jurisdiction.

There remains one alternative only, but it is not without importance, since it is before the Committee of Ministers of the Council of Europe that the case can be brought.

In that event the procedure assumes quite a different complexion. It is no longer a question of proceedings of a strictly judicial character, as it would be before the Court. The issue becomes a political one, for it is handled by Ministers, hence by the Governments.

Despite its uncertainties and its slowness, the procedure initiated by the Scandinavian States seems to me perfectly justified, because it will give public opinion in Greece the feeling of substantial moral support in the outside world.

There you have, as I see it, the real signifiance of the initiative taken by the Scandinavian States.

But there is another course of procedure which is equally possible within the context of the Communities. The Common Market concluded an association treaty, the Treaty of Athens, with the Greece of yesterday. And here we are up against the ideological problem to which I have already several times alluded.

Can there be association with a State which does not subscribe to the tenets of democracy? There is a certain resemblance between association, in the sense of the European treaties, and marriage: anyone is free to get married but not necessarily with just anyone.

The Communities likewise are free to contract the sort of marriage that goes by the name of association; there is no doubt, however, that, according to both the spirit and the letter of the European Treaties, the States with which the association is concluded must be democratic States.

So as not to be drawn into boundless controversy, so as not to be involved in an interminable debate about the notion of democracy, I suggest that we abide by the definition contained in the report which I presented, on behalf of the Political Committee, to the European Parliament last May—namely that democracy, before all else, is respect for human rights and fundamental freedoms.

Once you start from that idea, in a European environment, you obviously come in the end to the rights laid down in the Rome Convention of 1950.

It is clear, then, that association with a non-democratic regime is in contradiction with the spirit and the letter of the European treaties. It really is a perversion of them. It is distorting them completely to start out or to try to start out in a different direction.

The present case is difficult because there has occurred what I would call an accident on the way. We have here a State which has switched from democracy to dictatorship after having concluded and implemented a treaty of association with the European Economic Community.

Now, obviously, this treaty cannot be just repudiated. The European Community certainly has neither the intention nor the right to rescind such a treaty unilaterally, but what it can do is to suspend its application during the whole period in which the associated State operates at home a system which is not in accordance with the democratic ideal that I have just outlined.

Let us not forget that treaties of association—and I say this also for the benefit of those among our colleagues who do not belong, or do not yet belong, to Community Europe—are often planned to the advantage of the associated State. The associated States get the chief profit from them.

Well, Greece, too, has definitely benefited from the agreement. Thus the Community has there a means of pressure much stronger, much more practical and much more efficacious than the procedure before the European Commission of Human Rights.

What is more, indeed, by the very circumstances of the case, the association agreement is in practice inapplicable in respect of the prescribed parliamentary control. For how are you to operate a joint meeting representing the European Parliament and the Greek Parliament when there is no Greek Parliament any longer, when the members of that Parliament, who are also members of the joint committee, are either in prison or in a concentration camp?

It is quite plain that the machinery has seized up, that the system worked out by the Treaty of Athens to supervise the functioning of the Treaty of association is completely at a standstill here and now.

Those are the few observations I wanted to make about Greece.

And I put Spain in the same category. The two cases, in my mind as in actual practice, I am convinced, cannot be separated. If any European organisations are contemplating some kind of action with regard to Greece, it is inconceivable that they should not act in the same way with regard to contemporary Spain. Either association with both of these States has to be refused, or else both of them must be allowed association. At all events, what is unthinkable is to act with regard to Greece and to refrain with regard to Spain, since the latter is open to exactly the same kind of reproaches as those that I have registered against the Greece of the present time.

I shall not hark back now to the various causes of complaint. They are in truth too well-known. As you know, Spain has not asked to join EEC: anyway, she is not ripe for such a development, she has not got a sufficiently robust economic structure. But she was once a candidate for association. Her application met with considerable hostility in many quarters, in socialist circles, certainly, but also in many others which are not influenced by socialist ideology. Then, surreptitiously, the idea of association has undergone a metamorphosis, and the instructions just given to the unified Commission by the Council of Ministers are to initiate talks with Spain with a view to a preferential agreement.

What is preferential agreement?

It is an agreement designed to lead on to a customs union. Otherwise, it will not obtain acceptance by GATT. You know as well as I do that GATT admits preferential agreements only when their objective is ultimately a customs union.

It all comes to the same thing. If the agreement is a step towards customs union it is, for the Spain of today, a devious means of evading the objections made to association and of continuing, despite everything, to set her sights extremely high as regards sharing in the life of the Communities: it is an ingenious device for getting round the difficulty. If, on the other hand, the agreement under negotiation does not provide for a customs union, it will not be accepted by GATT. In either case, therefore, such negotiation seems to me extremely open to criticism, and I cannot protest too strongly against this unfortunate tendency, particularly prominent in the Council of Ministers, to favour at any price—I should even be tempted to say by any means—the association of non-democratic States with the Europe in process of formation.

When the Communities came into being, they not only purported to be the embryo of a more extensive community; they also claimed to be the nucleus of a future democratic Greater Europe.

So, to champion the thesis I have been championing, to exclaim with all the force of an upright conscience against the association with our democratic institutions of States that repudiate their philosophy, is to remain strictly within the original line of thought, to respect the system of ideas which inspired the creation of the Communities, and to follow the intentions of their founders. (*Applause.*)

The Chairman (*F*). — I call Mr. Nessler, on behalf of the Political Committee of the Consultative Assembly.

Mr. Nessler (*F*). — The Rapporteur of the Political Committee of the Consultative Assembly has a delicate task in speaking after we have heard such wide-ranging, complete and exhaustive speeches, whether immediately on the subject or going beyond it. I shall, however, venture to make a few comments designed not to draw conclusions but to analyse certain situations that are developing under our very eyes.

The term "political economy" has never seemed to me less ambiguous. How is one to draw the line between an economic objective and the political vistas which its very existence opens up? There is no doubt but that those who promoted the Treaty of Rome were assuming that the processes of economic alignment must end up, sooner or later, in a political entity, the shape of which, incidentally, is still not yet determined. I put it like this because I am speaking on behalf of the Consultative Assembly which embraces 18 countries. To turn the searchlight on the European Economic Community by itself would seem to reduce the problem and the prospects. This is to say without further ado that when we speak of Europe in terms of our wishes and our hopes—I shall not repeat the expression "from the Atlantic to the Urals," which is not of my coining—we are talking of a Europe which, one of these days, will have its geographical limits restored.

That being said, with regard to the nucleus, the solid core, which is the European Economic Community—where already, through a process of continual improvement and, in particular, through the unification of the Communities, the stage of political decisions is approaching—there is no doubt that the extension of EEC, prompted, as at the beginning, by economic considerations might, to some extent, call in question certain of the aims already attained. I make this reservation with all due caution because it is called for at this moment when difficult negotiations are about to start.

If, however, we assume a solution is found for this problem of a politically-orientated Europe, we must still come back to the postulate which I, for my part, have so often stated: there can be no political Europe until and unless there is a European policy. Now here we are entering a domain which is no more within the province of the European Parliament than of the Consultative Assembly: namely, foreign affairs and defence.

There can surely be no question—and I venture to say this *en passant*—but that, so long as we have not achieved in this

sphere a harmonisation or at any rate a common purpose—and alas we must record divergences every day—the kind of future institutions conceivable on the mere political plane will remain, if I may be allowed the expression, purely academic bodies whose decisions will be, if not barren, at any rate no more than pious aspirations.

That is why the Political Committee of the Consultative Assembly, after taking note of the brief report which I have tabled, considered that, starting out from the realities such as they exist, whether we like it or not—that is to say the Governments—arrangements could be made for the respective policy-makers to meet regularly and be in increasingly close touch with one another—something of the sort was mooted in connection with the Rome Conference—and this might supply the opportunity, if not to elaborate a plan for future institutions, at least to produce that common policy which is, in my view, the necessary and sufficient condition of the formation of an organised and constituted political Europe.

In this particular connection—to come back to the more modest role of the Assemblies to which we belong—the Political Committee of the Consultative Assembly has ventured to express the wish that joint meetings, in which the problems are approached from a slightly different angle owing to the composition of the two Assemblies, should be convened at more frequent intervals. That will perhaps make it possible to shed fresh light on the fundamental problems which we are respectively required to deal with.

The Political Committee of the Consultative Assembly thought fit, on this occasion, to make only a modest intervention, because the problems are so big, so various and so difficult that they cannot be settled in the context of a report like this which I have had the honour to present to you. What we have endeavoured to bring out, quite simply is the ever greater importance of exchanges of ideas and of the dialogue process, this dialogue which, in our debates in the Consultative Assembly, we conduct

in an atmosphere of perfect courtesy and which we should like to see repeated as frequently as possible with the European Parliament too. (*Applause.*)

The Chairman (*F*). — I call Mr. Berkhouwer on behalf of the Liberal groups of the two Assemblies.

Mr. Berkhouwer (*N*). — As you say, Mr. Chairman, it is on behalf of the Liberal groups and their associates in the two Assemblies that I have the honour of speaking to you about recent developments and the prospects of achieving the next aims of the Communities. The most obvious and most urgent of those aims are well-known: they are the merger of the treaties, the development of the customs union into an economic union and an expansion of our external relations through accessions and associations.

I should like to make it clear, on behalf of all my political friends, that these questions are of equal importance to us and that we have no desire to award any of them priority.

We also feel that it is most important to respect the obligation, prescribed in the Treaty, to achieve a common trade policy. Nor do I regard this as merely a Treaty obligation. When it is realised that almost all the European countries trade with countries of the Eastern bloc as they think fit, it becomes manifest that it is in the interests of us all to agree on the line we should follow.

Clearly our lack of agreement is not lost upon those in the East European countries who are interested in trade with the West. Naturally they play our countries off one against the other and are choosy about the offers they accept. In the last resort it is our merchants who are the dupes. Any unfair competition between our countries is exploited against them. In short, our trade suffers from the absence of a common commercial policy. Surely that is yet another reason for doing all in our power to adopt such a policy, which will ultimately benefit our West European trade.

In what follows I shall take as my text what Mr. Haekkerup has called the Community in Europe and the Community in the world. At the end of his speech Mr. Haekkerup said: "We must widen the circle." With that I entirely agree.

In paragraph 45 of his Report Mr. Haekkerup says:

> "The economic unity of Europe as a whole requires enlargement of the Community to include all countries willing and able to accept the obligations of membership and the association of the countries that cannot."

So far as the extension of the Community is concerned, the primary interest centres in the applications for accession from Great Britain and the Scandinavian countries. Before saying any more about this, I should like to pay a tribute to our late lamented President Gaetano Martino by quoting some words which he used in this House. I shall try to quote them in his own language, to which he was so attached. He said:

> "Una Comunità europea senza l'Inghilterra e inconcepibile."

With that statement, Mr. Chairman, I wholly agree. On behalf of the Liberal groups in both Assemblies, too, I am anxious to make it clear that we associate ourselves with the words spoken by Mr. Rey.

We hope that the deliberations of the Commission will lead to positive results and that, as Mr. Rey said in his introduction, the second essential premiss can also be respected: the extension of the Communities must not result in reducing their strength and their dynamism.

I share Mr. Haekkerup's view that an increase in the number of the Community's Members is in itself capable of extending our influence.

I should also like to say a few words on our British friends' application for accession, and in so doing throw into relief a parliamentary aspect from which, as European and even as national parliamentarians, we shall unquestionably have benefited. All those who have so frequently tried in this House to widen the powers of our Parliament—and among these I include myself—cannot give too much attention to that aspect.

What happened in Great Britain before its request for accession was tabled? The Prime Minister said to the House of Commons: "We intend to join the European Economic Community." Members gave their agreement by an overwhelming majority.

If I draw attention to this event, if I attach profound importance to it as both a European and a national parliamentarian, it is because the procedure for acceding to our Treaty takes place in accordance with an older formula, unlike the procedure for association. The prior approval of this House is needed before association can take effect, but subsequent ratification by the national Parliaments is not required.

Accession, on the other hand, must be unanimously decided upon by the Council of Ministers and then ratified by the national Parliaments. I would therefore ask the following question: Can we prevent one of our six national Parliaments from stating, as the Netherlands' Second Chamber did in the middle of this year in regard to the Association of Israel with the EEC and as the British Government did before Parliament, that the Community should admit Great Britain and the Scandinavian countries on the basis of the Rome Treaty—which indeed invites its signatories to do so, but unfortunately only in the preamble and without introducing a mandatory clause to that effect? I do not think we can prevent any of the six Parliaments from declaring the accession of Great Britain, and that of the Scandinavian countries, as desirable, possibly on the initiative of those of their members who belong to one or other of our Assemblies.

The members of the Council of Europe are responsible to their national Parliaments. The situation may vary from one

country to another, but I venture to say that none of the six Parliaments will fail to declare the accession of Great Britain and the Scandinavian countries to be desirable when it is asked to make that declaration. Would the Council of Ministers of our Community then be able to decide that accession is impossible?

I mentioned just now the question of association, and more particularly the association of Israel. I am sorry to see that Austria is not more closely linked with the European Community, and I shall listen with great pleasure tomorrow to what the EEC Commission can tell us on that subject.

Yesterday I read in *Le Figaro* an article by General Beaufre entitled: "Pourquoi l'Autriche?". In other words, why do we think it useful, and even necessary, as does the author of that article in his capacity as a French writer, that Austria should be more closely connected with our Community? Let us suppose that in a few years' time, as General Beaufre writes, we can transport our cargoes, by means of a Rhine-Main-Danube canal, from Rotterdam to the Black Sea. Mr. Bodson must know a good deal about that and I am not telling him anything new.

When that happens, navigation between Vienna and the Black Sea will in practice be almost entirely in Soviet hands.

I was very glad to see that the French newspaper I just mentioned insistently urges us to do everything possible on our side for closer links with Austria.

Is it not regrettable that what I may call an outworn irredentism is being practised by extremist groups in certain European countries having common frontiers? The establishment of closer links with Austria seems at present to be meeting great difficulties of that kind. What the Commission has to say on the matter will consequently be of great interest.

Mr. Haekkerup spoke about the Community in Europe and the Community in the world.

The Community in the world used to include and indeed still includes the Middle East. Yet, although we have vital interests there, we have never to the slightest degree presented ourselves in that area in the guise of a Community, nor do we so presented ourselves today, and consequently we are quite incapable of speaking there with a single voice. All sorts of voices have been lifted up in the Middle East, but they have not always given off the same sound—and incidentally it is a sound that changes rapidly. I could perfectly well say that this is a regrettable fact, in our view, having regard to the vital European interests which are there at stake.

I shall now turn to the Community in the rest of the world, in connection with the journey to the United States and Canada which we made recently as delegates of the European Parliament under your enlightened leadership, Mr. Chairman.

Our experiences there rather resembled what Dvořàk called *Eine Symphonie der Neuen Welt.* The motive for the journey was the commemoration of the centenary of the Canadian Confederation.

If we listen to all that they say to each other, how we can envy these great American Federations which many of you were visiting for the first time, when we see that thus both the one in 1787 and the other in 1867, took the great political decision not to work in isolation, but rather in common, since both are Federal Unions. The strangest thing is that these two countries of the North American continent, Canada and the United States, took in the past the political decision which we are hopeful of taking in the future. They took that decision in order to unite and it was not until later that they settled the economic questions. I am thinking, in the case of the United States, of the important laws put through by Sherman and, about a century later, of those of Clayton when the decision was made to bring some degree of order into the economic jungle which went with political freedom. We for our part are endeavouring, stumblingly and haltingly, to do the opposite, in other words to pass on from some form of

economic unification to political unification, and in saying this I am of course aware that it is now no longer possible to distinguish the two very clearly one from the other, as Mr. Furler has said.

I now come to some of the most notable episodes in our parliamentary journey to America from which we have just returned. We had talks there, albeit somewhat disjointed and unofficial, with, I may safely say, senior personalities of the American Government. We were once again assured, and this I find consoling in view of the criticisms and anti-Anglo-Saxon declarations of all kinds so frequently heard in Europe, that the United States support the idea of a "United and open Europe," and I quote. We should therefore make every effort to ensure that Europe establishes or preserves the necessary parliamentary democracy. That is why I strongly support the accession of Great Britain and the Scandinavian countries, which are in a position to give us a dose of parliamentary democracy that may well stand us in good stead.

The second striking event was our visit to Cape Kennedy. Mr. Metzger already spoke about this yesterday and we have just been hearing of the "technological gap" and similar matters. European that I am, upon my arrival at Cape Kennedy I remembered the words uttered about Europe in 1946 or 1947 by the German philosopher Karl Jaspers. That great Europeon, who moreover is a liberal, had this to say about Europe: "Man muss leben mit dem Globus vor Augen." How apt those words seemed to me when we stood before the gigantic project which is going forward at Cape Kennedy!

The picture conjured up by Jaspers was the first impression I had. Nowadays the earth is being observed from satellites out in space. The second impression was of a tremendous contrast between the progress of technology and the opportunities it offers mankind.

Technology is opening up the cosmos to us; it is offering us access to other planets, starting with the Moon. Soon we should

be able to live in the cosmic age and yet chaos still dominates the world and international relations: we have only to think of the introductory works used by the Secretary General when addressing the United Nations. What a contrast there is between the technological cosmos that should be ours and the state of chaos which still reigns throughout the world!

I should also like in passing to say a few words about the technological gap of which Mr. Reverdin, who unfortunately has left us, has already spoken. When we gaze upon these vast super-Powers, we are led to feel that all our subjects for complaint are the fault of ourselves. We bewail the technological gap, but all that is needed, it seems to me, is to redouble our efforts and our will for unity.

Unhappily, whereas the super-Powers have already formed themselves into union, the Europeans, instead of uniting, have spent all their time conducting fratricidal wars whose traces they have not yet obliterated. Therein lies the explanation for the greater advance by the super-Powers.

At Cape Kennedy, where everyone can see what's going on around him and be fully informed, since the budget is accessible to the public, I asked: "Are the Russians doing as much? Can you, now that you are co-operating with the Russians, get to know what their budget is?" The answer was: "No, but we are convinced that the Russians spend more than we do, in proportion to their national product, on the development of astronautics."

I was deeply impressed, Mr. President, by the fact that the budget of NASA is as high as the whole national budget of the Netherlands.

We shall never be able to talk in terms like that until we unite.

Here and there in Europe fears are expressed about American business and American bigness.

In that context I would reply that fear in itself is never a good counsellor. When all is said and done, to go back to a view I have already expressed, everything that makes us frightened can only lead to our mobilising our forces. If the fear is justified we shall be able to surmount it only if we pull together. Hence, if we are afraid of American economic influence, if we are worried about the brain drain—and on that point, as on the question of the technological gap, our fears may be justified—will not the brain drain necessarily induce us to unite, to build on a larger scale, in a word, to catch up with the countries which have forged ahead?

Up and down the world a political reproach is also often levelled at the Community. I am speaking in terms of political dimensions. In connection with the Atlantic Alliance, which we in the European Parliament have always supported, the Americans are sometimes criticised as follows: the United States are at present aiming at a lessening of tension, to the exclusion of us and over our heads, rather like the way France once set up the Union of Utrecht in the Netherlands, but above the heads of the Dutch and without including them in it. With that idea in mind, the critics go on to add: the United States are seeking to lessen tension in the world without consulting us; let us then also seek a lessening of tension with the Russians by our own means. At bottom, it's a case of "chacun pour soi et Dieu pour tous". However, the latter hope may well prove to be vain.

In my opinion, an isolated attempt to reach a world *détente* by each country is foredoomed to failure, for all these countries are too small to act in isolation towards that end. There have been some recent examples. Certain countries have turned towards the Soviet Union and in the Soviet reply one could read between the lines: "You are too small to settle the affairs of the world on a footing of equality with us." And yet there were large countries among them, but for the Soviets they were too small.

All these solitary, free-wheeling exchanges are foredoomed to failure. They only bring grist to the Soviet mill, as you may read

in a recent article from *Pravda* reproduced in *Le Figaro* only a few days ago. They are simply bringing grist to the Soviet mill, which works according to the principle beloved of the Romans: *Divide et impera.*

Why are the United States seeking a *détente* on their own account? Because, taken separately, none of us is a valid partner. Taken together, we should be such a partner. We have often heard it said that the United States would be only too happy if it could strive for a lessening of tension hand in hand with us.

I believe that even today the ideal is to achieve a *détente* together, and I think that most of my Liberal friends feel as I do. Surely that is better than seeing the Americans acting on their side and the Europeans on theirs, according to the principle of national sovereignty à la Bodin. And what is there left of that?

I have put forward a series of arguments to show that all complaints about the position of our Community in the world are rebounding on our own heads. If we march forward hand in hand, we can find the remedy ourselves, however often we complain.

Let me turn now from macro-integration, integration on the world scale, to micro-integration, one of my hobby horses. There has been much talk of "l'Europe des patries, l'Europe des nations, l'Europe des Européens". To my mind it is much more important to create an "Europe des citoyens", a "Europe pour tous les citoyens".

This leads me to ask a question: What does the average European really see of Europe? I think the question is worth while. Today, as at other Sittings, we have discussed many matters, but what would be the answer of the man in the street, say in Strasbourg or Amsterdam, if he were asked what he understood by the technique of association described by Mr. Dehousse? The latter's speech was extremely valuable to the jurists among us and I greatly appreciated some of the other speeches, but what

about the Europeans, the men in the street? Will they be any the wiser about the Europe we are trying to build?

Mr. President, we have just come back from the holidays. In Europe, the holidays are sometimes the trough of the wave. For proof of that let me quote you this headline from the *Frankfurter Allgemeine Zeitung*: "Haben Sie etwas zu verzollen?" During our holidays, when crossing from one country to another we often see queues of cars stretching for miles at the frontiers, in spite of everything that we are doing here. It is always the same question: "Haben Sie etwas zu verzollen?", or in the case of the French and the Belgians: "Rien à déclarer?" in the hope that you won't declare anything. The Dutch put the question rather more positively, naturally in the hope that something will come out of it.

We are now progressing from the customs union towards the economic union. When you come back from your holidays you may well ask whether the customs union is really a union of customs officers and for customs officers, or an internal union without customs officers.

I know of course that some control is necessary over movements of goods and in the Netherlands I have heard a Minister say that it was also necessary because of registration dues. It also seems to be necessary for statistics.

Let us get back to America. There you will find purchase tax which affects all the States individually. You will also find statistics on inter-State commerce, but you won't find any customs officers. I should like to submit these facts for deliberation by the Commission. It is obvious that we are still going to see customs officers for many years.

In 1911 my grandfather—my Dutch friends know this story because I have often told it in the Netherlands—went from Amsterdam to Istanbul without a paper in his pocket and with only 100 Dutch guilders. He got along very well wherever he

went and had no mishaps of any kind. Recently I went from Amsterdam to Paris—you don't always need to go as far as Istanbul—and I was questioned five times. I don't know whether I make a bad impression, Mr. President, but I was questioned by a policeman in the Netherlands, a customs officer in Belgium, a man with a tricolor badge in the train between Mons and Valenciennes and *tutti quanti*. Now, I'm a European, I'm working for Europe, but it may be wondered what I'm really working for. The German customs officers always ask if you are importing tobacco or coffee, the Belgians whether you are importing butter.

Incidentally, Europe only functions if these gentlemen are not on strike. For this the Germans use the nice word "Eiferstreik" (working to rule). If these gentlemen work to rule, Europe is quickly forgotten.

Once upon a time a strange thing happened. Many Dutchmen take a bottle of gin with them when they go to Belgium. I have heard it said that the last time the Belgian customs were working to rule, the bottles of gin were piled up high on the Belgo-Dutch frontier!

Be that as it may, Mr. President, this situation is too ridiculous to last much longer. The EEC Commission and the Assembly may be sure that there will always be officials trying to prove that customs officers are needed, but the day will come when Europe will have to say: "Customs officers go home." It will be enough if we have a few such officers at Europe's frontiers, preferably wearing a European uniform cap, a Community cap. I hope that they will also get Community salaries, which would be the best thing for the Community.

It would also be a good thing if the Commission could examine what all these customs services cost and what profit they yield every time someone is mulcted a few cents or a few guilders on a bottle of gin or, *a fortiori*, of champagne. Basically, what possible interest is there in these practices? Shall we not sooner or later have to put an end to them?

Before I conclude I should like to pause for a moment to consider the obligations created by Article 9 of the Euratom Treaty, namely the establishment of the European University, which I consider as a service rendered to European learning, on the lines of what Jean Fourastié writes in today's *Figaro*: "La technostructure et ses lacunes".

That eminent writer expresses the following idea, with which we entirely agree: "Une des prises de conscience les plus décisives de la science contemporaine, c'est celle de l'autonomie, l'originalité de la personnalité de chaque être vivant." It is in that spirit that I bring my remarks to a close. I shall also regard it as a last tribute to Mr. Gaetano Martino, for whom the European University was such a cherished idea.

The communiqué issued after the Rome Summit Conference said that every effort must be made—I am quoting freely—to set in motion again the work of creating the European University.

This is a question in which I take a lively interest and I should be greatly obliged to Mr. Rey, for I know that the Euratom Commission, now the unified Commission, is dealing with the question, if, as President of the new body, he had something positive to tell us on the matter. (*Applause.*)

The Chairman (*F*). — Ladies and Gentlemen, at the beginning of the sitting I asked those of my colleagues who wished to take part in the debate today and tomorrow to be so good as to put their names down in Room A70 before the end of the sitting.

I have the names of sixteen speakers for tomorrow morning.

May I remind you that any members wishing to speak tomorrow morning, or in the afternoon if we continue our proceedings, must get their names put down this evening. Immediately after the adjournment of the present sitting, the list will be closed.

I call Mr. Triboulet, on behalf of the European Democratic Union political group.

Mr. Triboulet (*F*). — We are dealing today with a two-pronged theme which is covered in the reports of Mr. Pedini and Mr. Haekkerup: the two subjects are the activities of the European Parliament from May 1966 to May 1967 and an assessment of the first ten years of the European Community.

My job in all this is to be the spokesman of the European Democratic Union, to describe the work of a group, the burden of whose growing pains years ago I shared with Michel Debré, a group which ever since has made its contribution in these Assemblies—only yesterday we had echoes of this—sometimes in a minority, but always as an active minority.

I hope that when I have finished I shall have shown that there has been a certain degree of development and that, in point of fact, in these two European Assemblies of ours the majority and minority sections have, on many points, come satisfactorily together.

First, then, the European Parliament and what it has been doing during the year.

To this theme Mr. Pedini has devoted nearly 120 of the 145 pages which his report contains. As a result, this Assembly of the Six—of which I have become a member again only in recent months—is providing the Council of Europe with an extremely flattering picture of the activities and the zeal of the European Parliament.

On every subject, we find questions, proposals, reports, debates, resolutions. So far as I am concerned, I shall restrict myself to selecting from all this parliamentary activity two fundamental matters in which the European Democratic Union has played a particularly active part: agricultural Europe, and help to the developing countries.

On the subject of agriculture in Europe, Mr. Pedini writes as follows:

"Thus one member State asserted, not without reason, that the common *agricultural policy* could scarcely have progressed as it had done unless that State had emphasised, by resorting to political means, the importance it attached to the achievement of a common agricultural market."

France has been recognised as that "member State." As for the political means to which France has resorted, it is of course the President of the Republic and the French Government who have applied them. From which it is plain that the European Democratic Union has done everything possible in the European Assemblies for the promotion of agricultural Europe. That was, for us, to achieve an essential element of the Europe of realities.

When I say the Europe of realities, Europe as it actually is, you will recognise very well the fundamental orientation of Gaullist thought, our passion for analysing the facts with the utmost precision and then making the very most of the practical consequences to be drawn from those facts. I can imagine the discreet surprise of some of our colleagues, whom I knew well a few years ago as faithful devotees of traditional liberalism, when they see where agricultural Europe is taking us. If they are members of the European Parliament, they will be getting in their mail every week an avalanche of regulations bearing on levies, rebates and all manner of rules regulating agricultural products in minute detail.

We are evidently a long way from the liberal tradition!

We simply had to organise the European agricultural market with precision and care, and in the face of many difficulties, for we were in duty bound so to do. The old-established States of Europe have, each one of them, historically and socially their foundations in agriculture. The political importance of agricultural problems is immense. They had therefore to be dealt with. Since there is little scope for expansion in agricultural markets, we had to worry about the quantities produced, we had to establish a

ratito between production and prices, in a word, we had to organise.

That is how we got involved in the complicated mechanism of levies, rebates etc. Willy-nilly, all of us found ourselves committed to these things. I attended the most interesting session of the European Parliament on 19th July, when agricultural prices were discussed. There was something like unanimity, apart, I think, from a few reservations by the Socialists, in calling for a revaluation of present agricultural prices.

The basis for our work was the first agricultural report made by the European Commission to the European Parliament, an extremely interesting report which should certainly be widely disseminated.

As for the question of aid to developing countries, that, too, is a necessity for Europe.

Present-day Europe, as such, is an old-established Europe which used to colonise—some European countries, at all events—and, in any case, the influence exerted by Europe continues to be world-wide.

We cannot disinterest ourselves in the backward countries. I am not speaking, of course, about food aid. That is a very special subject. It is called aid, but it is chiefly a means of getting rid of our surpluses. Doubtless, there is a charitable element in it, in many respects, but it tends rather to militate against development, since the first stage of development consists in feeding ourselves, by one's own efforts. What I am talking about, then, is the aid which we are endeavouring to supply to a certain number of developing countries.

With regard to this question too, the European Democratic Union has continually urged the study and analysis of the situation of backward countries.

The foundation of their economy, obviously, is agricultural. Their basic products, the commodities on which they live, are agricultural commodities, otherwise called tropical products.

Yet we notice with some surprise that there is a constant tendency to try to evade these realities.

For example: the Foreign Relations Committee of the European Parliament on 22nd November 1966 was seized of a Communication by the Commission to the Council, in which there were suggestions for granting to the developing countries tariff preferences on finished and semi-finished goods.

It was not a difficult matter to show—I did so on behalf of the European Democratic Union group—that in those developing countries even finished and semi-finished goods are almost always agricultural in origin: woodwork, foodstuffs, leather. What is more, these ever so slightly processed products, in the majority of the developing countries, represent only a tiny portion of the national income, less than 10 per cent. The national income of these countries is buttressed entirely on agricultural tropical produce.

Take, for example, the Ivory Coast (Côte-d'Ivoire), a country which has been exceptionally successful. I took part, as a member of the French Government, in an investigation of a development plan for that country, based in part, and very sensibly, on its own resources. But the collapse of the price of a single tropical product was enough to ruin the whole programme in one fell swoop and to render any other kind of help virtually useless. So we went back to the task of organising agricultural, and this time tropical, markets. There you have the problem. I am delighted to see that those colleagues who had misgivings at first on account of their liberalism have come to acquire a greater appreciation of the necessity for the European Parliament to take an interest in the world commodity agreements relating to the major agricultural products, some of which are of concern to the developing countries: cereals, cattle and, above all, sugar. A

world conference on sugar is announced. It is a very important element in both European and tropical agricultural market structures.

The point is that we set the example. The European Economic Community signed a Convention at Yaoundé—it was my privilege to sign on behalf of France—with a certain number of developing States. Out of a total of 750 million dollars, 250 million are earmarked for stabilising the prices of tropical produce and diversifying crops. 500 million go to carefully planned aid under the aegis of the European Development Fund. I congratulate the Commission on this, and particularly Mr. Rochereau, who has been devoting himself to this task for a number of years.

The European Democratic Union group endorses accordingly the comment by Mr. Pedini when he says that: "the arrangement between EEC and the Associated African States and Madagascar is now seen as the most comprehensive and modern form in the world of organising relations of interdependence between highly industrialised and developing countries."

The reason I chose these two subjects, agricultural Europe and aid to developing countries, out of all the parliamentary activities of the European Assembly during the last year is that they seem to me to illustrate well our conception of Europe.

We believe in a Europe which goes realistically to the root of things, which requires organisation, which involves decisions and practical achievements. A few years ago, some colleagues seemed to contemplate a Europe limited to trade in industrial products, under the inspiration of virtually total liberalism, with a supranational authority, to be sure—that is what they demanded—but an authority which would be careful not to interfere, which would abide by the motto *laisser faire, laisser passer.*

Now, it seems to us that there has been a very satisfactory process of development. Mr. Pedini, in his report, even dared

to say a word of criticism of the Kennedy Round, with the comment that the negotiations were incomplete, that they dealt only with customs problems. He considers that the major economic problems of the world are very much wider and that we must go much further. He went as far as to write: "Even in a liberal economy, programming is essential."

So, then, the Europe that has come into being, which you, Ladies and Gentlemen, have made, which your Governments have made, is the Europe we always wanted. It is the real Europe. The European Economic Community is a great success. There's no doubt about that. Mr. Rey, in his very realistic statement yesterday, totally devoid of rhetoric, was able to say that the whole world was concerned about its relations with the European Economic Community. That, surely, is proof that the Community is a success. Mr. Pedini, in his report, reminds us that the principal targets have often been achieved before the end of the transitional period provided for; even objectives of common interest which were neither prescribed nor recommended in the Treaties have been achieved or are in the process of being achieved.

Finally, in his oral statement, Mr. Pedini quoted some highly encouraging figures showing the measure of the EEC's success.

Hence I can fairly say that the European Democratic Union group is most gratified by the practical success that Europe has achieved and very much wishes that Europe may go further, may go forward to greater things.

Mr. Haekkerup said just now that the most difficult part of our task remained to be done. Yes! We are convinced that it is essential to embark on economic and social activity in greater depth, and the fusion of the Executives, the fusion of the treaties, may well mark a stage in that direction.

Mr. de Lipkowski, yesterday, when replying to Mr. Rey on behalf of our group, well said that we were all for encouraging

the Commission to use its right of initiative to go even beyond the Treaty, for example in the matter of industrial organisation and research.

I now come to my conclusion. What is the point of friction? It is how we should go forward in existing circumstances —what was the right method in the past and what will be in the future. This is the only point of disagreement there can be between us and other political groups.

We are entirely in agreement over the political objectives of EEC quoted by Mr. Pedini, viz. "achievement of a common policy in the various fields and consolidation of the Community's capacity to act," and nobody in either of the two Assemblies can deny that over the last ten years our group has also done its utmost to hasten the realisation of the European Economic Community.

But it is objected to us: you are not in favour, as things are, of supranationality, whereas, for the rest of us, nothing less than supranational authorities can ensure the advance of Europe. I must confess that this distinction seems to me a debating point, fundamentally a matter of words, mere "verbiage," as we say. Yes, it does seem to me that we have there an abundance of words and not all that amount of substance.

For who are the most ardent champions of supranationality? They are, most of the time, the persons who give evidence of the most thorough-going liberalism and who, in practical negotiations, are often the partners most reluctant to agree to certain sacrifices and securing practical achievements through reciprocal concessions.

So we come back to the observation that I have already made. Verily, Europe could already be a supranational entity; supranational officials might already be taking the place of Governments in making certain decisions if we were concerned only with a sort of free trade area, with exclusively customs problems to be settled.

But that is not in fact the Europe which has come about, and, consequently, the supranational method was not the one to be applied. For once you go beyond customs agreements, once you begin to intervene in the policy of the individual States, once you set about organising production, fixing prices, organising trade, harmonising taxes—Mr. Haekkerup very rightly mentioned what has been done towards universalising the added value tax—once you seek to elaborate a corpus of Community law affecting each of our national systems of law—the Community law for which Mr. Pedini appealed just now—then the situation is plain: either you get the agreement of Governments or else you do nothing at all! Mr. Pedini expressly said so in his report. He said in so many words that if it has proved possible to beat the deadlines and go beyond the stated objectives, it is as a consequence of what he calls a "dynamism of expediency" which received the assent of the six States. And he adds that the Common Market has made progress only when all six Governments realised it to be in their common interest.

On this point we had an exchange yesterday between Mr. Rey and our colleague Mr. Furler, whose talents I often had occasion to admire when he was President of the first parliamentary assembly, that of the ECSC, and whom I was very glad to hear speaking here just now.

Mr. Furler, after hearing Mr. Rey say "My chief concern is to agree with the Governments . . .," replied to him: "Ah no—take your stand on the Treaties; the Commission should be wary of contacts with the Governments, let it keep its independence." Thus, by a strange paradox, I saw Mr. Furler adopting precisely the sort of attitude of splendid isolation for which—quite wrongly I think—General de Gaulle is reproached. Mr. Furler wanted the Commission to remain aloof from the Governments. That is a sort of all-or-nothing position: let Europe perish, providing principles have been upheld! An extremely dangerous position!

And I must say I was delighted by Mr. Rey's answer. He contented himself with saying: "But Mr. Mansholt did just the

same thing to secure his success on agricultural Europe. Mr. Mansholt could never have made his contribution to the success of agricultural Europe if he had not taken constant care to visit the Governments in order to bring their points of view into harmony." "I myself," Mr. Rey added, "before the Kennedy Round got under way, went from country to country in the endeavour to get the Governments to agree. Otherwise I should not have succeeded." Mr. Rey made it clear that, as now head of the Commission, he had every intention of continuing the same sort of practice. We congratulate him on this.

Actually, we have come to realise that, when all is said and done, everyone is becoming resigned to this pragmatic technique. which amounts to taking a step forward only when you are previously assured of the agreement of the Governments to each practical solution. M. Haekkerup also told us that he considered the Fouchet Plan perfectly acceptable—as a first step, he added. There I think he was wrong. The Fouchet Plan would represent a further step along the road—a sequel to the numerous steps already taken in order to achieve the success of the EEC. It would be a further political step which would certainly enable us to make progress in the long journey on which we are engaged.

In short, I think Mr. Pedini was right to entitle one of his chapters: "The reason for the success: the Community's political nature." And this means that it has been built up in realistic, efficacious and practical fashion, with the unanimous support of the Governments.

So the European Democratic Union group no longer feels at all that it is a doctrinal minority. We simply feel that, in our speeches, we reflect what is actually being done with the agreement of all of you, Ladies and Gentlemen, with your overwhelming majority—I was going to say, your unanimous support.

For ten years you have been helping your six Governments and the Commission really and truly to build Europe! We shall come up against the same difficulties, inherent in our age-old

national civilisations, but the same unanimity and the same methods will enable us to bring our labours to a satisfactory conclusion, to achieve that construction which we all wish and hope for and which we have long been working for, united Europe, true to its most venerable traditions but strong, dynamic and eternally young. (*Applause.*)

The Chairman (*F*). — I call Mr. Bohman.

Mr. Bohman. — As Mr. Haekkerup is underlining in Chapter III of his very interesting Report, it is today open to question whether the actual attempt of Great Britain and four other EFTA countries to enter the enlargement of the Common Market Community will be any more successful than the last applications. It is not my intention to debate on this point. What, however, from the Swedish point of view, is interesting is Mr. Haekkerup's explicit declaration that this enlargement could not be reached through the association of other countries to the Community.

The association formula can hardly be appropriate for Britain and most of the other industrialised EFTA countries. In my opinion, as in the opinion of our Rapporteur, no developed European country can be expected to accept an economic integration with the Community without some form of participation in the latter's decision-making process. In this connection, there are several reasons, indeed, for discussing the Swedish situation and Sweden's possibilities to contribute to the extension of the European Communities. We are all, I think, aware of the fact that the Swedish application to the Common Market made in July this summer caused puzzle in Brussels by not mentioning the Article of the Treaty of Rome, according to which the application was made. Delivering the Swedish request to the European Commission, the Swedish ambassador underlined, however, that the Swedish Government, for its own part, did not wish to exclude any of the forms laid down in the Treaty of Rome for participating in an enlarged EEC. Bearing in mind that the Swedish request for negotiations six years ago was explicitly aimed at an economic

association between Sweden and the European Economic Community, it seems quite understandable that Europe today asks if, and to what extent, Sweden has changed its earlier opinion.

Against this background, I find it natural to present my views on this, for my country, extremely important situation. I wish to stress, however, that when doing so, I am talking as a Conservative Swedish parliamentarian, and not as a representative of the Swedish Government. Although there is today in my country a broad public opinion in all democratic political Parties that Sweden has to play its full role among the other democracies in an economically integrated European unity, there are still certain shades in the opinion as to the most appropriate ways and means to negotiate with EEC. Of course, these shades arise out of the necessity to conduct a policy of neutrality. As you probably know, the Swedish ambassador, when delivering our request, underlined that the determining factor for the Swedish Government is that this policy of neutrality has to remain unchanged, and that the special requirements which follow from this policy can be met.

First of all, I wish to stress that the Swedish foreign policy—as a consequence of our geographical position and of traditions and experiences during more than a hundred years—is based upon our determination not to join any great Power alliance, and thus be in a position to stay neutral if war should come. To fulfil such an independent foreign policy we have to maintain a strong national defence. But this is not enough. Our economy must also possess such a strength that it permits us not only to pay our high defence expenses, but also to a great extent to be self-supporting in case of war.

Our neutrality is not internationally guaranteed. Nor is it based upon any treaty with another country. It is for Sweden exclusively to decide about the contents of, and the limits for, the neutrality. In this respect, our freedom of political action is limited, however. And here we face the third prerequisite for our foreign policy: a condition more difficult to define and delimit.

Sometimes we call it the question of credibility. In other words, our declared policy of neutrality would not be of much value if Sweden, in its political actions, behaved in such a way that our aspirations on neutrality might be seriously questioned by other States.

To avoid losing the confidence in the political purposefulness of Sweden in this regard, our policy must be compatible with our assurances. Even if, as I have pointed out, it is completely up to Sweden itself to decide where the limit should be drawn for actions which correspond to the aims of our foreign policy, it might be difficult to define exactly where these limits should be drawn. Nevertheless, we have to do so in several international situations, and in such situations we could in no circumstance accept that other States try to exert their influence on us.

To illustrate such problems of delimitation, I should like to remind you of the declaration of my country that Sweden is not neutral as regards ideology. As one of the very oldest democracies of Europe, Sweden is closely connected to the European democracies. We are always prepared to repeat this, even if it does not bring us positive reactions outside the democratic world.

By tradition, Sweden has also a close co-operation with the other Nordic countries. In the economic, legal, social and cultural fields—especially within the scope of the Nordic Council—we endeavour further to strengthen this co-operation. After the rise of EFTA this co-operation has been further deepened, and the economies of the Nordic countries are today integrated to such an extent that it seems unthinkable for us in Sweden, as well as for our friends in the other Nordic countries, I hope, to return to the earlier state of things.

This far-reaching co-operation has been a substantial part of Sweden's foreign policy, in spite of the fact that Norway and Denmark are Members of NATO and in spite of Finland's defence treaty with the Soviet Union.

In the centre of the debate in our country there is now the question whether Swedish neutrality policy can be preserved if we sign the Rome Treaty. The answer is to a great extent dependent on the question whether Europe is interested in accepting Sweden as a participant in the European integration and in accepting Sweden's policy of neutrality as well. It was for that reason that the Swedish Government, on the occasion of making its application last summer, expressed "the hopes that the possibilities and problems which arise in this connection will be further clarified during the negotiations which have now been requested."

On the Swedish side there is the conception that there should be a strong European interest in the continuation of Sweden's independent foreign policy. At an earlier period, it is true, the opinion was often expressed that by its policy Sweden placed itself outside European solidarity and did not make its contribution to the building up and defence of Europe. One does not meet this opinion very often today; on the contrary, there is a common comprehension of the truly positive contributions to peace and relaxation of tension in Northern Europe, and in Europe as a whole, which Sweden offers by its geographical position and by its independence. In other words, it is an advantage for our continents that Sweden is enabled to continue its present foreign policy.

Already, for that reason, the European Community should have come to comply with the Swedish desire to obtain such clauses at a possible accession to the Rome Treaty as will mean that Sweden's policy of neutrality will not be obstructed. On the part of Europe there should also be a strong economic interest in giving Sweden an opportunity to take part in the intensified integration activities. Even if Sweden is not a big country, it is still of importance for the European economy, and still more so are the Nordic countries as a group. During recent years the exports from EEC to the Nordic countries have been about the same size as the exports from EEC to the United States. Sometimes they have been larger, and sometimes exports to the United

States have been larger, but on the whole they have been at the same level.

Last year the Common Market countries sold goods to the Nordic countries for 3.6 billion dollars, while in the same period their exports to Eastern Europe amounted to 1.6 billion and to Latin America 1.8 billion dollars. This means that the trade between the Common Market and the Nordic countries is bigger than the total Common Market trade with Eastern Europe and Latin America.

The conclusion of all this ought to be that the Common Market countries should have a positive interest in facilitating Sweden's entrance to the Common Market and thus in offering Sweden the necessary clauses to enable it to pursue its neutrality policy. Once again, I should like to point out that on this condition, in accordance with our application in July of this year, Sweden is prepared to accept full membership.

The Swedish attitude today is, of course, based upon the interpretation of the Rome Treaty which we have made ourselves, but also on the application of it which, in practice, has taken place. The so-called Luxembourg Agreement and the general development of trade policy in Europe have been significant. If the efforts towards a still closer political co-operation within the Common Market were intensified and went beyond the Rome Treaty, Swedish participation would, of course, be rendered more difficult. But it is not such a far-reaching political co-operation which we are discussing today, but the question of Sweden—and other EFTA countries—signing the Rome Treaty.

In my opinion—and I emphasize again that I speak only for myself and as a representative of the Conservative Party in my country—there is nothing in the Rome Treaty which prevents Swedish membership with the necessary Swedish neutrality clauses. In making this statement I attach special importance to Articles 110 and 224 of the Rome Treaty. The fundamental principles in Article 110 have regard to a policy directed on a common,

harmonious development encouraging world trade and prevent for instance, majority decisions which could aim at using trade exchange as an instrument for military or strategic purposes. Article 224 presupposes that member States have that right of freedom of action which a neutral State such as Sweden must be given in times of international crisis, facing the threat of war or in the event of war.

I hope that I have sufficiently explained that it is a clear Swedish and European interest that the negotiations in Brussels shall lead to such a result that neutral Sweden can fully and completely assist in the future enlargement of the European Community. (*Applause.*)

The Chairman (*F*). — I call Mr. Cousté.

Mr. Cousté (*F*). — I should like to make a few comments on the report by Mr. Haekkerup, which I regard as a remarkable document. I shall focus these comments on what seems to me to be the most original and illuminating passage. This is what Mr. Haekkerup writes:

> "In one major respect, the situation has become much simpler than it was in 1957. It is now generally admitted that the European Community represents the nucleus of the future economic—and political—union of Europe."

We may recall the decisions, in the same sense, adopted last year by the Assembly of WEU, as well as the Consultative Assembly of the Council of Europe, with whose members we are sitting together today. Mr. Haekkerup goes on:

> "Ten years ago, it was proposed to 'absorb' the EEC into a wider European free trade area. Now it is assumed that the EEC will eventually 'absorb' EFTA, whatever solutions may be adopted for each of the Seven individually."

That, if I may be allowed to say so, reminds me of the discussions in which I found myself engaged when I was not on

the bench where I am now, but at the back, when I was sitting, in a consultative capacity, as a delegate of the World Assembly of Youth to the Council of Europe.

I remember discussing the merits of these two alternatives with my Danish, Swedish and British friends of the World Assembly of Youth. I supported the European Economic Community. They said to me: "Oh no, it will be protectionist, that will not be a good thing. . ." Well, now we have the European Economic Community in the end, through the Kennedy Round, providing Europe with the lowest common external tariff of all the industrial countries in the world.

And then my friends used to ask me: "How are we to accept the involvement, the special links with the African countries overseas?" Well, ultimately, everyone has come to acknowledge that the sovereign remedy for the troubles of the overseas and developing countries is not simply financial aid through investment, but aid through the provision of markets in a highly industrialised area with substantial purchasing power.

I can still call to mind the fact that my friends with whom I was discussing these things did not understand our desire to harmonise legislation to establish common policies. What, however, have we done in these ten years? We have laid the foundations and now we see in operation the most complicated undertaking, that is to say the common agricultural policy.

Everyone realises, after looking round the world, and making comparisons, that it is precisely agricultural problems which are everywhere the most difficult, even in a planned economy like that of the USSR.

And that is why, I can assure you, if this text written by a Dane, from a member country of the European Free Trade Area, should come to the eyes of my World Assembly of Youth friends, they would exclaim: "What a *long* way we have come!" And I shall say the same thing.

Now, why is it that my friend and colleague from Denmark took such pains in his speech just now to stress the necessity of enlargement? To be sure, it is because of the Community's success.

As I am in the habit of speaking frankly with my friends,—that is the way to make progress in solving real problems—let me say that I do want to be quite sure that the desired expansion is not a pretext to hinder the European Community, the unified Commission, the Council, in other words the institutions of the Rome Treaty, from functioning and progressing.

What must not be allowed, in a word, is anything that spells expansion for expansion's sake.

After all, this is only a means. What is needed is policies.

As I see it, it is in this context that we must stress the importance for the Community, after these ten years of successful achievement, to contrive in the following ten years a further advance in those spheres where we are still behindhand. We cannot conceive of a virtually complete customs union when there is not yet an economic union in harmony with that customs union. Let us then catch up on transport policy sphere, on the common commercial policy with regard to the rest of the world, and on social policy. Europe cannot be anything else but a major success for mankind. Allow me to say that this applies equally to industrial policy, regional policy—as has already been intimated—and likewise energy policy, more especially as regards nuclear power and research. And then also we must have—because it is essential to look beyond immediate events and the decisions which our Community of the Six is required to take now—we must have a monetary policy and, on top of everything, a political Europe.

We must seize the opportunity, provided by the Rome meeting on the occasion of the tenth anniversary of this Community, to extract the full substance of it—whoever we are, in Governments, in the Commission or representatives of public opinion—

with a view to doing everything to ensure that political Europe does not remain a dream but becomes a reality, at all events in regard to matters of foreign policy and defence.

To conclude my speech, I shall just add that we must have a policy for youth. That is a task for the Commission and the Council of Ministers, naturally, but our Parliament must watch over it. And it is, to be sure, the primary conclusion we have to draw today. (*Applause.*)

3. *Date and time of the next Sitting*

The Chairman (*F*). — As we have come to the end of the speakers for today, the debate is adjourned until tomorrow.

The Secretariat has given me a list of speakers down for tomorrow. They are: MM. Rodgers, Gustafson, Sandys, Dequae, Moreau de Melen, Max Weber, de la Vallée Poussin, Oele, Housiaux, Blumenfeld, Moe, Gülek, Edwards, Rossi, Peel, Erling, Petersen, Vos, Jannuzzi and Schulz.

Of course, members of the Commission of the European Communities may put their names down if they wish. Mr. Jean Rey has already done so.

Does anyone else wish to put his name down?. . .

The list is closed.

The next Sitting will be held tomorrow, Friday, 22nd September, at 10 a.m. and 3 p.m.

The Sitting is closed.

The Sitting was closed at 6.55 p.m.

SECOND SITTING

FRIDAY, 22nd SEPTEMBER 1967

IN THE CHAIR : SIR GEOFFREY DE FREITAS

President of the Consultative Assembly of the Council of Europe

The Sitting was opened at 10 a.m.

The Chairman. — The Sitting is opened.

1. *Resumption of the exchange of views*

The Chairman. — We will now continue the exchange of views between the members of the Consultative Assembly of the Council of Europe and members of the European Parliament.

May I remind you, Ladies and Gentlemen, that the list of speakers for our exchange of views was closed last night. For our meeting today I have 18 speakers on the list, and also Mr. Jean Rey, who will intervene in our discussions this morning. This means that there are 19 speakers, and then, of course, the Rapporteur and members of the Commission may wish to reply.

Like you, I am very encouraged by the great interest aroused by our theme this year. But if we are to conclude our work at a reasonable hour I must ask all speakers to be as concise as possible.

I call Mr. Rodgers.

Mr. Rodgers. — It is tempting, as the first British speaker in this debate, to range wide into a general discussion of Britain and Europe in the light of Britain's application to join the Community; and this temptation is all the greater in view of Mr. Jean Rey's statement of Wednesday on the attitude of the Commission to the opening of negotiations. However, I shall resist. My colleague Lord Chalfont is due to address the Assembly of the Council of Europe on Tuesday. It is better that I do not anticipate what he will then say.

I therefore want to take as my starting point the wise reflections of Mr. Pedini in Part III of the political section of his Report. I have noticed his remark about the continuing "need to seek roads which lead to unity of political action for the Europeans." I have also noted what he says in passing about Europe's relations with the United States. It is to this latter specific point of relations with America, and not to the wider issues, that I want to address a few remarks.

In a speech that I made to the Assembly in April I said that the question of Britain's relationship with the United States has caused some of our friends on the Continent to wonder about the strength of our commitment to the Common Market. I then admitted that we in Britain had been guilty of talking "a good deal of nonsense about a special relationship with America". I argued that in practice our links with the United States would not "inhibit us from being full and whole-hearted European partners".

The relationship of any single European country and of a united Europe with one of the great Powers is a legitimate subject for discussion. We are bound to examine this relationship in

detail and to reflect upon what it means to us. It is right that we should do so in the Council of Europe as elsewhere. All I would ask is that the question should be examined without emotion. If it is nonsense to talk about a special relationship between Britain and the United States, it is conversely but equally nonsense to imply that a close relationship with North America is peculiar to Britain.

The plain fact is that all the countries of Western Europe have a practical relationship with the United States based on history and self-interest; and that none of these countries would benefit if such ties were severed. Occasionally, I detect an unworthy and irrational anti-Americanism in the discussion of European relationships with North America. But in the last resort I do not really believe that any of us would wish to see "Go home Yank" scrawled across the map of Europe.

Let us not forget that the North Americans—unlike, for example, the Asians and the Africans—are essentially the product of the culture of Europe. Although the English language predominates in North America every European nation has made its distinctive contribution, for example, the French in Canada, the Italians in New York, the Germans in Pennsylvania. From time to time we may have flinched at what has seemed to us a "bastard" culture which has returned to us across the Atlantic. But, at the same time, the countries of Europe have not generally hesitated to draw upon the generosity of the United States in the cultural field. We have all benefited from the use of "counterpart" funds which have been used to finance schemes of educational exchange. We have benefited, also, through the work of the great American Foundations—Ford, Carnegie, Rockefeller—and the work they have done to promote the common cultural heritage of Europe and North America. Institutions and individuals in all our countries have been prepared to turn to these Foundations when in need. But the nature of our relationship is clearest in the economic field.

I was struck by Mr. Pedini's description of the Community's origin "not as an autarkic phenomenon, but as an 'outward

looking' commercial and economic structure aiming at the widest collaboration." This coincides exactly with the British Government's view of what should be Europe's future trading relationship with the rest of the world. And it applies—and, indeed, has applied—as much to trade with the United States as with the developing countries.

While, as was to be expected, the biggest increases in the trade of both the EEC and EFTA since their inception have been in intra-Community and intra-EFTA trade, the rise in trade with the United States has also been impressive. Between 1958 and 1966 the Community's imports from the United States rose by 115 per cent, and their exports to the United States doubled. Between 1959 and 1956 EFTA's imports from the United States rose by 85 per cent and their exports to the United States by 72 per cent.

I have no doubt that the success of the Kennedy Round, by far the most spectacular reduction of barriers to trade which has ever been achieved in any commercial negotiation, will lead—as Mr. Pedini also believes—to even closer collaboration among the great economic areas. During these negotiations, of course, all the participants, including the EEC and ourselves, were negotiating to obtain the best possible bargain for themselves. The United Kingdom could not have negotiated as though we were already Members of the EEC. But one noteworthy result of the negotiations was, I think, the degree of success that was achieved on the issues where the British position and that of the EEC was very close.

The present Community is already the largest trading unit in the world, for its exports last year roughly equalled those of the United States and its imports comfortably exceeded those of the United States. Britain's entry will increase still more the Community's significance in the world trading pattern. We can look forward together to a trading relationship with the United States based on a more equal partnership of mutual interest.

This mutual interest, for the most part, also governs Europe's attitude to the question of United States investment in Europe. It has been the policy of all British Governments since the war to encourage American investment in Britain not on the basis of financial takeovers, but by establishing factories in Britain which have brought technical expertise and created valuable employment. The figures published by the United States Department of Commerce show that during 1963 and 1964 American private direct investment in the EEC was four times, and in 1965 nearly three times, as great as that in Britain. This investment will certainly have made a contribution to the rate of economic growth achieved in recent years by the countries of the Six.

In the defence field there are, of course, differences of emphasis in the relationship between different countries in Western Europe and the United States. But I am sure that the great majority of countries share our view that there is no conflict between their policies in Europe and their policies for the Atlantic Alliance. The first requirement of any country or group of countries is security. I noticed that in the joint statement after the Federal German Chancellor visited Washington, Dr. Kiesinger and the President said, "We agree fully that Europe and the United States are dependent on one another for their security." My Government is entirely in accord with this view. We believe that the security of Europe depends on the maintenance of the Western Alliance. I believe that the majority of countries in Europe would say the same.

The important point—and may I emphasize this—is that the relationship in defence matters should not imply domination on the part of the United States or subordination on the part of Europe. On the contrary, as Mr. Harold Wilson said in the Assembly of the Council of Europe in January, "loyalty must never mean subservience".

This is not the occasion—particularly, Mr. President, as you have called on all speakers to be brief this morning—for me to develop more fully this theme about Europe's relationship with

the United States. The point I am making is simply this—that whereas Britain has no special relationship with the United States, there is no absence of relationship between the other countries of Western Europe and the United States. I do not believe that Europe would have it otherwise.

I wonder whether, in fact, we ought not to look at the other side of the picture. We are obsessed about our side of the relationship; perhaps this speech of mine is further evidence of this. But what about the attitude of the United States towards Europe? Ought we not to consider whether there may be a real danger that over a period of years the Americans will withdraw once again within their own frontier? Do we really want to see an isolationist America which has washed its hands of the rest of the world?

All of us here are committed to building a more united Europe. We in Britain believe that our membership of the European Economic Community will be a step in this direction. Mr. Per Haekkerup, in a shrewd and closely argued speech yesterday, referred to the weight of a ten-nation Community being greater than that of a six-nation Community. Let us look to North America out of self-confidence and in the knowledge of our growing strength.

I cannot believe that our mature and sober view is that the United States should retreat from her present responsibilities and obligations. The time may come when Europe—and I am thinking here of a Common Market in which Britain and others of our friends and allies are included—may be actively seeking to persuade America to stay.

I have dealt briefly with one aspect of Western European external relations, both because of its intrinsic importance and because of misunderstanding about Britain's position. I have been anxious to make clear where we stand and to consider whether our position is in any way unique. In ending, however, let me say again that we seek closer co-operation with Western

Europe as not only necessary but natural. In seeking to join the Community we are not moved solely by calculation. We recognize that an act of faith was required ten years ago to create the Community and an act of faith is required now of those who seek to join. We have made our decision. I hope that there will be no long delay before we can join our destinies more closely together. (*Applause.*)

The Chairman. — I now call Mr. Gustafson.

Mr. Gustafson. — The subject of this debate also includes the question of more efficient European co-operation in the fields of science and technology. This question is at present being discussed in almost every international organisation with European membership. We have two new catchwords, "the technological gap" and "the brain drain." Both these catchwords give the impression that the United States are far ahead of us and that there is a danger that we in Europe may be falling behind.

In the Consultative Assembly of the Council of Europe we had a debate on this subject some months ago with representatives of the United States Congress and we shall continue our work when the result of the extensive studies going on on both sides of the Atlantic have been made available to us. One thing, however, is already now abundantly clear. As was shown by the Chairman of our new Committee on Science and Technology, Professor Reverdin, yesterday, in his excellent speech, no separate European country is big enough to compete effectively with the USA, and also the EEC, big though it is, is too small in this respect.

What is now needed is a closer European economic unity comprising all the industrialised nations in Western Europe. When we now meet the challenge of the United States it would be futile for the EEC and EFTA to have a tariff wall between them behind which they entrench themselves. We need a joint European effort to make progress in the technological field.

From this point of view it is essential that the EEC should be enlarged. I am very glad, therefore, to support the British application for which Mr. Rodgers has now so eloquently spoken.

If, however, the United Kingdom gets in, what is to be done about the other EFTA countries? Should they remain outside in the cold? In a report to be discussed in the Consultative Assembly next week, a French Rapporteur, Mr. de Préaumont, says about such a situation, "Such a possibility must be resolutely ruled out in the name of that solidarity which unites all our countries within the Council of Europe."

But there we come across the question of the neutral countries. They belong to Europe as much as any other European country. Their policy of neutrality does not mean that they have isolated themselves from European economic co-operation.

On the contrary, they have been very active in that respect. They cannot possibly be left outside the common tariff wall. Five years ago it was said in some quarters that a solution of the problem was very simple; the countries in question would have to abolish their policy of neutrality.

Fortunately, we have not heard anything like that in this debate. Taking Sweden as an example, it is widely acknowledged that the Swedish policy of neutrality has been a stabilising factor in Northern Europe. Furthermore, it has been made clear by representatives of all political parties in Sweden that our policy of neutrality is a *sine qua non* and that if we should be compelled to choose between that policy and access to EEC, we would have to place ourselves outside the EEC. But it should be made clear that that is not something at which we would look with equanimity. On the contrary, it would be a sacrifice forced upon us.

No economic benefits offered could change our position, for the very simple reason that our neutrality has not been established in order to obtain economic benefits. I said here five years

ago that our policy of neutrality was not for sale, and that position remains unchanged. But we trust that a situation like that I have mentioned will never occur. I cannot see that it would be in the interest of Europe. Sweden has made an application for negotiations with the Community with a view to enabling Sweden to participate in the extension of the European Economic Community in a form which is compatible with a continued Swedish policy of neutrality. When delivering our application the Swedish Ambassador, Mr. Sten Lindh, said that the Swedish Government, for its own part, did not wish to exclude any of the forms laid down in the Treaty of Rome for participating in an enlarged EEC provided that our policy of neutrality remained unchanged and that the special requirement raised by that policy could be left. Thus, the former application regarding association was not repeated. Instead, the application has a form which makes it natural to ascertain, as a first step, whether it is possible to combine full membership of the EEC with Sweden's policy of neutrality.

When Sweden has made its application it has been because we have the wish to make an effective contribution to the economic integration in Europe. We are not out to try to obtain benefits without making an effective contribution. We are not out to try to obtain benefits without undertaking corresponding obligations. Our Minister of Trade, Mr. Gunnar Lange, said in Strasbourg some months ago that Sweden is technically equipped and economically developed to participate fully in a united integrated market in our part of the world. We are all, from our different points of view, aware of the need for closer European integration. I hope that this debate will pave the way for a close European economic unity. (*Applause.*)

The Chairman. — I call Mr. Jean Rey.

Mr. Jean Rey, *President of the Commission of the European Communities* (*F*). — I have come up to the rostrum, not with any intention of making a long or important speech, but for the more practical and simple reason that I do not wish to turn my back on the House while I am addressing it for a few moments.

You know that for quite a number of years there has been a tradition that when the two Assemblies, the Consultative Assembly and the European Parliament, meet together, the President of the Commission of the European Community and his colleague more specifically concerned with external relations —for years myself—come here to attend these debates.

Now that a single Commission is taking over from the previous three Executives, we are anxious to continue this tradition. This is why my friend Mr. Martino, who has succeeded me in the task of dealing with our external relations, took part in the debate yesterday and I am doing so today.

As we said in the European Parliament two days ago, this debate does not come at a particularly propitious time for us.

Our Commission was instructed by the Council of Ministers, in accordance with Article 237 of the Rome Treaty, to express its opinion on the problems raised by the accession of new Members.

We agreed with the Council that this document would be submitted to it on 30th September. Although this work is well advanced it is still not quite finished; even if it was, we should naturally first of all have to communicate it to the Council.

I thought all the same that, with the agreement of my colleagues on the Commission, I could give the European Parliament two pointers, which I repeat here.

The first is, that our study consisted of examining in detail the internal difficulties that might be caused to the Community or Communities by the accession of new Members, and it was conducted in a positive spirit, because we do not believe that the statement or study of difficulties need lead to discouragement. On the contrary, an attempt must be made to indicate means and lines for their solution.

Our second concern was to see to it, in all that we propose and all that we are considering, that under no circumstances should the present drive and strength of the Communities be weakened by their enlargement.

We thought, finally, that to settle these problems, to succeed in achieving solutions, the time for unilateral studies was almost over and consequently the moment had come to sit around the table and discuss together whether there was any way of solving them.

This is what I said the day before yesterday in this same hall, and I could perhaps have limited myself to repeating it, had yesterday's debate not raised one or two questions that revive the exchange of views we held in the European Parliament on our institutional machinery.

You will have heard that from this rostrum I stressed the very firm determination of our Commission and its new President to maintain the closest possible relationship of confidence with all the Governments of member States.

Some members of this Assembly, from more or less all groups, while noting what there was of good in this—as has been seen in the past—drew our attention to some drawbacks that might possibly be entailed by this new working method.

This is a domestic discussion between our Commission and Parliament, and I should not have referred to it had I not understood that some people, while favourably disposed to us and inclined to stress the positive aspect of this way of working, had given the impression that the Community machinery proper, our institutional machinery, would not be of much importance.

I should like to be quite clear on this point, particularly at this Joint Meeting.

Just as I have believed in the past—I have said so in regard to the common agricultural policy and the Kennedy Round—and

continue to believe in the usefulness of these direct contacts, not only between institutions but between ourselves and member States, so I believe that our institutional machinery should on no account be weakened. I wish to explain myself on this point at this time when several European countries wish to enter our Communities and, we can say, when the fusion of the treaties is completed, to enter the European Community.

What, then, is a community? That is the question to which I should like to draw your attention.

A community has two elements, one spiritual and the other institutional. First of all, a community is a group of men who have a common faith, a common belief. The faith may be religious, political, national or regional, but if a community is to exist there must be a certain common feeling among those who participate in it, and not just material interests.

We Europeans—there is no need for me to prove it in this hall, because we all share the same convictions—are perfectly aware that Europe is something more than merely a geographical part of the world, something more than States that yesterday were completely sovereign and separate; we share a number of beliefs, a certain culture, a certain way of looking at life, and we are animated by that faith in virtue of which we now have a continent to build up.

A community, however, must also necessarily have an institutional element. It would be impossible to animate and run a community if there were not a man, a group of men or some institutions to do it.

I have little experience of religious communities. I believe, however, that it would be impossible to get them to live harmoniously if there were only monks and no abbot at their head. A local community could not operate if there were only municipal or borough councillors but no mayor, burgomaster, aldermen, deputies—call them what you will—in the various political and

administrative organs responsible for running it. It would be impossible for a limited company to work if there were only shareholders and no board.

Exactly the same thing applies in our field. I had occasion to draw this comparison—some of you who heard me will excuse me for repeating it—from the rostrum of the parliamentary Assembly of Western European Union in Paris in 1965, at a time when, as you will remember, we were at the height of a crisis.

I made the comparison between our Community machinery and the machinery, or rather lack of machinery, of Benelux. I am very much attached to Benelux; I always have been and will continue to be so; but when we *compare* Benelux and our Community machinery we see that something essential is lacking in Benelux, which is precisely this institutional element.

In Benelux, it was possible to establish the customs union immediately, because this was decided by the Treaty; but it has never been possible to formulate common policies there, because the necessary institutional machinery was lacking.

As Minister for Economic Affairs, I had a seat for four years, from 1954 to 1958, in the Benelux Councils of Ministers; they met very regularly, we were among friends together, we spoke with complete frankness. But when problems were not solved after a day's session they were held over until the next month. The next month there was another meeting, but no progress had been made. Since nobody was responsible for studying the problems, working out compromises, making proposals, the discussion was resumed where it had left off, but with no more success, and it was adjourned once again.

I must say right away that it is not a matter of the men, because the same men who failed to formulate any common policies in Benelux succeeded in formulating them within the Community. I am thinking of my friend Mr. Mansholt, who for twelve years was his country's Minister of Agriculture. Every

month for four years Mr. Mansholt, Mr. Spaak, Mr. Luns, Mr. Bech, Mr. Sijlstra and many others whose names are familiar to you, with myself as Belgian Minister for Economic Affairs, met together, but we did not succeed in formulating common policies.

On the other hand, in the Community the same men, and above all Mr. Mansholt, succeeded because at last they had institutional resources. It is important to remember this. It is essential for those who wish to enter our Communities to know to what extent institutional machinery is absolutely fundamental for us, as much as that common belief of which I spoke a little while ago.

Do not be surprised, then, that the present leaders of the Communities should be so deeply attached to this institutional machinery.

What I am telling you today, I said in practically the same words to the British Prime Minister, Mr. Harold Wilson, when he made his tour of the capitals with Mr. George Brown; and what he was told by the qualified members of our Commission, Mr. Harold Wilson heard also from Mr. Harmel, Mr. Fanfani and Mr. Bech. Everywhere, even in Paris, people told the British Ministers—who certainly realise it—that the institutional elements of the Community were essential and that, far from weakening them, it was necessary to strengthen them. The more of us there are, the stronger the institutions must be.

I think it was as well for me to say this from this rostrum, without withdrawing anything that I said the day before yesterday in the European Parliament.

If, however, this appears contentious and raises difficulties, if we do not share the same view of the matter, there is only one thing to be done, and that is to meet around the table and cease these purely unilateral declarations; it is to gather round the table and see whether we can start negotiations and whether we can carry them through to a successful end.

If this were to occur, I and my colleagues believe that we should have passed an essential stage in what lies near to all our hearts, what appears in our three treaties, and at the heart of the Treaty of Amalgamation of 8th April 1965: European unity. (*Applause.*)

The Chairman. — Thank you, Mr. Rey. It is a great pleasure for me once again to preside over a meeting at which you speak. On behalf of all the members of this Joint Meeting, I wish to thank you.

I shall now call Mr. Sandys.

Mr. Duncan Sandys. — It is a privilege to follow after Mr. Rey. I should like to take this first opportunity to congratulate him on his appointment as President of the Commission. We are, I am sure, all of us, glad that he interprets his assignment in a positive sense, and that he intends to be an animator, as he said, and not merely an administrator. His inspiration and leadership will be a great asset to the development and progress of Europe. He enjoys the complete confidence of all true Europeans, and he carries with him our whole-hearted good wishes for the success of his historic mission.

I propose to focus my remarks this morning on one single issue, and you will not be surprised if the issue about which I wish to speak is Britain's application to join the European Economic Community. This question is not only a matter of great concern to my country; it is of crucial importance for the whole future of Europe. It is not just a question whether or not to admit a particular country. A basic principle is involved. Is the door to Europe open to other members of the European family? Or is the Community to be restricted to an exclusive group of six?

The decision that is taken on that issue will determine what is to be Europe's future place in the world; whether the great ideas which inspired the Treaty of Rome are to be realised;

whether the Community is to grow in size and strength and influence; whether Europe is to become one of the giants of the modern world, or whether she is to be no more than an important second-class Power. That is the fundamental issue which is at stake—and nothing less.

Five out of the six Governments have made it clear that they would welcome Britain's entry and that they genuinely want to see the enlargement of the Community in accordance with the declared aims of the Treaty of Rome. We understand, also, from Mr. Rey that the Commission's Report will recommend the opening of negotiations. Unfortunately, a much less welcoming attitude has been adopted by France—or, to be more accurate—by General de Gaulle. For I do not believe that on this issue he represents the views of the majority of the French people. I propose, therefore, to take this opportunity to examine some of the principal objections which the French President has raised against Britain's entry.

His main argument seems to be that it is not possible for Britain to join the Common Market as it is, and that our entry would introduce what he has called "disruptive difficulties". He seems to ignore the fact that the British Government have repeatedly emphasized that they seek to join the Community as it stands, as it exists today, and that they are not asking for any changes in its institutions or procedures.

The General has expressed the view that Britain's dependence on imported food would make it impossible for her to accept the agricultural regulations of the Six. The Six are not themselves self-sufficient in food production. The difference between them and Britain is really only one of degree. Take, for example, cereals. Britain imports about 40 per cent of her requirements. The countries of the Common Market import about 25 per cent.

The British Government have said that they accept without reservation the basic principles of the Community's agricultural policy. They have, however, pointed out that the existing

financial arrangements if applied without modification to Britain would result in a most unfair sharing of the financial cost of the levy system. In fact, Britain might have to pay as much as 35 per cent of the total income of the Fund, and about twice as much as the next largest contributor.

The British Government, therefore, hope that the Six will agree to a more equitable distribution of the burden; and I believe that, in their bilateral talks, they have met with understanding from most of the other Governments.

General de Gaulle has said that the rising prices in Britain, which would result from our entry, would force up wages and the cost of manufactured goods to such an extent as to make it difficult for us to compete in the export markets.

That is surely a matter for us to judge. It is certainly not the view of the Confederation of British Industry, which represents manufacturers of all kinds. They have reported that entry into the Common Market would, in their opinion, bring a definite and progressively increasing advantage to British industry as a whole.

President de Gaulle also tells us that, owing to our balance-of-payments difficulties, we would not be able to allow the full movement of capital from Britain into other parts of the Community. I do not know why he says that. Our Prime Minister has given an assurance that, after a reasonable transitional period, Britain would be quite prepared to allow the free movement of capital as envisaged in the Treaty of Rome. In any case, it should not be assumed that capital movements would be all one way. It is probable that many individuals and business concerns in other Community countries would wish to invest in Britain.

President de Gaulle has objected to the fact that the £-sterling is a reserve currency. It is, of course, true that the £ is used in international commerce to a much greater extent than continental currencies, and that certain countries hold their reserves in sterling. In the interests of world trade some national

currencies have to perform these functions. Mr. Debré has himself recognized this. Indeed, the French Franc is used in much the same way, though to a more limited extent, in the Franc zone.

Mr. Wilson has specifically declared that if we join the EEC the British Government do not intend to invoke Article 108 of the Treaty of Rome for the purpose of seeking assistance to deal with difficulties arising from the fact that sterling is a reserve currency. In addition, the British Government have stated that, so far as the role of the £ is concerned, both as an international and as a domestic currency, they are ready to consider any necessary changes, subject only to safeguarding the interests of the present holders of sterling. Those, I submit, are two very important and far-reaching statements of policy to which insufficient attention has been paid.

The President of France has rightly drawn attention to what he has described as "the advancing tide of American competition in the technological field," and the resultant threat to Europe's economic independence. But that is surely an argument for enlarging the Community, and, in particular, for bringing Britain in. The amount of money that Britain spends on research and development is equal to 70 per cent of what is spent by all the six countries of the Community put together.

Britain has also established a leading position in the development of nuclear power for peaceful purposes which would be an immense asset to Euratom. The merging of Britain's technological resources with those of the Six would thus without any doubt greatly increase Europe's power to resist the pressures of commercial competition from across the Atlantic.

General de Gaulle has frequently said that he regards Britain's links with America and the Commonwealth as obstacles to her participation in a truly independent Europe. As my colleague Mr. Rodgers has said this morning, it is wrong to imagine that we claim to have any exclusive relationship with the

United States, apart from the fact that we speak more or less the same language. We are, of course, allies in NATO; and we recognize America's vital contribution to Europe's defence. We collaborate with the Americans in nuclear research. But this does not impair our independence any more than it impairs the independence of the United States.

Membership of the Commonwealth is also not in any way incompatible with participation in an economically and politically united Europe. Every Commonwealth country is free to pursue its own policy. Commonwealth States in Africa are members of the Organisation of African Unity and they say all kinds of things there with which we do not necessarily agree. Some Commonwealth countries in the West Indies belong to the Organisation of American States. Australia and New Zealand have even sent armed forces to fight in Vietnam without in any way involving Britain.

Our trade with other Commonwealth countries, of course, raises certain practical problems. But given a reasonable period of transition, we are confident that acceptable solutions can be found. It is relevant, I think, to point out that France has retained very close links with her former colonies, not only in regard to economic matters but also in the political and defence spheres. No one suggests that this makes her any the less European. Nor has membership of the EEC prevented General de Gaulle from trying to establish special relationships with a variety of countries outside the Community—Russia, Poland, Egypt, Latin America and even Quebec.

The creation of a united Europe does not require us to cut ourselves off from the outside world. If Europe is to be a world Power, she must be outward-looking. In order to be European, it is not necessary to be anti-American.

General de Gaulle has thrown out the suggestion that Britain might be content to become an Associate Member of the Community. I find it difficult to take that proposal seriously. It

would be quite unthinkable to ask a country of the size and importance of Britain to join the Community as a second-class Member without voting rights and without any share in the formulation of policy.

As an alternative, President de Gaulle has suggested—and these are his words—that Britain's entry into the Community should be postponed "until the great British people have accomplished the economic and political transformation which is required before they can be united with the continental Six". He went on to say. "If one day this were to come about, France would greet with joy that historic conversion."

It is very good of the General to hold out to us the hope that, when we are a little older and have learned our lessons, we may be allowed to sit at the table with him. But Britain cannot accept that she needs to be transformed and converted before she is fit to join the European Community. Britain is every bit as European as General de Gaulle. In many ways our outlook is more truly European than his.

Some people are beginning to wonder whether he really believes in Europe or only in France. They say that he wants to keep the Community small so that France—that is to say, General de Gaulle—can continue to dominate it. They say that he fears that if the Community were enlarged, he might not always be able to get his own way.

Mr. Moutet (*F*). — Very good! Very good!

Mr. Duncan Sandys. — That is what people are saying. I personally believe it will be proved that those imputations are unjust. For it is really inconceivable that this great man of big ideas could allow his vision of Europe's future to be restricted by such a limited horizon.

So far as Britain is concerned, the Six need have no anxiety about the sincerity of our intentions. If we are admitted to the

Community, we shall have one overriding aim—to help make a success of this great enterprise, for the joint benefit of all. As a member of the team, we shall seek to play our part with you in building a strong, prosperous and independent Europe, and we believe that we have a worthwhile contribution to make.

If objections are raised against Britain's entry, they must be fully examined. If they are real, solutions must be sought in a spirit of co-operation. If they are imaginary or exaggerated, they must not be allowed to obstruct progress.

No useful purpose will be served by further bilateral meetings between Governments or unilateral pronouncements at Press Conferences. The time has come for formal collective negotiations between the Six and Britain—and the sooner they start the better. (*Applause.*)

The Chairman. — I call Mr. Dequae.

Mr. Dequae. (*N*). — Mr. Chairman, it is the Committee on Agriculture of the Council of Europe that has chosen me to deal with the agricultural problems involved in enlarging the European Economic Community. There is no doubt that such enlargement raises a series of delicate problems in the agricultural sector—not just because agriculture throughout the world has for centuries been somewhat allergic to free trade and integration, but also because the standard of living, indeed the very livelihood, of so many people and families are directly affected. But it should be noted that the European Economic Community has achieved a very important initial aim with regard to the common agricultural policy. Within a few months there are to be a standard market and standard prices for the greater part of agricultural produce. It is gratifying to observe that integration in the Community is more far-reaching in the agricultural sector than in industry.

The Committee on Agriculture of the Coucil of Europe has effected a comparison of the present agricultural policy of EEC with the policies of the countries now applying for admission.

This Assembly is sufficiently familiar with the agricultural policy of EEC for me not to need to dwell on it at length, but I should nevertheless like to underline the fact that the market regulations form the essential part of that policy when considered in conjunction with the aims set out in Article 39. The objective is to keep prices at a reasonable level in order to ensure a decent standard of living in agriculture, while at the same time maintaining normal stocks, adequate incentives to productivity and a reasonable price level for the consumer.

All the necessary techniques for implementation of the market regulation are at hand. They are indeed very complex, as was stressed in this Assembly only yesterday. Only exceptionally are subsidies used. The European Agricultural Fund has structural responsibilities in the improvement of agriculture and the marketing of agricultural produce. It also finances export rebates, a large part of which serves to compensate for agriculture's processing activity. This is unavoidable in view of the higher price of feeding stuffs for livestock.

The agricultural policies of the countries under consideration for possible extension of the EEC are completely different, and moreover vary very greatly from one country to the other. The difference is especially marked in the case of Great Britain. Indeed, present agricultural policy in England is practically diametrically opposed to EEC policy. Imports are effected at world prices; domestic production is maintained by means of subsidies—"deficiency payments"—which are admittedly selective. Thus the changeover will inevitably raise a series of grave problems.

I am thinking of the problem of the cost of living, which has already been touched on here time and again. The cost of living is continually being raised by price increases. This has repercussions on cost prices and competitiveness. Both have in their turn important consequences for the balance of payments. As one of the previous speakers, Mr. Duncan Sandys, pointed out, it is necessary for an enormous contribution to be made to the European Agricultural Fund.

One of the candidates for accession to EEC is Denmark. That country is primarily an exporter of agricultural produce sold at world prices. The market has been and still is very restricted. This is undoubtedly due to the quantitative limitations that exist throughout the world and to the fact that in quite a number of cases world prices for agricultural produce are surplus disposal prices; they are thus hardly normal prices and certainly not remunerative ones.

There are also Ireland, Norway and Sweden.

The five countries are also faced with a series of very special problems that will not be easy to solve. Examples of them are the special agricultural links between Ireland and England, mountain farming in Norway and, as far as England is concerned, sugar growing in the British West Indies and dairy farming in the Commonwealth countries, especially New Zealand.

This situation must not make us despair; it must alert us to the need for serious effort. It may be asked whether implementation of the decisions taken at the time of the Kennedy Round cannot bring about some rapprochement. Well now, even that will not fundamentally alter the position I have outlined briefly.

As you know, the proposed international agreements on specific agricultural products were unfortunately not proceeded with; they never came to anything. But there is no doubt that the Kennedy Round has produced something positive in the agricultural sphere—I am thinking of certain agreements in specific sectors of agriculture and of reduced import duties on beef, vegetables and fruit, with particular reference to preserves—but the scope of all this is of course very limited and does not affect the total picture. Even the food relief to be given by making wheat surpluses available will have repercussions on the price of wheat that should not be underestimated.

From all this the Committee on Agriculture of the Council of Europe has tried—and you will admit that it has not been so easy—to draw a few conclusions.

It has found that the extension of the common agricultural policy in particular is a very complicated matter. The consequences are immeasurable; to a large extent they cannot be taken in even now, and they cannot be assessed with any certainty for the future. This is primarily true of the indirect effects on the cost of living, of the incomes policy, on public finance and on the balance of payments.

Psychologically and politically, too, such integration, as well as further integration with other countries, will certainly be difficult to achieve.

This may be a further reason to seek the advice of the European Agricultural Organisation when preparing for integration. Here we can perhaps follow the English example. In England the advice of agricultural organisations is constantly taken on agricultural policy.

It also follows that we shall have to show the necessary caution and flexibility in seeking concrete solutions. The basic structure of agricultural policy in the European Economic Community must be preserved and stabilised. However, this does not exclude alterations and adaptations in specific points that do not affect the fundamental structures. On the other hand, firm transitional arrangements will have to be made to avoid serious disturbances on either side.

The Committee on Agriculture considers, finally, that negotiations with the applicant countries need to be on the widest possible scale. Multilateral discussions are admittedly difficult, but separate bilateral ones involve the danger that new insurmountable difficulties will arise the further one progresses. This is especially true in the case of the last comers. (*Applause.*)

The Chairman. — Mr. Bousquet has asked whether he might intervene for a moment on a question of fact in relation to what Mr. Sandys said about President de Gaulle.

I call Mr. Bousquet.

Mr. Bousquet (*F*). — Mr. Chairman, thank you for allowing me to make a very brief statement.

I must say that I was very much shocked by the words Mr. Duncan Sandys saw fit to use at the beginning of his speech regarding the position taken by the President of the French Republic concerning the accession of Great Britain to the Common Market. Mr. Sandys on that occasion cast a personal reflection on General de Gaulle. He let it be clearly understood that the leading personality of our country did not represent the views of the majority of the French people regarding British accession. In other words, the former British Minister indicated that in this matter General de Gaulle would be followed only by a minority.

If any French Member of Parliament, even a member of the Opposition—as Mr. Duncan Sandys is—allowed himself in the European Parliament to dispute Mr. Wilson's authority, indicating that the British Premier did not represent the majority of the English people, I am sure that such a declaration would quite rightly provoke from the United Kingdom a reaction similar to that which my protest today is intended to express.

That, Mr. Chairman, is the quite simple but very definite remark that I wish to make.

I am anxious to make my protest with the utmost courtesy towards Mr. Duncan Sandys, who is an outstanding British personality—which makes what he said even more regrettable.

I could not allow his remarks to pass without putting the record straight.

The Chairman. — I call Mr. Gülek.

Mr. Gülek. — It is a privilege to speak at a Joint Meeting of the Consultative Assembly of the Council of Europe and the Parliament of the European Economic Community. I should like

to add my tribute to Mr. Rey for his stimulating talk this morning, and wish him success in the great task which lies before him.

The European Economic Community has been a tremendous success, an unprecedented and historic success, a success which would have astounded even Rip van Winkle; but what has been achieved is nothing compared to what can be achieved and, I am confident, will be achieved both in the economic and political fields, for the success of the European Economic Community has not been only in the economic field; its success has been a contribution to world peace as well, and the reason has been that the Community has been directed against none.

Of course, there have been shortcomings. They are there. The economic unity of Europe is far from what it could be and far from what it should be. Surely there is not enough done in the political field, for the political reality of the EEC exists and the final aim must be political.

In this connection, I should like to quote an eminent European, Dr. Hallstein, who said, "The European Economic Community is not in business; it is in politics." A divided Europe has no chance of life, as against the example of America, with its huge potential. Of the world total income of $1500 billions, the share of the United States is over half. This example is before us.

To achieve unity the European Economic Community must be enlarged. The weight of the Six will be nothing compared to the weight of all free Europe united within the same Community. There will be the economic weight and there will be the political weight. Enlargement of the Economic Community will not weaken it but on the contrary will strengthen it. Those who have applied for membership should be admitted. There is a case for Austria and there is a case for Sweden. Neutrality in the case of both has been thought to be an impediment. Austrian neutrality, however, which was imposed by treaty, is political neutrality and not economic. Swedish neutrality is neutrality by choice. Neither should be an impediment to the inclusion of these countries in the European Community.

EFTA has done extremely valuable work in Europe and that should be taken into consideration.

Of those who have applied for membership of the European Economic Community, Britain is a special case. Britain could have been one of the founder Members of the EEC. It is a misfortune for Britain not to have been in at the beginning. There may have been reasons and problems at that time which account for this—the problem of agricultural policy, the problem of a special relationship with the United States, and special relationship with the Commonwealth. These problems, however, are no longer present. It was right to insist on the European aspect of Britain at the time. Britain could not have special relationships within the European Community and had to make up her mind about being fully European. Britain, however, has made up her mind; she is European now. Indeed, Britain is a part of Europe and a European Community cannot be thought of without a European Britain.

Europe can live only if she keeps pace with the technological advance of the world. Technological research is basic for life in modern industrial technological society. Europe has to think of the world of 1990 and of the world of the 21st century. In this economic and technological advance, Europe is behind the times. There is a definite gap between Europe and the United States, and this gap is bigger than the gap between the developing countries and Europe, not only in nuclear research but in research in the technological field in general.

To close this gap Europe must unite. Research requires great resources and the European countries one by one cannot provide the great resources needed for modern technological research and advance, so that Europe must pool its resources and unite. The "brain drain" is a problem not only because more is paid for brains in the USA, but because more possibilities in research are provided and more can be achieved with the same talent. To meet this position Europe has to unite and pool its resources, and the accession of Britain, Sweden, Austria, and so on, will add to Europe's technological potential.

The role of the EEC is not only economic; it is also political. It is fundamental in keeping the peace. The fundamental base of peace is not only economic; it is political and social. There can be no peace in a world where "haves" and "have nots" are in sharp contrast to one another. There can be no peace in a Europe where "have and have-not" nations are opposed to one another. Peace depends upon social justice. Just as individuals within a nation, within a national community, have social rights, so nations within a community of nations have social rights.

The concept of international social justice is one to which great attention is needed to be paid. The developed countries have great responsibilities *vis-à-vis* the developing countries. These responsibilities are not a matter of charity. Aid to developing countries is an enlightened self-interest. It is not only aid in money. It is aid in know-how and aid in technique. The developing countries cannot repay the aid in money or technology that may be extended to them by the developed industrial countries, because their possibilities are limited.

Usually, their main products are agricultural, and the production of agricultural commodities is dominated by the developed industrial countries; and while agreements for agricultural products are of some use they are not enough to enable the developing countries to repay the aid that must be given to them. Such aid, therefore, must be grants to the developing countries.

One method of aiding the developing countries in Europe is by association in the EEC. Association is a great advantage for the developing countries. Associate members have a tremendous task before them. They must prepare for membership. It will take a long time, but this is of vital importance to them. Preparation to be ready to be full Members of EEC is a matter in which the advanced countries of Europe must help the developing countries which are today associates.

In all these respects enlargement of the European Economic Community is a 'must' and in this I am sure that all that has been

said up to now will leave a deep impression upon this Joint Meeting. (*Applause.*)

The Chairman. — I now call Mr. Max Weber.

Mr. Max Weber (*G*). — Mr. Chairman, Ladies and Gentlemen, I should like to thank Mr. Pedini and his colleagues for the very full and informative report which they have produced on the 10th anniversary of the European Economic Community. The results achieved are indeed very impressive. Tariffs have now been reduced by 85 per cent and the Community has gone two thirds of the way towards establishing the common external tariff. Despite great difficulties it has been possible to create a uniform agricultural market, and standardisation has begun in a number of fields. The growth of the national product in the Community has been very gratifying and has contributed to the improvement in the standard of living. The organisations of the EEC may take pride in these achievements.

May I now, however, point out that there is also another jubilee to record, which may and should be mentioned here. It is a jubilee measured not in years but in performance. At the end of last year EFTA attained its primary objective. It has found it possible to complete the whole of its programme of tariff reductions on industrial products, and to do so within a space of 6 1/2 years, three years earlier than envisaged in the Stockholm Agreement. The tariff reduction programme is 100 per cent complete, though with the reservation that agricultural products are excluded. This has no doubt considerably helped the process.

We may claim, however, that the first free trade area in the world on such a scale—comprising eight countries with some 100 million inhabitants—has proved its worth. It really is astonishing that this tariff reduction has come about in so short a time and with a minimum of disturbance and difficulty. It is also a matter for surprise that all this has been achieved without any legislative harmonisation, in fact without a common external tariff, each member State preserving its commercial autonomy.

We may also note that the system of certificates of origin, the use of which had at first been regarded as impracticable, has played itself in quite well and presents no obstacle to trade development.

EFTA has at any rate proved that a free trade area is a practical possibility. In doing so it has made use of an institution, and here I agree fully with Mr. Rey: such an institution, such an apparatus, is necessary. But because agricultural policy was excluded, it was able to manage with a very small staff. So far EFTA employs barely a hundred persons in its administrative secretariat.

In EFTA, too, tariff reduction has created increased competition. That is precisely its purpose. Price pressure was created, although consumers complain that they have seen no sign of any price reduction. This is not quite correct. In many sectors there is definite proof of lower prices. In many others these have been offset by inflationary factors. I agree that the most difficult sector, agriculture, has been excluded, although there have in fact been some *ad hoc* arrangements between individual EFTA Members.

For the present EFTA will carry on, unless there is some amalgamation between individual countries or all its countries and the EEC. It is perfecting technical standardisation. It is working on a harmonisation of patent law, and discussions are taking place on anti-cyclical policy. It is also intended to remove all other barriers to trade. Steps are being taken to eliminate administrative shortcomings and to prevent privileged treatment of domestic producers when public tenders are awarded.

In my opinion it would have been useful if a report on EFTA could also have been submitted at this joint meeting in order to show you that admittedly modest results may be achieved even with quite modest resources. That of course was not the task of the Rapporteur, Mr. Pedini. I have, however, made an appropriate suggestion in the Economic Committee of the Council of

Europe, and perhaps such a report will be provided at some future date.

Ladies and Gentlemen, I ask your indulgence for having introduced this aspect. I feel however that it is an integral part of the whole pattern.

I now come back to Mr. Pedini's report. It contains comparisons between the development of the Common Market and that of the EFTA countries. Allow me to supplement these comparisons in one or two respects. On page 7 it is pointed out that from 1958 to 1965 the gross national product in the EEC rose by 45 per cent, but in EFTA by only 34 per cent. It may be thought that this could be attributed to the different forms of integration. I believe that a further factor has to be considered. The largest member country of EFTA, Great Britain, has for some years been experiencing a kind of stagnation. This was also brought out by the comparison in Mr. Pedini's report. Leaving Great Britain aside, the EFTA countries achieved an increase in gross national product of 44 per cent, that is to say about the same as the EEC countries. Further, the trade between the EFTA partners is not much less, if Great Britain is excluded. In six years the Scandinavian countries almost trebled their reciprocal trade. In the case of Switzerland and Austria reciprocal trade increased 2 1/2 times.

I should like to point out that not only the method of integration, but also the economic position of the individual countries is an important factor. The present stagnation in the Federal Republic of Germany will no doubt exercise a restrictive effect on trade in the EEC.

Perhaps I may make a further comparison. In the EEC countries external trade—imports and exports combined—amounted in 1966 to 584 dollars per head of population, in the EFTA countries to 669 dollars; in this case Great Britain is included. Therefore the EFTA countries had a somewhat larger external trade. This is chiefly due to the fact that the Scandi-

navian countries and Switzerland have an extremely active trade in goods with Europe and the rest of the world.

In mentioning this I did not wish in any way to minimise the great achievement of the Common Market, but to show that the countries forming another, though smaller, community have also made progress.

Moreover, for EFTA the creation of a free trade area is not the ultimate aim, but only a transition, in preparation for the formation of a really European economic community; so far only the first stage has been reached.

The question now arises: what is the next step? I will not comment on the external problems of the Common Market but merely remark on the relations between the two groups. As you know, six of the EFTA States have applied for negotiations with the Common Market; these requests may perhaps differ in their degree of urgency. Page 45 of the report mentions the relations between the Community and third countries; reference is made to Austria, Denmark, Norway, Great Britain and Ireland. Austria has been conducting negotiations for 3 1/2 years and has made no progress. The other countries must wait until Great Britain is admitted, and the process has not yet even begun. They cannot join independently of Great Britain because their trade with that country is so large that they cannot do without it or cannot allow it to be disturbed by a reimposition of the tariffs which were removed within EFTA.

No reference is made in the report to Sweden and Switzerland. Probably this omission is due to the fact that these States had at the time made no new applications to enter the Common Market. Since then, in August, Sweden has corrected this omission. Switzerland has not done so. I should, however, like to say that this does not mean that Switzerland has no interest in further integration. On 27th June in the National Assembly the Federal Council made a statement to the effect that Switzerland still adheres to its application for admission made in 1961.

In order to remove any possible doubt about the attitude of the Swiss Government, I will quote the relevant passages from the declaration made at the time. Mr. Schaffner, Federal Counsellor, Head of the Swiss Department of Economic Affairs, stated:

> "Switzerland hopes, however, that the efforts begun some years ago to create a comprehensive, outward-looking European Market will eventually be successful. Should it be possible to come closer to this object by widening the EEC, Switzerland would decide to take part in any such development. Its central geographical position, the intensity and variety of its reciprocal economic and cultural relations, which we are constantly concerned to promote and develop, constitute factors which are probably not found on a more impressive scale in any other European third country. Consequently, Switzerland does not consider it necessary, in the present uncertain situation as regards political integration, once again to make a special declaration of intent in Brussels, even though other EFTA States may take such steps in the next few weeks."

This was a reference to the further application by Sweden which has since been made.

> "The Swiss application to start negotiations made on 15th December 1961 has been deliberately maintained because the purpose in view, as described at the time, i.e. to find a solution which enabled Switzerland to collaborate in further extending an integrated European market, while fully maintaining its permanent neutrality, has not lost its validity. Switzerland was prepared to examine impartially any measures for so doing which may be proposed. Further, it would by no means reject any possible new solutions, such as have been hinted at recently by some EEC States, provided that they include a right of co-determination appropriate to the political status of our country and are reconcilable with our constitutional structure. Switzerland is hardly in a position to influence in any decisive way the direction which European integration will take. Nevertheless it is following such

efforts with the greatest attention, while preserving the necessary degree of preparedness, so that it may finally decide what attitude to take if and when the general development so permits and the situation has in its own judgment become clearer."

I wanted to quote these observations by Federal Counsellor Schaffner, in order to remove any possible doubts.

You are aware that our country, too, has certain problems which are causing difficulties. I will simply enumerate them. As in Great Britain, there is the agricultural problem. Further, special to our case is the question of the labour market, and lastly—perhaps the most difficult problem—our nation's right of referendum, direct democracy. For the present, however, Switzerland is waiting until such time as the other EFTA countries, particularly the United Kingdom, are able to commence negotiations.

The obstacles to Great Britain's entry into the Common Market are well known. There is no purpose in minimising them. A year ago, on 24th September 1966, at the Joint Meeting of the Council of Europe and the European Parliament I referred to the difficulties caused by the negotiations with Austria. I then added that I reckoned we might possibly have to wait five or six years until Great Britain became a full Member of the Common Market; in the meantime, trade would seek other outlets and the two blocks would drift further apart. A year has gone by since then. In reality the fundamental position has not changed and realism demands that we still allow for four or five years elapsing before Great Britain attains full membership.

At the time I made the proposal that the agricultural question, which was particularly difficult to solve, be excluded and that the possibility be examined of reducing tariffs on industrial products, at the same time standardising industrial tariffs against third countries. This was in fact attempted in the Kennedy Round, where it met with significant partial success; I suggested

the preparation of even more ambitious solutions. The Rome Treaty is not to be affected thereby. We should, however, be flexible and not adhere rigidly to fixed attitudes.

The Kennedy Round is now behind us. It achieved a remarkable success: the result showed that the reduction of industrial tariffs was easier than had been imagined. I would claim that in particular sectors, e.g. machinery, most industrial countries would find it no burden to renounce tariffs altogether.

Of course, the preliminary period for the implementation of the Kennedy Round must first commence: i.e. the beginning of next year, and for the EEC not before 1st July of next year. You know, however, how long the preparations for the Kennedy Round took. I am therefore of the opinion that negotiations for a link-up of the EFTA countries with EEC should begin as soon as possible; but since a long delay must be expected, efforts should be made at the same time to take advantage of the success which has now been achieved in GATT. I consider it quite possible for such efforts to proceed concurrently with the execution of the Kennedy Round and with negotiations for the entry of the EFTA countries into the EEC. (*Applause.*)

The Chairman. — I now call Mr. Moreau de Melen.

Mr. Moreau de Melen (*F*). — Mr. Chairman, we have had excellent reports presented to us. Their authors have been most lucid. They have not yielded to the facile temptation of expatiating on the satisfactory results, but have drawn attention to the shortcomings of the balance sheet and the dangers that Europe runs if care is not taken. Well done Gentlemen! Wishful thinking has never been a very effective political process.

We all realise the shortcomings of European activities. We are all aware, for example, that the customs union is not an economic union, whereas the treaties require us to achieve it. There are, then, still many obstacles to be overcome, if only those

resulting from the difference between our legislations, which all the Rapporteurs have stressed.

It is difficult, after all, to uproot national habits, particularly when these have been translated into written laws. We are a very old Continent, in which traditions are not by any means the least respectable feature; we must, however, sometimes be prepared to sacrifice them to higher interests.

Although I realise the difficulties that are in store for us, I should like to return to the remarks made by Mr. Pedini, who, in a way that I admire, has sought the reasons for the success of the European enterprise.

The first reason he finds is the political nature of our Community. The six European countries have made a political as well as an economic choice. Logically they must continue along that road and impose silence on individual interests.

Mr. Pedini also, however, made an interesting practical remark, to the effect that progress has been achieved above all in those fields for which the Treaties laid down a compulsory time-table.

This seems to me to be very important.

Some people are naturally virtuous without effort; others must lay down for themselves a framework plan.

In my view Governments belong to the latter category: they must lay down for themselves a framework plan, set themselves a time-table. You will remember some marathon efforts. A few hours before time was up, no decision had been reached. However, simply because people saw that the hands of the clock were going round, because the expiry of the time-limit was imminent, these men of good will eventually made the essential concessions and reached an understanding, sometimes by the fiction of stopping the clock.

The main thing is to have a framework plan.

I should like us to bear this necessity in mind when we are called upon to amend or alter the Treaties. Meanwhile, it would be a good thing for Governments frequently to pursue this same policy and set themselves a precise time-table.

Mr. Pedini also stressed the importance of the Parliamentary institution, however incomplete. Neither the Council of Europe nor the European Parliament has any truly legislative power. They both, however, provide a place of meeting and for discussion and those who criticise the institution too often remain silent regarding the imaginative effort provoked by the exchange of views and the refining and polishing of ideas that result from joint examination of problems.

You are quite right, then, Mr. Pedini; we must reinforce our competence.

Why do authoritarian régimes frequently founder, unless it is because their leaders have no opportunity for such an exchange of views, have not had the benefit of comparing ideas, have isolated themselves and have not maintained essential contact with other human beings?

I therefore warmly welcome the fact that the President of the Commission of the European Communities wishes to multiply personal contacts with the Governments of member States, at the same time, of course, retaining the institutional machinery, which is essential. But contacts, too, are just as essential.

I congratulate him, too, because it is the first time that I have spoken here since he became head of the European Commission.

Mr. Rey, we wore out the seats of our trousers on the same benches. At that time, I did not dream that you would become a

kind of "father confessor" of Europe, as you said just now: I greet you in these favourable circumstances, and I should like to say that we are all very happy at the view you take of your activities.

At all events, I warmly welcome your intention to maintain essential contacts. Nothing can take the place of a conversation and a handshake between men of good will.

Ladies and Gentlemen, our task is certainly a difficult one. A great deal remains to be done within the framework of the Six, in the matter of merging and in enlarging the Community, about which several speakers have rightly been concerned. We have faith, however, and I am confident that moved by that faith we can and will succeed. (*Applause.*)

The Chairman. — I now call Mr. Finn Moe.

Mr. Finn Moe. — I have asked for the floor not because I can add very much to what has already been said in this very interesting debate, but to warn against an idea that is mentioned in the Report which is before us and which has also been mentioned in this debate. That is the idea that the EEC now has the choice between developing itself into a political Community or extending itself by accepting new members. This idea of a choice is a very dangerous one, because if the EEC will only aim at consolidating itself politically I am very much afraid that it will become much more difficult to have a really united Europe.

I am very much afraid that if the EEC should wait too long in carrying out its extension, then developments in EFTA will also have to go in the direction of more integration, with the consequence that Europe will be even more split than it is today. This is a crucial period in the development of trade and trade policies in Western Europe. We should keep in mind that our decisions will shape the political and economic future of Europe for many years to come, and that we are running the risk of having not a united but a divided Europe.

A common feature in the trade of all the countries of Western Europe in the past years has been their increasing dependence

on one another. Although the trend has been accentuated by the establishment of EEC and EFTA, it was in evidence long before the effect of their establishment began to be felt. The present prosperity of Europe is largely based on trade among the European nations themselves, trade which in only a small measure reflects the artificial boundaries delimiting the Six and the Seven.

On average, individual EFTA countries send one half of their exports to Western Europe, either to the EFTA countries or to Members of the EEC; and they also draw half their exports from the EFTA and EEC countries. One of the most important facts about this extraordinary dependence of European countries on trade among themselves is that so much of this trade flows across the arbitrary barrier that we have created between EFTA and the EEC. But we now face a serious threat, that the tariff discrimination is beginning to disrupt the flow of goods and to distort the pattern of investment.

It was fairly easy to recognise the direct damage which a continued economic division of Western Europe could bring about. I believe that the economic future of every European country is being jeopardised by the creation of a totally artificial division of the Continent into two preferential trading groups. On the other hand, it is evident that it is only when we have a common single market that Europe will possess the means to develop its full potential economic strength. Only then will we be able to offer the European peoples the vastly higher standard of living which is within our grasp if our resources and skills can be put to work to their full effect; only then will Europe be able to meet its responsibilities to the poorer nations of the world; and only then—and I should like to stress this—will Europe be able to make its influence fully felt in the world.

I conclude by saying that the alternative that has been mentioned in this debate—that the EEC has the choice between extension on the one side and political consolidation on the other —is no real alternative. Or perhaps it is, but then it is an alternative or a choice between a united Europe and a permanently split Europe.

The Chairman. — I call Mr. de la Vallée Poussin.

Mr. de la Vallée Poussin (*F*). — Mr. Chairman, in my childhood I had a great dislike for old Cato, because he continually repeated the same thing and because he wished to destroy Carthage.

I still deplore that he should have wished to destroy Carthage, but I agree that he was right to go on repeating himself, because I do the same in this Assembly.

Indeed at each Session I come here and tell you that in the present crisis only one thing is of importance, namely that Great Britain accede to the Common Market; all else is of secondary or minor interest .

I was glad that the Rapporteurs of both our Assemblies spoke along the same lines, and showed how a Europe without Great Britain was an incomplete and mutilated Europe, incapable of playing in the world the part demanded of it by its ancient tradition.

Mr. Nessler said that before forming a "political Europe" it was necessary to reach agreement on a common European policy. What strikes me about those who underline the difficulties of this task is that they refuse not only to create any institution, but even to take the first steps towards elaborating a common European policy, even without any kind of supranationality.

At this point, I should like to say how much I approve the new method being tried out by Mr. Rey, which he explained at the beginning of the meeting.

What are the first steps towards a common European policy?

Do you think that a common European policy can ever be made if six or seven Ministers for Foreign Affairs, in their respective capitals, surrounded by their own officials, with their national interests and outlook, prepare, each of them separately, a policy in order that a sort of aggregate of these various policies may subsequently be formed by dint of mutual concessions?

A common policy is not an aggregate of different policies prepared separately. A common policy is a policy that is jointly thought out, jointly elaborated, jointly defined; up to this point there is no kind of supranationality.

A common policy presumes that independent men like the members of the Commission can meet together and consider together, not their national problems, but problems of European policy, that is to say at a much higher level, taking into account not very limited national resources, but all the resources available to a United Europe, basing their work, not on national concerns, but on those peculiar to a United Europe.

It is only then that they will be able to consider what objectives of world policy might be envisaged.

This preliminary study is simply a study by competent men of good will who, working together, can in a wider than national context conceive something new, succeed in creating something, give European action a normal dimension.

Once this new thing has been created, it is in relation to it that the Ministers for Foreign Affairs will have to assume their responsibilities and decide whether they can adopt as a basis for their discussion the policy thus drawn up, with all the possibilities and prospects that it opens up, or whether they must fall back on the national policies which each independently had in mind, cramped and mysterious as they are, since it is said that the great secret of the statesman is that he invariably allows an aura of doubt to surround his plans.

But to come back to the main point: we have not yet reached the stage of having a common European policy, but are merely concerned with England's entry into the Common Market. This is today's objective. On this point I should like to make an appeal to Mr. Jean Rey, President of the Commission, since we have the good fortune to have him with us and an opportunity of engaging with him in that essential conversation that we cannot hold with others.

Mr. Rey has told us that by the end of this month a document now being prepared will be submitted to Governments, setting forth the objective points for the debate that must be held with Great Britain in order to provide a precise and specific basis for discussion.

It seems to me that this is the essential starting-point. We should be doing a great wrong to Europe and be false to our best intentions if we were to continue to bandy about between countries vague formulas, verbal arguments without any weight or evidence.

What I should like to ask Mr. Rey is what picture he intends to convey of England when he analyses what England contributes to the European Community in acceding to the Common Market.

Is he going to present the abnormal situation of the England of today and ask himself what it would cost Europe to support an England, which for certain reasons is at present in a weak situation? Or will he present—the only true picture—England as she will be when she is within the Community and able to rely on Community solidarity, as the Six already are?

These are two fundamentally different things.

England at the moment has her weaknesses, which are both very apparent and in some respects very superficial. England is still an extremely powerful political, economic and social community, one of the most powerful that the world has known.

England is, however, a community that has suffered from the ordeal of war and has not yet fully recovered from all the losses it sustained, particularly the loss of its cash reserves, those reserves of essential wealth which served to support its general economic activity and its monetary policy.

Ladies and Gentlemen, if England has lost these cash reserves, it must be said that it was very largely in our service and on our behalf. All the countries that were saved from Nazi oppression by England must remind themselves that it is their

moral duty to help her to overcome her temporary difficulties today, since they, too, benefited from her sacrifices.

That country is suffering from another weakness, the crisis of the pound sterling, of which I do not wish to say any more today, because I spoke of it at the last session, and in spite of my love of repetition I do not wish to overdo it.

England today is suffering from being in an anomalous position, because she is not sufficiently closely linked with a large market of continental dimensions at a time when no small State, much less a large one, can remain in isolation. Without the support of the European Community, England is in a way in the air, rootless, not knowing on what basis to found its industrial development policy.

To express myself in more specific terms, I should say that we are very well aware that British industry is in a difficult situation, because for a number of years it has stood in need of large-scale investments, extensive renewal of equipment, techniques and supervisory staff. Although it is sometimes said that the British worker is paid too high a wage for too low an output, this is largely because in the important sectors, essential capital investment has not been forthcoming and this has reduced the productivity of labour. England is not lacking in capital, savings and reserves to modernise herself. But I put it to you, how can you expect those directors of large firms, those responsible for big business, hesitating about the fate of their financial resources, to take a decision to invest capital if they do not know beforehand along what lines they should proceed or in view of what market they must invest?

If the United Kingdom enters the Common Market, investments will have to be guided by interests wholly different from those which must prevail if she does not join.

At the present time we have before us a Great Britain which is still a very great industrial Power. It must not be forgotten, moreover, that in the technical sphere, to which some speakers have referred, Great Britain still has the most technologically

advanced industries in Europe and is making every possible effort to enable us to catch up with the United States in the fields of science and technology.

But the England of which I speak is for the time being paralysed. We are allowing a part of Europe to fall behind, leaving it in a dangerous situation because we do not allow it to take those decisions of which it stands in need.

This, Gentlemen, is a regrettable situation for which we, too, are paying very dearly.

Let me present to you an anecdote that is typical of the early days of the Common Market.

During the first or second year of the Common Market, I was at a meeting of Belgian bankers. They said to me: You are a great supporter of the Common Market, but we have had some studies made. So far the Common Market has contributed nothing. It is true that customs duties have been reduced by 10 per cent—this was the beginning—but all our economists, officials and employees have clearly explained that this reduction in customs duties was making practically no change in the economic situation. According to them, then, the Common Market could not be given credit for the extraordinary development that was taking place throughout Europe at that time.

What was the reason for that development? It is very simple! Certainly the 10 per cent reduction in customs duties was not responsible for the investment trend that rescued Europe from the 1958 crisis and resulted in developing its economy. The determining factor was the certainty that a great market was open, and this was an irreversible policy. People knew why they were investing, because they knew what their market would be. The certainty that the Common Market was starting was in itself a starting point for vast economic development.

The day when England knows that the Common Market is open to it, even before the first practical steps are taken, you will witness a complete transformation of its industrial policy.

France and England would be the first to benefit, because such a country as England, when it invests, necessarily becomes a large purchaser abroad.

Mr. Chairman, these are the remarks I wished to make. I am not concerned with explaining to Governments the weaknesses of England today and the difficulties she is encountering; what must be explained is what England will contribute when she is placed in such a position that she can once again become one of the driving powers behind the economic advance of all Europe.

Ladies and Gentlemen, I have reached the end of my speech. I have only one final remark, on which I shall not dwell because I have already made it very frequently. When England has taken this great step forward, she will most certainly suffer a fresh crisis of the pound sterling. Then, however, all the countries of Europe will know the reasons for that crisis. They will know that it is a starting-point, and indeed the proof of a renewal of economic development. Europe then, I think, will have the reactions of a good banker, who willingly lends money to businesses that are developing in favourable conditions.

This is no time, Ladies and Gentlemen, to go into these problems and engage in actuarial calculations with regard to the more or less large number of difficulties that lie before us. We have now come to the hour of decision and determination. We must know how to take a political decision. And decision plus determination constitutes faith, as Mr. Rey said this morning. Mr. Moreau de Melen used the same terms.

Ladies and Gentlemen, if we have faith in Europe, we shall then show that all Europeans, at least those who are well informed and know the position, understand that the entry of England into the Common Market is the essential step forward that we must take at this stage in our history, and that according to whether we take it or not, mankind will either have to endure a formidable ordeal or undergo a brilliant revival. (*Applause.*)

The Chairman. — I now call Mr. Oele.

Mr. Oele (*N*). — Mr. Chairman, numerous speakers yesterday and this morning discussed the political consequences of the rapid development of technology and the threat that Europe will fall behind. The prevailing impression that those speeches and interventions have made on me is that the particular line of reasoning put forward has its value as a highest common denominator but is, I feel, one-sided.

If I may summarise the argument, the following picture emerges:

Europe is in danger of lagging behind as a result of the rapid technical development which in the United States has, and in the Soviet Union soon will have, a better base than the geo-politically divided structure of our continent affords. Advanced technology is necessary in order to play some part in the world.

The peoples of Europe wish to play their part in full, if only because the development of technology and its connected structures is necessary to the continued growth of the economy and prosperity. For that reason—this is the conclusion that is drawn—there must be brought into being, in the sphere of science and technology, comprehensive functional co-operation that will enable industry in the countries of Europe to gain or retain the lead.

I should add that this is not the only correct interpretation of what has been said here about Europe's backward position in the technological field—the "technological gap." The observations made on this question have been accompanied by the conclusion that the contribution of the countries of Europe outside the Six, and more particularly of the United Kingdom, would be big enough to constitute an urgent reason in itself for England's accession to the Community in the near future.

I agree with that, but it seems to me that other conclusions can also be drawn from this observation. Before putting them to this Assembly I should like to dwell on the importance of technology and of political co-operation in the technological sphere to our political structures in Europe.

Technology is more than the driving force of the economy; it is even more than the basis for modern defence in the arms race or for a comprehensive industrial policy.

Technology and its development are a transforming power in social relations in our countries, our Communities and our enterprises. That means that technology cannot be used simply as a jack; ways and means must be found of making it serve the well-being of our peoples—not just prosperity measured approximately in statistical terms. It also means that the potential role in our social structure of our countries' governmental policies and of the policy for science and technology that is necessary at European level is all too often underestimated.

We—I am speaking now on behalf of the Socialist group in the European Parliament and, I hope, of both the Socialist groups in this House—do not view technological development as an entirely independent phenomenon. For us the future is not shaped deterministically by historical forces. It is not merely different; we can choose it.

How far automation, for instance, strengthens or weakens our society and enriches or undermines our democracy will depend on us—and, I would add, on our policy with regard to science and technology—and on the extent to which we give the social sciences their due place.

In this connection it has given me great satisfaction to note that the Council of Europe has not merely shown understanding but has taken the initiative in becoming active in this field. I am thinking of the move to set up an institute for futurology—a "look-out institute"—within the framework of the Council.

Science and technology also involve questions that require short-term solutions. In the short run technology confronts us with a crucial problem of choice. Everyone will understand what I mean. Defence policy in Western Europe is on the Agenda, and this problem of choice may be defined as the question whether technological co-operation must be made to serve a policy of *détente* or must remain subordinate to the defence efforts of the individual countries.

For me the choice is not difficult. I am convinced that the primary task of European science and technology is a peaceable one, and that their contribution to our common defence must be made subordinate to it, and indeed set in an Atlantic framework as far as that is necessary.

Mr. Chairman, I hope that these remarks have made it sufficiently clear that, for my political friends and myself, the question of science and technology has wider political dimensions.

The problem has more to do with the European Economic Community's final objective than with its functional point of departure. Technical co-operation is more than a way to remove an obstacle to economic progress. It is also a political means to make the economy serve the well-being of citizens and *détente* in the world. This has implications for the question of the accession of the United Kingdom and other countries that have said they are prepared in principle to accept the letter and spirit of the Treaty of Rome.

I should like to name some of these implications. The first is that the formulation of a comprehensive European policy for science and technology cannot wait any longer. Secondly, such formulation will have to amount to more than just making industrial policy in the EEC viable within its own limits. The reason for this is not merely that European industry wishes to extend its activities beyond the narrower union of the Six, but also because the contribution of English and Scandinavian democracy is indispensable in the search for a suitable technical structure.

Another implication I should like to mention is that discussion of technological co-operation cannot be made dependent *a priori* on progress in the negotiations on the accession of England and other European democracies to the Community.

In saying this, may I express the hope in advance that those negotiations will quickly lead to a positive result in themselves.

My political friends and I would like nothing better than that England and the other democracies that have applied for entry

should be able to accede in the near future, and that it should then be possible to continue the discussions on technological co-operation within the framework of the European Economic Community.

However, we want to be realistic and not to close our eyes to practical difficulties. Some of these are connected with the time that is necessary to come to specific agreements of a markedly supranational character. There is also the lack of any legal basis in the Treaties of Rome and Paris for working out an active science policy at Community level. The difficulties are not in the last resort connected with the attitude of the present French Government. Present-day realities therefore dictate that, parallel with the negotiations on the accession of England to the Economic Community, preparations should be made for a European technological community. The time has already come for the Governments of the democracies of Western Europe to think about the substance of a treaty for scientific and technological co-operation. It would be a good thing if in the near future a joint committee of politicians and governmental and scientific experts were to be set up to draft a treaty for a technological community. The wording of the draft would have to be compatible with the existing Rome and Paris Treaties in the sense that short-term, or if need be long-term, fusion should be possible. The draft in question, no less than the EEC Treaty, should aim at the establishment of an independent political High Authority equipped, in the manner so aptly described by Mr. Rey this morning, with the necessary knowledge, means and right of initiative to give European science and technology a political foundation and opportunities for development on their own.

Mr. Chairman, if the six countries of the European Economic Community co-operate in this, it will give an extra impetus to the negotiations that are to begin very soon on England's accession. If—which I should regret—not all countries of the Community wish to take this course, that need not, in our opinion, prevent the others from going further in the direction indicated. It would be a bad policy to stake everything on one throw in striving to extend economic and political co-operation.

Mr. Chairman, I am now coming to my conclusion. In the coming year a broader and deeper political basis must be found for co-operation in Europe. The shortest way is to widen the European Economic Community. But it is not the only way. Another way is to integrate our technical structures in the political framework of a technological community. We need not await the result of the negotiations on accession. Let the countries that want to look further than the bounds of little Europe not hesitate to take that other path if necessary for, Mr. Chairman, we have not much time to lose. Let us therefore seize all the means available to us. 1970 may already be too late. (*Applause.*)

The Chairman. — I now call Mr. Blumenfeld.

Mr. Blumenfeld (*G*). — Mr. Chairman, I gather from your call that I am the last speaker in today's morning discussion. I shall endeavour to comply with the wishes of our colleagues not to detain them too long, in order that they may adjourn for lunch. I should, therefore, after listening to the interesting joint debate with our colleagues of the European Parliament, prefer not to make the contribution I originally intended; it would probably be a wearisome repetition of what previous speakers have already said. I would rather confine myself to making a few remarks on the reports of Mr. Pedini, Mr. Per Haekkerup and Mr. Reverdin.

I feel, Mr. President, that it should be said during this debate that we can take pride in what has been achieved in the course of ten years. The excellent report of our colleague Mr. Pedini made this abundantly clear. This year we are celebrating the 10th anniversary of the Economic Community.

We should, however, say equally clearly that we have every reason now to call a halt to the mutual handing-out of bouquets and to our jubilee reflections, bearing in mind the formidable tasks with which we are faced, and in view of the real difficulties, which will only begin in the coming year, and about which the famous "man in the street" in Europe is still surely quite confused. As a result of the rose-coloured optimism which pervades the speeches of the statesmen of the Six he believes that at least

from next year onwards many things will have been solved and that we already have a great measure of unity. There will be a rude awakening and I can only say that I very much welcomed yesterday's speech by our colleague Mr. Berkhouwer, who was the first to speak about this "awakening" and about the developments which we may expect. Here in this circle of parliamentarians, Ministers and members of the Commission—we have just heard it said by the latter's Chairman, Mr. Rey, that he is under no illusions—we are fully aware of the difficulties we shall have to overcome.

The reports of Mr. Haekkerup and Mr. Reverdin—Rapporteurs from two neighbouring European countries, which so far are not Members of the EEC—have for the first time set out, unambiguously yet in a politically constructive spirit, and with forthright, logical analysis all the points of criticism which may be made against us. For my part I should like explicitly to thank these two gentlemen for the survey they have provided in their reports for us and for the European public. We may note particularly the emphasis they place on the problems with which we shall be concerned, such as a common trade policy, standardisation of taxation, a common energy or transport policy. Only when all these problems are solved shall we be entitled to claim that we conduct a common policy and have thus become a community which—I may add from the point of view of the German delegates to this Parliament—cannot of course remain a community of the Six only.

The reports before us show clearly—and this is a further great merit of the reports of Mr. Haekkerup and Mr. Reverdin—that the decisive moment has now come to negotiate on the admission of Great Britain, and to negotiate *with* Great Britain and not *about* Great Britain in the framework of the Six, as is or has so far been the expressed wish of the French Government. I hope that "has been" is the proper tense.

It is clear from these reports that even within the Community of the Six we are in the course of changing, modifying, extending or improving the Treaty of Rome. This is no criticism

of the great work of the Rome Agreements, but a recognition of the trend over ten years of successful work. After ten years, faced with the future tasks of the technological and industrial world in which we live, and whose challenge we as Europe must boldly take up if we wish to survive as an economic and political Power, we must—as Mr. Duncan Sandys and other speakers have so eloquently pointed out—be fired with the desire to see a further development of the Rome Agreements, and we do indeed have that desire. And what better moment than the present for discussing the future, together with our friends from Great Britain, the Scandinavian and other countries who have applied for admission? Their wishes too should be included in the far-reaching negotiations which must and will come.

For these reasons I cordially welcome—and I say it advisedly —the submission at the present juncture of the reports on which our joint meeting yesterday and today are based. I can say without exaggeration that they are of considerable importance and we owe the Rapporteurs our thanks.

In view of the observations made today by Mr. Rey I hope that the Commission, and perhaps also the Governments concerned or the members of the Council of Ministers, will when they attend the meetings in the coming weeks, ensure that serious negotiations with Great Britain commence not later than the end of this year or the beginning of next. I cannot here speak for the Government of the Federal Republic of Germany, but I feel sure that the Federal Government will insist that negotiations with Great Britain start immediately.

This—although it may not have been very clearly stated—is also the wish of the German Federal Parliament and of the German public. We have no time to lose. There comes a point at which the patience of the wide public in Europe is overstrained. I would not wish that point to be passed. Therefore, as freely elected delegates we should say very clearly in the European Parliament, to those who so far have perhaps not realised, what European opinion is. I think you will understand to whom I refer.

Negotiations with Great Britain and other countries will be difficult and protracted. Even if they are successful, as we all hope they will be, in view of the fact that elections are to take place in our countries in 1968, 1969 and 1970, and that no agreements can be ratified in the various national Parliaments before there are new elections, it will take at least three years before the entry of Great Britain and other countries is completed. In view of the need to conclude a harmonisation in the various fields previously mentioned by me—trade policy, taxation policy, energy policy etc.,—this period is very short. On the other hand, as a result of rapid technological and economic developments, we have no time to lose. Negotiations on the admission of Great Britain and other countries should therefore commence without delay.

In the circumstances, Mr. Chairman, I should like to conclude by saying that all questions of whether we should in the first place seek a political community, a common policy or go ahead with economic matters do not go to the heart of the matter. If, as Mr. Rey said, we are really united in a common realisation, with the will to build and develop a common Europe out of our history, our tradition, our culture, then, if we have overcome all economic, industrial and trade obstacles—and as you know there are still many—, a common policy, a common external and defence policy will, as it were, follow of its own accord: only then will the policy have a basis and a platform of its own. It would be wrong now to adopt the attitude that we should first try to become a political union. That would throw us back. I venture to predict that it would confront Europe, even the Europe of the Six, with a test of strength which we should not survive.

Mr. Chairman, I wish to thank our two Rapporteurs once again for the survey with which they have provided us, and to make an urgent appeal to all those who have influence that they ensure that negotiations with Great Britain, with the Commission and with the Six commence as soon as possible, lest the patience of the peoples of Europe become overstrained and reach a point which would involve great risks, and so that we may at

last go forward on the road towards the formation of a greater Europe and of a European economic power. (*Applause.*)

The Chairman. — We have a few more minutes this morning, and, as Mr. Housiaux has withdrawn his name, I shall call Mr. Silkin. That will leave six speakers, five different nationalities, for this afternoon.

Mr. Silkin. — I am grateful to you, Mr. Chairman, for giving me this opportunity to say a few words. I want to deal quite shortly with two matters: first, the broad issue with which this debate has been mainly concerned, that is to say the expansion of the Community; and, secondly, with a rather more detailed matter, that of harmonisation of legislation, which lies, of course, within the competence of the Legal Committee of the Council of Europe, of which I have the honour to be Chairman.

The current of opinion in this debate, as, indeed, in so many other similar debates, both in the Consultative Assembly of the Council of Europe and in these Joint Meetings, has shown the preponderance of view of parliamentarians, first, that it is right that the Community should be expanded and, secondly, that the time for doing that is now rather than later. I am particularly grateful for what my friend Mr. Blumenfeld has just said on that score, and for what Mr. Rey—whom I also wish to congratulate on his new office—said earlier this morning, to the effect that the time is now ripe for negotiation.

My colleagues Mr. Rodgers and Mr. Sandys have dealt with the detailed reasons which are sometimes given for the opposite point of view, and I could not hope to improve on what they said; but I am sure that they will forgive me if I take up not so much these detailed arguments on the subject, each of which I believe can be and has been effectively dealt with, but rather what seems to me to be today the fundamental issue which is facing the Community itself and which was put most eloquently yesterday by Mr. Haekkerup.

It is the question whether the time has now come to expand, or whether the time is still one for consolidation. This as I see it, is the fundamental issue. Mr. Haekkerup said yesterday, following that train of thought, that the question is not so much whether the countries applying for membership are ready for membership, but rather whether the Community is ready to receive them. If I may be permitted to embellish that wise statement, I would say that the question is not so much whether the applicant countries, including my own, are sufficiently European, but whether the Community is sufficiently European.

Having said that, I recognize, none the less, that there is a great problem. There is always a problem in the case of an organisation which is successful; at some point it has to decide whether it should continue to consolidate or whether the time is now ripe to expand. That is always a difficult question for any organisation, but I want to point out to my friends, especially from France, who may take the more conservative view of the situation, that if you set out to climb a mountain you will always see in front of you a peak which seems to be the last one, but when you have climbed that peak there will be yet another one ahead.

It is precisely the same with this process of consolidation. You can continue to consolidate and consolidate and consolidate, but if you do that there is the very grave danger, it seems to me, that when you have climbed the utmost peak and reached the top of the mountain and look around you will find nobody in sight, because I firmly believe that the countries which are now applying for membership of the Community, European as they are and anxious as they are to join, will find that public opinion within their own countries will not allow them to remain forever waiting at the door. If they have shown themselves sufficiently European, they must expect a sufficiently European attitude in return.

Let me go on from there to deal with the other point which I said that I would raise. I read with great interest the paragraphs in Mr. Pedini's Report on the efforts of the Community to harmonise legislation, and particularly I read about the efforts

to harmonise legislation in the fiscal sphere and in the sphere of company law, and I could not help recalling to myself that these are matters which go far beyond the boundaries of the Community; they affect all the nations of Europe which are likely to trade with the Community and all the nations in Europe in which the tentacles of the various companies are likely to extend. Not only that, but they are the very matters which my own Committee, the Legal Committee of the Consultative Assembly of the Council of Europe, is considering within a European context.

There will be a debate during the course of the meeting of the Assembly itself on the Intergovernmental Work Programme; and during that debate the point will be made—certainly in the field of law, and it may be in others as well—that there is not sufficient evidence from our side, from the side of the Assembly, of a real desire and enthusiasm to co-operate and collaborate with other organisations, and particularly the EEC, in this process of harmonisation of law. But it may well be that that lack of enthusiasm, if it exists, is not confined to our side. It may be true of the other side as well.

What I am certain of is that if we have the idea of a European company, for example, it cannot be a European company of the Six alone. It must be a European company of Europe as a whole. If we have the idea of common fiscal policy it cannot and should not be a common fiscal policy of the Six alone, but should be of Europe as a whole. I urge both parties to this reunion, therefore, to take seriously the question of harmonisation of law over the field of Europe as a whole; to take every possibility of getting together, both as parliamentarians and as Ministers, in order to accomplish that aim. I do so because I believe that within the transitional period, before the Community is expanded, far more can be done in a practical way by getting down to details of this kind and producing harmonisation and assimilation of this kind than by all the great speeches on principle and policy which are so eloquently followed in this Assembly. (*Applause.*)

The Chairman. — Mr. Rey, we are grateful to you for your courtesy in sitting throughout the whole of our Session this morning to listen to our exchange of views.

We will now adjourn until this afternoon at 3 o'clock precisely.

The Sitting was adjourned at 12.55 and resumed at 3 p.m.

The Chairman. — The Sitting is resumed.

I call Mr. Edwards.

Mr. Edwards. — I have listened with very close attention to the speeches we have had during the last two days, and I have read with very great interest the two Reports which are before us —two very comprehensive Reports indeed. It would seem that there is very little to add to the debate that has been so constructive. But, nevertheless, I have a duty to perform on behalf of my delegation and I propose to deal with one or two issues which seem to be of great importance.

The issues before our Europe now and for the immediate future seem to me—and this view is obviously shared by many who are participating in this discussion—to be whether the Economic Community is about to consolidate its gains and move inwards, or enlarge itself by bringing in my country and other members of the EFTA nations who are willing and interested in joining the Community. These are the two isues, the two vital issues, which we really have to consider in a debate of this nature.

I am sure it is our experience that when you reach a point of great success and cease to advance, stop your movement and go inwards, invariably you create difficulties for yourselves and start to quarrel among yourselves; and I have a feeling that that is what is bound to happen if the decision of the European Community is one of consolidation. We will miss a glorious oppor-

tunity that comes but seldom in history if the application of Britain to become a full, active Member of the European Community is missed for a third time. And it may well be that this time this opportunity will never come again, and history will condemn us for refusing to accept the grand opportunity.

The greatest mistake men and Governments make in the history of the world is to refuse to grasp great historic opportunities. Men are great because they have seized such opportunities, and countries are great because they have been ready to take the risk of new development and new advances.

It is perfectly true—and I feel that the French Government are justified in reminding us of it—that we have had two opportunities of becoming part of the European Community. We had the grand opportunity during the debate on the Schuman Plan, out of which developed the great Coal and Steel Community, the great revolutionary development in functional economic organisation; and we swept that opportunity aside and refused to participate. We had a further opportunity when the discussions began out of which came the signing of the Treaty of Rome.

We refused as a country. Why? We refused because, rightly or wrongly, we felt we had a destiny in the world; we were then a great world Power with treaty obligations to 23 countries, and with forces and bases in 23 countries. Rightly or wrongly, we thought we had a role in the world, in the Commonwealth, and in Europe. We had three functions to perform; and who can blame our French friends, and particularly the great leader of France, General de Gaulle, and his countrymen for saying, "Well, has Britain still this claim to be a world Power? Does she still want to bring into Europe the problems of the world?"

I do not subscribe to the rather harsh criticism made of General de Gaulle, President of the great country whose hospitality we are enjoying in our meetings. I do not subscribe to this harsh treatment of General de Gaulle. I think that he is a great,

colourful statesman who has brought initiative to our world. He makes a few mistakes from our point of view, but, nevertheless, he is a great Frenchman. Some of his activities we should applaud rather than criticise.

Nor is the view expressed by my good parliamentary colleague, Mr. Duncan Sandys, the view of my Government. Our Prime Minister, Mr. Harold Wilson, reporting on his discussions with the Heads of Governments of Europe, reported to our House of Parliament how courteous, friendly and constructive were his discussions with the General and with the representatives of the French Government.

I can understand the annoyance and frustration of Mr. Duncan Sandys, because we worked together after the war to build Europe, to create the will for the unity of Europe. He has been a very good European, a very active European, over these years; and, of course, we want to see in our lifetime the full fruit of this, we believe, great and increasing demand of the people of all Europe for the unity of our Continent.

These are days of decision. The consolidation of the Community will not solve the problems which the peoples of Europe are facing today. It will not solve the vital problem of our age, the widening of the technological gap between America and Europe, a gap which, if not narrowed, will mean that our Europe will not be participating in the great technological revolution which will abolish scarcity and bring the living standards of our people to a higher level than was ever envisaged when people were writing about the Utopia of the future. We can only handle the difficulties which arise out of this technological revolution if we exchange our know-how on the basis of a great new technological community for Europe.

Last year, the whole of the European aircraft industry exported only 50 aircraft to the nations of the world, while America sold more than ten times as many in Europe alone. If this process goes on we shall have no aircraft industry, because

it is not possible to produce great new aircraft when you can sell only 100 planes; you need a market of 1,000 planes. If our Europe is to start with 1,000 sales for every new type of aircraft produced, it can be done only on the condition that we unite our technological forces. If we refuse this challenge we shall shatter the living standards of our people and they will not enjoy the full fruits of scientific discoveries made by their forbears—because it was Europe which was the cradle of the Industrial Revolution. It was the great scientists of Europe who made the great discoveries of our age, but we have not been able to take these new ideas and apply them in our production. We can do this only if we cater for a very large market. These things are self-evident. Eighty per cent of the computers in Europe come from America or are American-produced. The only computer industry in Europe is the British computer industry. We have a great deal to contribute to an enlarged European Community.

I saw an article recently in that very fine French newspaper *Figaro* which contained a quotation from a London paper, the *Evening Standard*, which stated that a British Minister, whose name was not mentioned in the article, had said that we must go into Europe to prevent the tendency for Europe to become the Third Force in the world, and that was why General de Gaulle rejected Britain's application. There is no truth in this statement. It is more dangerous for us to allow the technical domination of America over Europe, or of the Soviet Union over Europe, the new technical domination which threatens us. This is a much greater danger than the development of a Third Force, because it is my considered view that the world needs a third peaceful, constructive development based on economic strength which can talk on equal terms with the great Powers which dominate our world.

I hope that out of the discussion today will come a real decision to resolve the question whether the Europe of the Six could be enlarged.

President Rey made a short but profound contribution. It was short and profound because he talked about functional institu-

tions. Here, we get to the root of the difference between EFTA and the Community. The Community has its institutions, its functional organisations, which provide the machinery for a continuous flow of ideas and continuous discussion on all social, economic and industrial problems in the era in which we live. Because it has created this functional machinery to enable discussion to go on all the time, the Community has been able to solve many of the basic problems which, a few years ago, seemed insurmountable. We have no such functional machinery in EFTA, because EFTA has been accepted, certainly by the Socialists, who believe in European unity, as a kind of bridge, created to last until the day when the whole of the 16 nations of Western Europe form one great political, economic and social community.

I notice in the Report a very important statement, on page 28, that the decision to bring the three Communities—Euratom, the Coal and Steel Community and the Economic Community—together was a decision of Governments, taken at governmental level, and not discussed at any point in the Parliament of the Six. I think that this is a very dangerous tendency, and that Britain, with our great parliamentary traditions and institutions, could help the European Parliament to see that the work of the Commission became more and more and not less and less publicly accountable, which is always the decision when strong, centralised organisations are working with success, as the Community has worked.

I thought these few observations worthy of making, and I hope that out of this discussion between the two Parliaments of Europe we shall be able to express a unity of ideas which will help to establish the Europe which I and all of us want to see in our lifetime. (*Applause.*)

The Chairman. — I now call Mr. Rossi.

Mr. Rossi (*F*). — Mr. Chairman, the debate has now gone on too long and the hour is too late for me to go into the gratifying results of the Common Market, which so many com-

petent speakers, starting with our admirable Rapporteur Mr. Pedini, stressed yesterday and this morning.

I should merely like to express the wish, as I have often done before, both here and in committee, that certain delays that are likely to weigh more and more heavily on the economy of Europe will be made up more quickly than at present.

On the one hand we have the unhoped-for initial progress of the customs union and the very positive beginnings of agricultural Europe; on the other, common policies which are barely initiated, be they those provided for by the Treaties, such as energy and transport, or those which have, since then, shown themselves to be necessary, such as regional policy and research policy.

All of these problems, whether or not the Council of Ministers has made a start on deciding what to do about them, have been the subject of studies and proposals by the former three Executives. This shows the importance of an institutional system in which some body independent of the Governments is responsible for giving a lead.

It is here—I should like to mention this briefly now that we are on the point of entering into negotiations about amalgamating the Communities—that the dispute about supranationality which arose when the Paris Treaty was being drawn up seems to me somewhat out-of-date today.

Supranationality does not mean the existence of a body which has full powers, but rather the existence of a body which is independent of Governments, even though that body be only empowered to make proposals. Supranational means above all the presence of a watchful guardian of the treaty, I might even say a "witness" that will prick the Council of Ministers like a bad conscience.

I am delighted, then, to see a Commission of such high quality presided over by so competent and brilliant a man as

Mr. Rey, whose stature as a world personality has just been firmly established by the Kennedy Round.

It is with due respect for institutions that have proved their worth that we must contemplate the future, whether it be a matter of geographically enlarging the Community or of bringing about the economic completion or political reinforcement of the Community.

So far as enlarging the Community is concerned, I find the attitude taken by the Committee that negotiations should be opened is very wise. Whatever views one may have on this matter, it would be poor policy to exclude candidates for accession or for association without even giving them a hearing. Only the future will reveal whether difficulties were technically or politically unsurmountable or not.

The future does not depend solely upon this negotiation. We must not lose sight of amalgamating the Communities, the logical conclusion of amalgamating the Executives.

As regards instituting common policies, I said that I would not refer here again to the risks that their delay entails for the whole economic structure, giving it more and more the appearance of a free trade area, and less and less that of a Common Market. I should, however, like to stress once again the need to do our utmost to make up for lost time, above all in the field of a common trade policy, the achievement of which is all the more urgent because it is due to be introduced at the end of the transitional period.

That policy is all the more necessary because we are entering into a period of greater liberalisation of world trade, a sign of this being the Kennedy Round. It has indeed become a commonplace to recall that our Community is the second economic Power in the world. It therefore cannot continue to advance in open order. In any case, next year we shall again have to deal with an important part of this universe, the third world. It is to be

hoped that on that occasion Governments will understand that, as in the Kennedy Round, it will be desirable for the Commission to negotiate on their behalf.

In concluding, I should like to refer to a problem that I think most important, and that the previous speaker also stressed, a very pressing and serious problem, namely that of technological research in Europe.

There is no time to repeat all the disturbing figures which have been so often quoted on this subject. I merely ask the Commission to give it high priority as part of the "medium-term policy" which Mr. Marjolin defined in this connection as also did a memorandum presented by France. The study stage should now be sufficiently far advanced for us to be able to go on to that of concrete proposals.

A united Europe, whether in economics, politics or research, can be achieved only within the framework of institutions that transcend the merely intergovernmental framework. We have such institutions. We must therefore preserve them at all costs.

And since institutions are worth just what their men are worth, I should like to pay tribute to the Council of Ministers—after having so frequently criticised it—for having made so happy a choice for the benefit of the new Commission.

The Chairman. — I now call Mr. Erling Petersen.

Mr. Erling Petersen. — Even after listening to the speech of Mr. Edwards, so forcefully delivered, I dare say that this has been a very peaceful debate, taking into consideration the importance and implications of the issue. We are analysing ten years of activity in EEC. Put in a nutshell its achievements may be put in this way: in some fields, impressively much; in other fields, regrettably little.

As an economic enterprise the Common Market undoubtedly has been a success. To the delight of economists it has proved

beyond doubt the advantage of large markets; but then, of course, the same experience has been demonstrated by EFTA. In both cases intra-member trade has expanded, production has increased and the standard of living has improved more than ever before. Also, in the field of harmonising economic policy, for instance, agricultural policy, the achievements of EEC are indeed remarkable.

When it comes to the political field as such, however, results after ten years are very meagre. We all know that there is no political unity in Europe; there is not even political unity in the EEC and there is no unanimous political will in EEC. In ten years, progress, if there has been any at all, has been very slow.

We are also debating the future of EEC and especially its enlargement. That is the main problem for Europe today. Everybody seems to agree that the ultimate goal must be a Europe united economically and politically. In principle, therefore, there should be a firm foundation for the enlargement of the Common Market. But in some quarters—and we all know where they are—the qualification is made, "not now," and, moreover, not at any definite date. For all practical purposes that is a purely negative attitude.

Unfortunately, views may still differ as to the proper time when an enlarged Common Market may be operative, but there should be no reason for anybody not to accept the opening of negotiations. If, after ten years' experience, the time is not ripe even for starting negotiations then the future of a united Europe would certainly seem to be very dark and it would be a heavy responsibility to be the cause of such a future.

In these days four countries are mentioned as participants in the first round of the forthcoming negotiations. They are: United Kingdom, Denmark, Ireland and Norway. As a Norwegian and a European I am very glad that Norway is now included in this group. For mainly formal reasons the Norwegian application to the EEC was not delivered until some two months after

the other three countries had applied, but Norway seems now to be in line. I should have liked, however, to see another name, that of Sweden, in the group of countries which may start negotiations in the near future.

I feel that there is reason to regret that the Swedish Government, in its indecision as to formal attachment to the Common Market, may have put Sweden in a somewhat isolated position. When I listened to the excellent speech of Mr. Bohman yesterday I got the impression that the Swedish reservations are not serious obstacles to full membership in an enlarged Europe.

As Members of EFTA, the Scandinavian countries, since 1st January this year, have had tariff-free borders. For instance, today goods flow freely across the very long border between Sweden and Norway; and those who travel by car do not even have to stop as the border for any kind of frontier formalities. It will be a lucky day for Europe when all frontiers between our countries are reduced in significance to the same degree as the Swedish-Norwegian border today. On the other hand, it will be a tragedy if the enlargement of the Common Market should have the consequence that the advantage of the elimination of frontiers, now obtaining in some cases, is again lost. It is, therefore, very important that this consequence should be prevented. (*Applause.*)

The Chairman. — I now call Mr. Jannuzzi.

Mr. Jannuzzi (*I*). — Mr. Pedini's report—praiseworthy for its completeness and clarity—has brought out the results of the first ten years in the life of the European Economic Community, both from the economic and the political angle.

I should like to make a few comments on what Mr. Pedini has said so admirably.

In the first place, it behoves us to recognise with satisfaction that no insuperable difficulties emerged during that decade and that such difficulties as were encountered stemmed from natural

causes, namely from the inherent diversity of interests of the individual member States of the Community among themselves and between the Members of the Community and the Community itself as the vehicle of a common interest.

The overcoming of these natural difficulties could only be the result of a determinate political will involving a choice, by each individual State, between the general advantages of belonging to the Community, with all the consequential economic and social effects, and the negative implications which in a given case could flow from execution of the Community rules.

Well, we must recognise that this choice, translated by each State into a sort of day-by-day algebraic calculation of positive and negative quantities has been hitherto effected to an appreciable extent in a Community sense, with the result that the march of the EEC has been more expeditious and more fruitful. We must, I think, all be extremely pleased by this fact.

The Rapporteur shows that progress has been swifter in matters such as the customs union, the free movement of workers, the common agricultural policy and the competition policy, whereas advance has been a slower and more difficult process in other sectors. Actually—apart from the transport sector, bound up largely with the economy and thus with the domestic policy of each State—I consider that, as regards a common commercial policy, for which the suppression of customs barriers is only the prelude, and as regards a common monetary policy, the slowness of the Community's progress is not so much the result of deliberate resistance by member States as of the fact that these are two sectors closely linked with problems of general policy extending beyond the Community's scope and that these commercial and monetary problems will more readily find a solution within the Community after they have been tackled and resolved in a world-wide context.

The second thought suggested by the record of these ten years is that, in proportion as the common economic policy

moves forward, the evidence accumulates of its interdependence with that of the other sectors, particularly with the policy and defence problems of the individual States. All of which indicates the urgent need of an ever closer co-ordination between economic policy, foreign policy and defence policy. The Rapporteur justly observed, for example, that in the technology sector it is impossible to separate the portion concerned with the economy from that concerned with the defence and general foreign policy of the member States, as such, or as participants in other international, European or world organisations.

It may be suggested that this comment opens the road to assertion of the pressing need for a European political Community; but, while it is essential to work with determination to bring such a Community into being, it is quite plain that so long as that objective has not been attained, we must affirm more and more robustly the need for unity of vision as between the general policies of the various countries.

The third consideration to be deduced from the Pedini Report is that the Community requires a policy programming, even though it is not expressly provided for in the treaties.

Even in a liberal economy—the Rapporteur writes—programming is essential, the difference being that in the free countries as compared with totalitarian regimes it is not something of an imperative and coercive character but rather a frame of reference to which all the development hypotheses must be related in order to compare them with what is really and feasibly in practice.

European programming would be greatly facilitated by the existence of national economic programmes, of which the European programme might be the projection, once the national programmes had themselves been impregnated by the common policy with its rules and objectives.

Moreover, it is as plain as anything that the existence of national programmes and European programmes requires co-

ordination and interdependence of analyses, predictions and instruments of execution.

And here I cannot avoid referring to my own country, Italy, where a law has recently been passed sanctioning the national economic programme, in which both the external element and the link between the individual sectors of the Italian economy and the economic policy of the Common Market are resolutely stressed.

The fourth and last comment that I would wish to make about the Pedini Report raises a fundamental question. Every day it becomes clearer that a radical reform of the Community institutions cannot be postponed. The European Parliament must be directly elected by universal suffrage, either through a single election in all member countries or, preferably, separate elections in each. Separate elections, on a proportional representation basis, would preserve the individual political physiognomy of each country. The European Parliament must have powers of decision, law-making and not merely advisory functions. We must have, either through a devolution of powers, or by virtue of the functions it is called upon to exercise, a truly representative Parliament taking the place, in some sectors, with its supra-national powers, of the national Parliaments.

As clearly emerges from the Pedini Report, and from this debate, we have still a long way to go, both in respect of the action which the European Community must take, and in the matter of reform of the Community institutions. What we can say, however, with considerable pleasure—and the European Parliament and all the Community are to be congratulated on this—is that the work of the Community has been sound in every sector, and this is a firm foundation for a still better future for the European Economic Community. (*Applause.*)

The Chairman. — I now call Mr. Peel.

Mr. Peel. — I want to intervene in this debate only to make two brief points. First, as a member of the Opposition party in

the British House of Commons I should like to thank most sincerely Mr. Jean Rey for his helpful speeches both in the European Parliament the other day and this morning with reference to Britain's application to join the European Economic Community.

I have had the privilege of hearing Mr. Jean Rey on previous occasions in other places and have always very greatly admired his cheerful and practical optimism. I think that this initiative of his at this very important moment has come at just the right time and in the right way. I am sure he is absolutely right that the need for all concerned to get round the table and thrash out the problems involved in carrying out the principal objective of the Treaty of Rome, which is to establish the foundations of ever closer union amongst the European peoples, is extremely urgent, and it is urgency which I wish to emphasise.

We have heard, unfortunately, a very great deal both in the Press and on radio and television, mostly emanating from France, that there is no need for haste, that the passage of time will not, in fact, make the enlargement of the European Economic Community more difficult, but, on the contrary, that as time passes Britain will become progressively more European, and that, therefore, delay will become beneficial rather than disadvantageous for Europe.

With this I simply cannot agree. It seems to me now both invalid and false, and, what is more, I think that even its genuineness is suspect. All the indications are that delay in the enlargement of European unity, especially in the political field, is increasingly disadvantageous to Europe both economically and politically, as Mr. Pedini shows so clearly in his excellent report, particularly in the first part, in which he deals with the political aspects. The signs are that unless Europe takes another step forward in economic and especially in political co-operation and co-ordination in the near future we shall fall further and further behind the United States of America both economically and in our influence on major world problems.

On the political front, the pathetic ineffectiveness of Europe in the recent Middle East crisis is just one more indication of the need for haste in strengthening the collective voice and influence of Europe in the world. The argument that Britain is not yet sufficiently European is to my mind now totally invalid, and has become rather tedious. I do beg particularly France, but also all those concerned, to cut out the cackle and get down to business urgently. (*Applause.*)

The Chairman. — I now call Mr. Vos.

Mr. Vos. — Five years ago we were in the midst of negotiations between the Community of the Six and the United Kingdom. We all know that, and how those negotiations broke down. I need not repeat what was said at that time nor that part of the speech of Mr. Sandys this morning. We know the troubles in the Community which followed and how, in the long run, they have been overcome. Now, five years later, it has not yet been decided to open negotiations, or to reopen them, but a decision has to be taken, I think, next month. The Report of the European Commission will be published this month, and we are grateful that the European Commission will propose to the member States to start negotiations.

The Report of the European Commission will be before the Ministers when they come together on 2nd and 3rd October. Perhaps at that time, though they can not yet decide on the proposal of the Commission they could decide to decide at the next meeting on 23rd and 24th October. This procedure to decide to decide at a later date is very well known in the Community. I hope that the decision to start negotiations will not be too long drawn out and for the rest of my speech I will take it for granted that negotiations will be started without too much delay.

How have the positions in Europe developed during the past five years? First, we have had developments within the Community, achievements and failures both; but for the time being

we have to look at the achievements. The very able report of Mr. Haekkerup has shown us again that there are two very outstanding achievements. First of all, there is the reduction, and next year the abolition, of all tariffs within the Six and the coming into being of the overall outer tariff. Already in the Kennedy Round negotiations we had significant proof of the importance of this growing together.

There has been—and it was the only possibility—the European Commission that sat to act and negotiate within the limits of a mandate agreed by the Ministers, but it was a common adventure. Here, the old question of supranationality was decided in the way which had been put forward in the Treaty of Rome itself. I draw attention to that because of the partly different positions in EFTA and the EEC. We all know and appreciate that within EFTA, too, the internal tariffs have come to an end. EFTA has been faster in this part of its work than EEC could be. Yet EFTA has not and until now has not intended to have an agreed common external tariff and during the GATT negotiations the EFTA countries did not and had no need to act as a single entity. This difference should be borne in mind. It is not insignificant in relation to the position in the coming negotiations.

As we now know, three of the EFTA countries have applied for membership and they all accepted the structure of the Treaty of Rome, that is to say, a common outer tariff; and I believe that in the treaties to be followed if the Common Market is extended, with Austria, Sweden and Switzerland, one of the features, too, will be the adherence to the outer tariff of EEC. This outcome will be easier to get now after the Kennedy Round because the Kennedy Round will lead us all to a diminishing of this outer tariff. The difficulties in overcoming the rest of the differences will be less than they were before, but here I should like to make a proposal to my EFTA friends.

Would it not be possible now to start a study of the possibility of having in EFTA, too, one outer tariff? That will facilitate matters later on for the EFTA countries if they join the

Common Market in its trade policy, because there will be only the same scheme to be taken for all the countries of EFTA. I will not go into further detail. My only objective is to ask the EFTA countries to look into this part of the business beforehand and thereby to show that they really intend to give up some part of their actual sovereignty, as they will have to do under the Treaty of Rome and as the Six have done for ten years already.

The other important achievement of EEC, work animated and supervised by my compatriot Dr. Mansholt, has been on the agricultural policy. Here, too, I have to say that the Communities have come to a real supranational policy after all the very difficult and long-lasting Ministerial conferences. This last achievement to some extent makes it easier for the countries to join because they know where the Community has come to and it is easier for them now, I think, to formulate propositions than it was before on how they can come to the same structure, and to calculate the imputations.

I believe that the United Kingdom and Denmark have already made up their mind and look forward to negotiations on these projects, which need not be too difficult, although difficult they will be. There will be the question of financial complications and of the transition period. In my opinion, those will be the preponderant issues in the agricultural part of the negotiations. I hope that negotiations may start soon and that this part of negotiations will not be too heavy.

For the sake of brevity I will pass over other achievements of the Communities, but I would like to draw attention to that part of Mr. Haekkerup's Report which points out what has yet to be done and how much better we could try to find a way together, not only as six but as all European nations. Transport policy has not yet been clarified in the Six. An energy policy has yet to be formulated. There is no industrial policy nor is there any monetary, scientific or technical policy. For all these policies we have to take quite openly that the Six have not made any really important development. In my opinion this is partly due to the

fact that the Six are too narrow in scope for these broader policies. It is not possible to formulate a transport policy only within the Six. In atomic energy one cannot leave out Great Britain, which today is in atomic energy; and in a common industrial policy we have to find a way together. The same applies to scientific and technological policy if we are to be in a position to compete together in world markets.

If one looks not only at the development of the Communities during the past five years, but also at developments in the EFTA States, one sees much more desire and much more accepted policy in all these parts of Europe. It is quite clear from all that has been said by the Government of the United Kingdom and by Her Majesty's Opposition, and it is quite clear, too, in respect of Ireland and Denmark, and, I think, from the repeated questions from Austria on negotiations and decisions in these negotiations with the Six, that in all these countries the move to real European unity, which is much more than overcoming the gap between the Six and the Seven, has gone on and is now in a more decisive state.

To take the Six as separate countries, we all know that in five of the six countries the Governments quite agree, not only with negotiations as soon as possible, but also with short negotiations designed to bring the United Kingdom into the Community, to be followed by the other applicants. Naturally, we know, too, as France does, that a common operation of 10 or 13 nations may prove to some extent more difficult than an operation of six countries. But we are quite aware, too, that we can overcome these difficulties, as within the Six we had to overcome a lot of very important differences sometimes—and we succeeded, be it not always quite happily.

We know, too, that in the financial field—I repeat, the Six did not do much until they got in their own Community—there could be dangers in the extension; but again, in this financial field we have already—we had already—to go to the formation of the group of ten countries to do the work that was necessary

in the international monetary field. The Six have too small a scope for that.

So in the monetary field the enlarged Community will not be alone; nor will it have to work alone. There is not any possibility of "going it alone" in monetary policies. There is not any possibility of "going it alone" in the monetary field. We cannot fight each other. France cannot fight the United Kingdom; Europe cannot fight the United States. So we have to come to world agreements on monetary affairs, and it will be more fruitful for Europe if we have one common structure. I need not repeat that the position of the Franc was not very sound during the negotiations in Messina. The Treaty of Rome clearly shows this, in its protocol. Yet the Five took the final position as it was then, with all the dangers it could imply to their monetary system.

We know that the French Franc has always been of less importance to the world market than the British £, but the decision to have one European reserve currency, if we will play our part in world affairs, as we intend to do, will have to be taken at some time; and in my opinion the accession of Great Britain to the Common Market need not be a hindrance in this process, but could be a real asset.

In trying to evaluate the position of France as it is now, after five years, and the position of its Government, I feel that a change in that connection might be enough—we do not know yet—to overcome the hesitation to go to negotiations very soon now, and that that might be enough to come to a favourable conclusion of the negotiations during the next months. I have hopes that changes in France will be enough for that—and a politician should never be without hopes. I would enjoy it very much if this hope would materialise; we should like to go further with France.

But I have fears, too—fears not only for the construction of the Europe that we look forward to, but also for the Communities

and for France. Going against the will of the most outspoken majority of the nations of Europe—I think that I can formulate it in this way—will fall back on the work of the Communities—we have had proof of that in former times—and also on France itself. Can the Five, for their own solvency, for their own authority in the world and for their own dignity, accept a second refusal of what they take as the most real achievement they could come to in this period of the history of Europe? Would they not be forced to look to methods and means outside the Communities for further achievements? As I formulated it in my own Parliament, there are more roads to London than only the road through Paris.

I do not look forward to this reappraisal of our policy in Europe light-heartedly. I think that in the Communities we are on the right way. But this right way also includes extension of these Communities. The time is ripe for a decision. I hope that altogether we shall take the right way. (*Applause.*)

The Chairman. — I call Mr. Schulz.

Mr. Schulz (*G*). — Mr. Chairman, Ladies and Gentlemen, to some extent I shall be taking the words out of the mouth of my esteemed colleague Mr. Vos, who spoke before me. However, as a fortuitous rear-light at the end of so long and distinguished a list of speakers, may I be permitted a dash of that, perhaps I should say, "professional optimism" which should warm the heart at the conclusion of every parliamentary debate. In antiquity, as you know, seven Greek cities, or islands as the case might be, contended for the honour of being the birth-place of the legendary Homer. Here, at the present day and at this joint meeting the two parliamentary bodies ought to be disputing for the doubtful honour of exactly which of them was meant by the reference in the French Parliament to a "lifeless whale," stranded on the shores of the Rhine. Some have supposed that the Consultative Assembly was meant, others that it referred to the European Parliament. But perhaps, as far as the German news transmission was concerned, it was only a case of lack of informa-

tion, since the reference was to a "Council of Europe Parliament," and there is of course no such thing.

Be that as it may, in my opinion the debates of the last two days have proved that both Assemblies still lack a good deal in the way of competence and real power—but certainly do not lact vitality.

In these recent days there has again been much discussion of the entry of Great Britain into the European Communities. With all respect to Great Britain, I would rather not press that idea: it is too narrow. Particularly in the last few months, so much has begun to move in Europe that, generally speaking, we should refer to a widening of the Communities, the entry not only of Great Britain, but of a number of other countries which in the meantime have applied for membership.

Perhaps, however, it may be useful at the end of the debate to seek to ascertain in a symbolic sense what material changes have occurred since last year, when we discussed the same subject in this very room. At that time it was mainly a question of difficulties inherent in the subject itself, difficulties which loomed so large that we were seriously considering alternative arrangements and wondering whether there might not be a structural compromise between the two European economic groups. We started from a recognition of the lack of readiness of some EFTA States to take the road into the existing Communities, with all that it involved. But we also took as our basis another phenomenon which, if not totally discarded, appears at any rate to be psychologically largely overcome. I recall having spoken about this phenomenon myself a year ago, i.e. about the autarkic self-complacency shown by the EEC, which could be an advantage to it economically from an introvert point of view, but which had little European value in the context of the neighbouring States, who for generations had been associated in human, cultural and ethnic terms with the EEC countries.

As compared with those days we have undoubtedly made enormous progress. Today we no longer speak of re-constructing

economic blocs, which undoubtedly would have caused some debasing of the bloc that was already more highly integrated; on the contrary, the countries which are prepared to enter the EEC leave no doubt that they are clamouring for admission with intent to enjoy all the rights and to assume all the obligations.

In place of the objective difficulties of those days we now find ourselves confronted with clearly definable subjective resistances of today, based on a political philosophy of the future of our continent completely different from that held by the great majority at this meeting. Such resistances existed of course even then. However, during the past year they have become more visible, more visible perhaps in proportion as the objective difficulties of a larger integration process—in the sense of a broadening of the Communities—have been dispersed. To remove these resistances—as has been repeatedly asserted in the debate—will take time. During that period we shall suffer disappointments, disappointments which will sometimes degenerate into political and moral depressions.

There is however one asset on which we may confidently rely: the idea of an extension of the Communities as a revival, a *relance* of the European idea is beginning slowly but surely to take possession of the consciousness of our peoples and thus become a public force. If I call to mind the mood of my own country, I must admit that between September 1966 and September 1967 there has been no change at all in the readiness of the great majority of all parties to support the widening of the Communities, although we of course at that time had a Little Coalition where today we have a Grand Coalition. Nor is the position any different beyond the boundaries of my country. On the contrary; in fact during the debate some speakers from EFTA countries pointed out how impatient their public opinion had become and how strongly it has the justified feeling of suffering discrimination, if there continues to be talk of negotiation *ad calendas graecas*.

Thus I feel that there is but one possible alternative: either the European initiative will propagate itself irresistibly from the

bottom upwards, or democracy itself will become a "lifeless whale," and not only the democracy of a European order of tomorrow, but the existing democracies in a national framework, because their organs have not understood how to reflect the recognisable will of their peoples.

This joint meeting was in one sense also a jubilee. It is ten and a half years since the Rome Agreements were signed. In those ten years there has been a clear chronological divide: at the beginning were the five fat years in the biblical sense, followed by five lean years, years which for Europe were depressing and at times dangerous. Yet after the most recent developments we may take heart and assume that we have left the worst behind.

In conclusion, may I express a wish which may perhaps appear paradoxical; I look forward to the day when there will no longer be a joint meeting, because it will no longer be necessary, the day when all the powers of the Consultative Assembly, to which I have the honour to belong, will have been transferred to a European Parliament able to function with real tasks and as a real parliament on behalf of a much larger Community—with larger tasks both horizontally, having regard to geographical extent, and vertically, having regard to its powers and the subjects it covers. It may still be presumptuous to envisage such a goal, but I feel that the more this goal appears to be obscured and the more evidence there is of deliberate efforts once again to obscure it, the more passionately should we think about it and so contrive each of our steps as to make at least some small approach to our objective.

Our best contribution would be a firm determination to live to see the day when the goal has been reached. That will not be vouchsafed to all of us, because it is not in our power and because it does not really matter. But, all in all, Mr. Chairman, Ladies and Gentlemen, with this appeal to our own physical, spiritual and political vitality we dedicate ourselves—in contrast to the image of a "lifeless whale"—to the historical task of our generation in Europe. (*Applause.*)

The Chairman. — I now call Mr. Pedini.

Mr. Pedini, *Rapporteur of the European Parliament (I).* — This debate certainly cannot be closed without mention of the dignified tone of our discussion and the highly political flavour of the speeches delivered. Anyone who has been following our discussions from the galleries will surely be convinced of the value of a political debate such as this, as a focussing point for pressures coming from every environment and every sector and grounded in the human and moral aspirations common to our peoples.

It has been a debate rich in substance: to comment on every speech would take up too much of the time of this Joint Meeting and try its patience too hard. So I will just thank all the speakers collectively, and not least for the benevolence shown to the report that I had the honour to prepare. And then I may be allowed, in this brief reply, to bring out a few of the political assessments that have emerged here and on which, it seems to me, the consensus of opinion, both on the part of the members of the Council of Europe's Assembly and of the members of the European Parliament, has been unanimous. So it is that we are in full agreement, ten years from the signature of the Treaty of Rome, on the fact that our Community "adventure" has been a success, not only economically but also politically, and that—may I add—it has marked the affirmation of a political system, the European system, based on liberty and democracy.

The EEC in these years has created something which is today useful to all States, even those that do not yet belong to the Community: for it has prefigured the experiment of the new Community State required by the new times we live in. The EEC—as has been reiterated here by everybody—is a Community which is creating a new economic and legal order under conditions of freedom, and its progressive development along these lines is the wish of all the free peoples of Europe.

This debate has rightly, and at times implacably, emphasised what stands on the debit side for the Community, and,

in so doing, it supplies an inducement to see that the Treaty of Rome is executed, to make sure that all those bound by that Treaty (Governments, nations and Community institutions) shall work for the application of the Treaty in full. But, while everyone has been in agreement on the vitality of the EEC and on the importance of its continuance, everyone has also insisted that the success of the Community should be attributed above all to its institutional content: if, then, the Community, whether or not it is expanded, is to continue its life, its institutions must be used to the best advantage.

An example quoted this morning by Mr. Rey is a good illustration of this assertion.

The Community's institutions are fundamental as guarantees of its very essence, as guarantees of the equal status of all member States that join it. Substantially, those institutions are the expression of a judicial order whereby the Community must be regulated.

The acknowledgment of this fact by the Council of Europe seems to me to be of special importance and links up with another debate, likewise held here, in the course of which so many colleagues have spoken: I refer to the debate on the technological development of Europe.

We have had speeches here, on the basis of the valuable reports by our colleagues, about the technological gap, and this has been singled out as being one of the most delicate aspects of the political imbalance between Europe and the United States of America.

Not many months ago, in this very hall, the Head of the British Government spoke with authority about a European technological community—which has still to find adequate definition. Well, we can discuss all the technological projects we like, we can tackle the most important themes of contemporary industry; but I am still convinced that technological

collaboration also requires its institutions. It is not possible to achieve effective collaboration among the States of Europe, even on the technological plane, unless such collaboration is supported by Community institutions capable of securing equality of rights and duties for all Members. Institutions of this sort must provide that "super government" which is necessary in the technological field, too, in order to fulfil the interests of all the countries of the Community.

Let us consider any aspect of the contemporary industrial market, and we shall see that technological development cannot be entrusted to private enterprise alone, that it requires participation and commitment by Governments, through the medium of a higher authority which is in a position, by placing orders, to instigate ambitious research projects.

The United States has achieved great results in the technological sector, among other things because she has available an organisation like NASA through which, thanks to military orders and public financing, more active collaboration between industry and State authorities has been obtained.

So the technological factor—this emerged from so many knowledgeable speeches—is yet another element reinforcing our conviction that it is necessary to carry out the Treaty and, above all, to go on strengthening the institutions.

But the institutions should also be strengthened in view of another political development which has been discussed here and which is the unanimous wish of this Joint Meeting: extension of the Community. This is the theme which has most stirred our emotions, even leading to a very gentlemanly controversy between certain colleagues, especially when we were led to touch on the delicate issue of the entry of Britain into the EEC. (I should explain why this subject was not included in the written report: the report was presented to the European Parliament before the Council of Europe had decided to take up this question.)

Our belief—and it seems to me almost unanimous—is that enlargement of the Community is a necessary step: indeed I am convinced that it will come about by sheer force of circumstances. The negotiations must begin at the earliest moment, and we are convinced that no resistance can check the course of history. But the desired extension cannot take place without a strengthening of the Community, and particularly of its institutions.

To accept other countries into the Community is not a problem of geography; it is above all a problem of political will. And so it is entirely right and proper to require guarantees for the continuance of the Community pattern in an enlarged Community and to insist on avoiding a watering down of its political content. As between an enlarged Community in which anarchy would prevail and an enlarged Community with still more political substance than at present, we must work for the victory of the second alternative: the enlarged Community must be more and more political in proportion to the increase in the number of its Members.

Surely no one can dispute the Europeanism of Britain, just as no one can deny the British element in European culture and civilisation: nobody who knows anything of history can dispute this. It is essential, however, for all to understand how, in face of the comprehensible state of necessity of Britain, who wishes to join (or rather rejoin) the European Community, is the *state of security* of those who do not want to see the whole house collapse under the strain of its enlargement. To avoid this danger is a problem of precautions, of timing, of ways and means, of hard facts, and not simply a matter of good will. Nevertheless the time is ripe for an extension.

The Rapporteur who was my opposite number spoke very well about the need for a *political leap forward*. And indeed it seems to me that conditions are becoming ripe for that to happen. The world political framework has expanded. There are serious world issues which must be faced, because Europe is not isolated from the rest of the world, it is part of that world. Commit-

ments such as peace, social justice, scientific research, defence, which are of vital import for all of us, are commitments not only for Europe, they are world commitments.

Let us accordingly look forward to the entry into the Community of new Members as a spur both towards the total insertion in the world content.

A divided Europe—we are convinced—will count for little in the world, and that has been said again and again. A united Europe will count for a great deal. But the most solid foundation or that united and inter-Europe is the Community of today. Could Europe be united without a common agricultural policy, without a common external tariff, without all these things that the Community has accomplished?

Hence it is not enough for a country to say, in order to join the Community—and the debate we have had is confirmation of this—that it will accept the Treaty of Rome. That might still have been good enough a few years ago. The European Economic Community was born in 1958 at a time when we in Europe could do precious little in the way of foreign policy, at a time when we were delegating all or almost all our responsibilities to the Atlantic Alliance, at a time when, in other words, the world was still divided rigidly into two opposing blocs.

Today, ten years later, foreign policy is becoming polycentric, and we in Europe can constitute one of those centres of decision, while maintaining our ties of friendship and alliance with the United States of America.

To accept the Treaty means accordingly to accept it with the object of achieving a greater Europe, but also of facing up to the new themes of international politics and of exerting an influence on them.

Entry into the European Community implies that all Members, old and new, shall together confer on the Community the

essential prerogatives of a modern State, sovereign powers, including those relating to defence. (That is why the European Parliament has all the time had some reservations about the non-proliferation of nuclear weapons treaty, in so far as it might endanger the independent control powers of Community Europe.)

Even the ancient, essential and irreplaceable relationship of alliance with the United States, about which we had speeches this morning, will change in character. When we have constituted a greater Europe in the circumstances described, the alliance will advance from a collection of confused and diverse special relationships to assume the lineaments of a *partnership*, which we cannot ask for if we are not ourselves strong in our unity.

The Kennedy Round is itself a testing bench for balancing the economic potential of the two worlds, and for calling out our own imagination and boldness.

But any real parity of political power, which is the essence of *partnership*, can come about only from a world political balance, only if the United States of America is eventually flanked by the United States of Europe.

Is this an impossible target? The words we have heard here echo a sentiment that is common to all the European peoples. And those peoples say that such an ambitious prospect, maybe, is not utopian. The goal of a United States of Europe is above all a goal of responsibility.

That is why, to conclude, I should like particularly to recall the words of those colleagues who have exhorted us to shed the trappings of optimism and, instead, to show a more real appreciation of the difficulties in store for us. This does, indeed, seem the best way to compass, after ten years of striving, a full realisation of the European Economic Community—and, above all, the best way to secure its continued forward march towards new political horizons.

The Chairman. — I now call Mr. Haekkerup.

Mr. Per Haekkerup, *Rapporteur of the Consultative Assembly.* — I want, first, to express my gratitude to my fellow Rapporteurs because the four of us have agreed that we need only one answer to the debate, and so I shall be the only one speaking on behalf of the Rapporteurs of the Consultative Assembly of the Council of Europe—unless they find they wish to add something after I have spoken.

Next, I should like to say that the debate which we have had has been very interesting. I think that we ought to pay tribute, as you did, Mr. Chairman, to Mr. Rey, for his attendance at our debate here. I understand that for good reasons he could not be here this afternoon, but, nevertheless, I should like to add my thanks to yours for his interest in our debate. For the record, I should like to say also that I was fully in agreement with what Mr. Rey said, when he explained so clearly to us the necessity for strong international institutions. The account which he gave of his own experiences in Luxembourg, compared with what he has experienced in the Community, is a clear demonstration to those of us who may not have been at a certain time convinced of the necessity of strong international institutions.

As I said in my report, I think that countries, especially smaller countries like mine, will find their greatest security in a clear treaty, and strong international institutions to carry it out and to interpret such a treaty. So I feel very much in line with what Mr. Rey said, and I feel confident, for that reason as well as for others, in his leadership of the Commission.

I should like also to thank other speakers in the debate. I do not think that I need to mention all of them. We have had a number of important contributions to our thinking here—contributions that have clarified our own thoughts and have proved that the discussion which we are having is on a very high level and actuated by the common interests of shaping our future Europe. I do not want to go into any details of the debate. I

think that I shall find other opportunities—I am not speaking now as Rapporteur, but as a member of the Consultative Assembly—to discuss with our Swedish friends what they are really thinking and what their policy really is. I think that they are almost as confused as we are about their policy; but I will find out later on and in another place what their policy really is.

In a way, if I may use this impolite expression, part of our discussion has been a kind of "shadow boxing." There has been something absent in this Assembly. This shadow has had two spokesmen here, Mr. Triboulet and Mr. Cousté. I should like to say a few words to those two spokesmen of the shadow. Mr. Triboulet said that what I said in my report was wrong so far as the Fouchet Plan was concerned: he said that the Fouchet Plan is merely another political step in the development of the Community. This may be so. I felt I was gentle in saying that the Fouchet Plan could be a further step in the development of the Community. But I also added that, to my mind, we will in the not too distant future find ourselves in a position where we need a real step forward; and I was looking, as I said in my report, for the personality who could take the lead in such a situation. We are still, I think, looking for that, but I would not accept that the plan should be a sort of alternative to a real political Community in Europe.

I also want to say to Mr. Cousté, who made some critical comments on my report, that when he says that he was surprised to listen to some of the words I used, because he remembered his youth, I am prepared to admit that when we met 10 or 12 years ago—and I think that you, Mr. Chairman, were a member of the Consultative Assembly at that time—we felt that the six countries which were trying to establish the present Community were too optimistic. When we offered them our good wishes we did not really believe that they would succeed. Now they have succeeded, and we must admit that they have succeeded and so carried European co-operation much further than we sincerely believed would be possible when we discussed this matter 10 years ago.

That is why I am willing to say that I am convinced of this development. It is right for all of us to learn from experience,

and the best lesson which we can take from that is to use it as a basis for our deliberations on what will happen from now on, in the next five or ten years. Let us be courageous, as they were at that time and we were not.

There is one further remark by Mr. Cousté to which I want to refer, because here we may be taking a wrong route. It concerns the relationship of the Community with some of the developing countries, especially in Africa. I am afraid that with the special links which have been established between some of the African countries and the Community, and with the special links between some other African countries and the Community, we are embarking on a route where the Community is creating special relations with some developing countries, and so transferring the present division in Europe into a division among the developing countries. This is a very dangerous field.

I think, therefore, that the countries which are Members of the Community, as well as the Members of EFTA and other industrialised countries, should, before we get to the next UNCTAD conference in New Delhi, try to find a common attitude towards the problem of the relationship of industrialised and developing countries. It would be a pity if the temporary divisions which we have in Europe should result in what may be more permanent divisions between the developing countries so far as their co-operation with the industrial countries is concerned. I hope, therefore, that we shall be able to agree to consult each other, whether we belong to the Community or not.

That is all that I want to say. I think that the discussion which we have had has been a very profitable and fruitful one and another good example of the importance of having an exchange of views between the Consultative Assembly and the European Parliament.

The Chairman. — I am very grateful to Mr. Haekkerup. I am sure that the members of our Joint Meeting would wish me to thank Mr. Pedini and Mr. Haekkerup, in particular, for laying such firm foundations for our debate.

All of us at this meeting believe in building Europe, or we should not be here. Some of us—a minority, but an important and powerful minority—do not see the expansion of the Community as being an urgent matter, but the majority, and an overwhelming majority, takes an entirely different point of view. What this majority wants is action, not words.

We have had a most interesting exchange of views, and I go further and say that it has not only been interesting, but it has been valuable.

Members of the European Parliament and fellow-Members of the Assembly of the Council of Europe, we have heard today Members of Parliament from 11 different countries: Belgium, Denmark, France, Germany, Italy, the Netherlands, Norway, Sweden, Switzerland, Turkey and the United Kingdom. Obviously, the subject has aroused a great deal of interest.

2. *Closure of the Joint Meeting*

The Chairman. — It has been a great honour for me to preside over this 14th Joint Meeting. I declare the meeting closed.

The meeting was closed at 4.45 p.m.