UNITY OF THE POLITICAL AND ECONOMIC INTEGRATION

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by

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UNITY OF THE POLITICAL AND ECONOMIC INTEGRATION

Mr. President, Ladies and Gentlemen,

Your meeting on European Unity is held at a moment when the unification of Europe seems farther away than ever.

After the important, but very, very disappointing decision of yesterday in the French Parliament, we need courage and pushing power to go on. I am of the opinion that there are many reasons to go on, even more determined than before. A decision and a wrong one too as was taken by the French Parliament yesterday, has yet a good side. It clears the atmosphere and gives the possibility of a fresh start.

It seems to me, with our task for the future in mind, that it is at this moment interesting to pass in review the development of Europe in the last few decades and try to form a clear picture of the present situation.

Is there a European policy? And what is Europe? For me Europe is a group of countries which, in spite of mutual strife, have for centuries been so closely connected in the cultural, political and economic spheres that they form together one cultural community. I do not venture to indicate more or less precisely the geographic extension of this area, but it is no doubt larger than Western Europe. This Europe has not yet a European policy, for through it runs a line of demarcation, a frontier, which is not in the first place a frontier between a number of countries, but between two worlds.

But what about Western Europe, you may ask. Has not a common policy been developed for this "free" part of Europe? The answer to this question cannot be yes, without reserve. Of course, the contact and the cooperation between West-European countries have considerably increased after the second world war and, further, close cooperation has been established in the Atlantic sphere. But can we say that there is a distinctly European component in the Atlantic cooperation?

It is true, Europe after 1945 has gone through an important evolution, which has made the term "European policy" a household word, still awaiting crystallization in a somewhat vague and troubled atmosphere. On the one hand there are the trends towards cooperation between countries in the political, economic and other fields and when countries cooperate, each Government retains its sovereign rights. But, on the other hand, as you know, there came into being a policy with further aims, fundamentally different from what I just mentioned cooperation. I mean the policy which the six countries of so-called Little Europe have followed in principle in the years after 1948.

Frankly speaking, I am much in favour of any form of cooperation between countries, such as, for instance, the O.E.E.C., but I do not think this course will contribute to the solution of the European problems. These problems are partly of a political and partly of an economic and social nature. I am convinced that the position into which Europe has got, calls for an entirely new European policy and that the six Governments of the Schuman countries, which have decided to head for integration on a supra-national basis, have, in principle, chosen the right way. And it is this integration policy of the six countries that has entered a decisive stage. It has appeared that the European Defence has become an

important link in the chain of events, which cannot be provisionally put aside without greatly affecting the integration policy of the Six. This is the core of our present struggle for integration and I shall revert to this.

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In the first place, however, I shall deal with some of the major considerations underlying the movement towards European integration and with some of the principal lines of development in this field. It is generally felt that the attempts at integration are mainly due to the fact that it is increasingly realized that Europe is in a sorry plight. Half a century ago it was at the summit of its economic power and prosperity, to-day its political existence is, more than ever before, dependent on foreign aid. It need hardly be said that our countries are faced with numerous problems in the political, economic and social fields. Far from being solved, they have, in the last decades, increased both in number and extent. This has greatly weakened the position of Europe. Internally it has led to a crisis in authority and, externally, to a decrease of Western influence in other parts of the world. Communism, an ideologic trend, which, in principle, is hostile to all real intellectual values of the West, has considerably strengthened its influence without the West being able to stem the tide.

This development has brought a number of statesmen to the recognition that the Western block and especially Europe should change its policy. Though they cannot indicate in detail how to solve the many problems, they have come to realize that it is of considerable importance for our countries no longer to seek the solutions of their political and economic crises on an individual basis, and often as antagonists in defending political and economic ambitions. This is, in my opinion, the crucial point of the problem.

But, you may say, does not the primary cause of Europe's decline lie in the economic field? And should not the movement towards European unification first and foremost be directed to the European economy? Indeed, there is much in favour of this point of view. Why then, you may ask, do you prefer the way of the 6 Schuman countries after 1948, which approach integration from the political side, and why do you attach so much value to the supra-national element in this policy? I wish to show you that these questions are closely related.

Therefore, I shall in the first place deal with the question why, in the present circumstances, the political aspect is of primary importance. To a certain extent, I agree with you. The economic problems of Europe are, indeed, very important and it would therefore, no doubt, be of great significance if the European countries could find a way to replace their mutual economic discords by a common economic policy and if they could provide the necessary funds for the modernization of the European economy. A strong European economy would automatically constitute an important basis for strengthening Europe's political position.

The fact that Europe is economically lagging more and more behind the new world is in itself already a very serious phenomenon, but it is far more disquieting that the considerable economic start we had over the U.S.S.R. is rapidly decreasing. In spite of her great losses in the second world war, Russia has developed so rapidly that experts are of opinion that she may in the near future be able to raise the standard of living of broad masses of the Soviet block considerably. There are indications that

of late in Russia special attention has been given to consumption levels. There is no need to explain that this development considerably increases the danger of the expansion of communism, especially in the long run. If ever a time should come when the western civilization, particularly in Europe, can only offer liberty in poverty, the fate of our civilization would become extremely precarious.

The reasons why, in spite of this, the political aspect predominates in the opinion of the six Governments, are based on the following considerations.

In the first place, the political development after 1945.

In the second place, because also with regard to the expansion and modernization of the European economy there is much to be said in favour of supra-national policy, but such a policy requires in principle a political decision.

After 1945 the main point in the political situation in the world is the antagonism between America and Russia. In Europe this gave rise to the problem of the former Axis Powers, especially Germany. The German problem has existed from the capitulation in 1945, because from the beginning it has been clear that this country could not be kept outside the family of the European countries. The position of Germany, however, became extremely important, when, with the increased tensions in the world, it became clear that also the West-German Federal Republic would have to make a contribution to the recovery of Europe and the defence of the free world. The political contrasts in the world made it impossible for the West to suspend its policy on this point till agreement should have been reached between the Big Four.

Already shortly after 1945 rearmament became a necessity for Europe, and Germany could not be excluded. We should not think too easy of the decisions taken at that time. For it is clear, that because of the rearmament of Europe the old political contrasts in this part of the world might revive. Besides, on account of the German division in East and West and the natural desire of the German people to unite, a fresh explosive was added to the highly inflammable world situation.

But was there any alternative? I already said that Germany cannot be excluded from the community of nations for good and all. But, apart from this argument, it is clear that an disarmed Western Germany or a neutralized Germany may seriously endanger the security of the rest of the continent. It is sure that in event of war the important German industrial area would not be left alone.

It was under such circumstances that the French people developed some of its brilliant initiatives which have manifested the grandeur of this nation throughout the history of the world. They seemed to make acceptable to all countries what was unavoidable for them. In the first place the initiative for the establishment of a Coal and Steel Community and in the second place that for the establishment of a European Defence Community. Both initiatives sprang from the wish to fit in the unavoidable recovery of Germany with a political organization in Western Europe which was to prevent a revival of the old conflicts. Indeed, the Coal and Steel Community is of particular importance as the basis of the economic unification of this part of the world. But of more importance is that this first step to economic integration is the consequence of a political conception, namely the formation of a European community of peoples that

have so far been seperated by bloody conflicts.

Speaking of the proposed European Defence Community it must be stressed that assuming the German rearmament to be unavoidable, the dangers attaching to this can only be minimized, if the following consequences are accepted. The full participation of Germany in the European community can only answer its purpose if established on a basis of equal rights. Germany should have the same rights as each of the other partners. If, however, in order to reduce the danger of a revival of conflicts, certain rights should be withheld from Germany, the principle of equal rights involves that also the other partners should give up the same rights as those withheld from Germany. But this implies the necessity of a supra-national body. In this way the post-war policy, based on this political conception, had created a possibility for Germany to enter on an equal footing in the family of the European nations. And only this policy would, in fact, break the vicious circle of the Franco-German feud. It would also mean the end of a policy based on power and alliances which, especially after 1918, has led to the political isolation of Germany with all the evils we remember. So the inclusion of Germany in the European community of peoples is far more than only a matter of strategy. So the supra-national element in the integration policy of the Six and, particularly in the proposals for the E.D.C. is not primarily of a technical nature, but is part and parcel of a political conception which is unavoidable for establishing a real European community. Is France now going to draw back her hand, which she has extended to Germany and which Germany is prepared to take! We cannot escape the impression that many in France are now searching for the quadruture of the circle. They want to combine the advantages of the E.D.C. - its control on rearmament - with the inclusion of Germany in the Community of Nations on a non-discriminatory basis. But they want not the E.D.C. to be supra-national!

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So far the broad outlines of the political aspect. I told you already that the necessary revision of the economic structure of Europe also provides strong arguments for the acceptance of a supra-national conception, irrespective of the somewhat accidental, but in no way temporary, political situation in which Europe now finds itself.

What is the main trouble from which the European economy is suffering? It is its division into a large number of small national economies that are almost hermetically seperated by an ingenious system of protective measures.

As a matter of fact, economic nationalism, or protectionism, is of recent date not only in Europe, but also all over the world. In my opinion, the economic division of Europe has done little damage as long as the national economies were of a relatively simple structure. That is to say, as long as the countries were not yet faced with economic and social problems which they could not solve on a purely national basis and as long as the international division of labour was still of little account. Besides, in the 19th century, the time of Europe's economic expansion, there was hardly any economic discord. There was an almost unrestricted movement of goods, services and capital.

The tide turned, however, by the close of the 19th century, when considerable structural shifts occured in the economic and social fields.

As a consequence of this the economic strife between the countries developed and protectionism appeared on the scene.

Characteristic for this period are the rapidly increasing interdependence of the countries in the economic field and the regular occurrence of economic crises. Another feature is the gradual development of groups of interests or pressure groups. The increasing interdependence and the instability of economic conditions have made the national economies very vulnerable. In consequence the organized groups of interests have exercised great pressure for stabilizing and safeguarding the home economy. In these circumstances the Governments were obliged to extend their task. They gradually developed a comprehensive economic and social policy. Since the thirties they have been particularly concerned with the provision of employment. In other words, the Governments of our Western countries have come to see the national economic and social interests as an important part of their responsibility - and they have done so at the instigation of their peoples. They have taken many important initiatives for promoting and stabilizing their national economy as effectively as possible. And yet they have not succeeded. This is, in many respects, mainly due to the fact that they have often done nothing but rolling off the problems which, for technical reasons or owing to the internal political constellation, they could not well solve on a national basis. Increasing foreign competition and unemployment in certain industries have been "solved" by introducing import restrictions and higher tariffs. The tensions resulting in an inflationary policy have been "solved" by manipulating with rates of exchange and restrictions in the movement of capital or restrictions in payments.

It is, however, clear that these problems will not disappear by rolling them off to others. They will, by way of other countries, return to the country of origin. What are the results of this rolling-off policy? In the first place a very insufficient adaptation of the national economic structure. Behind economic barriers all States have developed new industries, or maintained old industries, which might have worked elsewhere under better conditions and at much lower cost. Moreover, the numerous small national markets in Europe have seriously hampered the development of large-scale production and so, when compared with the United States, European countries have missed for a good deal the considerable advantages of standardization.

Scondly, a rolling-off policy leads to a cumulative process of protective measures; it works like a boomerang. The introduction of such measures compels other countries to adopt the same policy, and thus any action causes counter-actions. Especially in times of depression this policy is carried to extremes, which aggravates conditions unnecessarily. This policy therefore causes the home economy to become rigid and out of date, while in time of depression the rolling-off policy will imperil rather than promote the so eagerly desired internal stability.

It is remarkable to note that protectionism or economic nationalism - which was simply adopted because there was no other way out of the national difficulties - has developed although at the same time the number of international conferences for fighting protectionism has increased. It clearly shows that the Governments, being aware that they were going the wrong way, have been trying by means of international conferences to get rid of the economic barriers, however, without having much success. It is

important to emphasize this. Protectionism is often thought to be an intentional policy, but it is rather the inevitable consequence of the fact that between countries there are no means, no institutes as there are existing in the national field, to promote their common interests.

Protectionism has exercised its paralysing influence in all countries in the world, though it should be assumed that the damage done by it is far greater in the relatively small European economies than for the big countries outside Europe, each of the European countries being much more dependent on the outside world.

This is the root of the evil of the European economy, but it has not yet been explained why the remedy for the economic problems should be based on the supra-national conception. I already spoke of the rolling-off policy, which the countries have been forced to adopt, owing to the fact that between countries there are no means, no institutions, as there are existing in the national field to promote their common interests. But is it correct to say that there are no international organizations, you may ask. What has been achieved, for instance, by the E.P.U. is of great importance. Is not this an example of an international organization that has solved problems for which each of the countries had no solution, you may say. You are right, this is certainly true and I am not going to question the significance of this institution. But what is E.P.U. really doing? In fact nothing else but removing obstacles of a technical nature, concerning payments between participating countries. But what is really at the bottom of these payments, are the internal economic conditions prevailing in these countries and it is not possible for E.P.U. to influence these economic conditions in a direct way. In other words it cannot initiate any improvement of the situation so as to make E.P.U. superfluous, for instance, by restoring the convertibility of all currencies. To restore a world wide convertibility is, as matters now stand, a task to be undertaken by the countries themselves. It is a mainly internal task for each country individually, in which the E.P.U. cannot assist. Properly speaking the same applies to the O.E.E.C. The so-called liberalization of trade does not go farther than internal economic and political conditions in each of the countries permit. Therefore, the value of an organization like the O.E.E.C. lies mainly in the fact that, as a result of the permanent contact between the countries on a multilateral basis, the countries are better informed of their interdependence. This puts a check on the making of unilateral regulations that may prejudice the interests of other countries, which is, no doubt, of great importance. But it will not be able to remove the economic barriers between the countries. It would be unfair to blame the O.E.E.C. for this, as this body is nothing else and nothing more than the Governments participating in it and has no responsibility beyond that of the Governments. Consequently, it is after all the national Governments that cannot remove the barriers. This is quite conceivable, for, as I already said before, protectionism is the result of problems that could not be solved on a national basis. Some of these problems cannot be solved because they originate from outside the country, for instance economic development in other countries, the economic policy of these countries, the international economic conditions. But there are other problems which might well be solved on a national basis, were it not that well organized pressure groups would be opposed to it. Therefore I am convinced that our Governments having a number of

problems and aims in common which they cannot realize individually will accept common responsibility for them. For only then it will be possible to deal with our problems from a much broader point of view than on the basis of the national interests, on which so far the policy of our countries in most cases had to be based. It should be borne in mind that the common interest of countries is not the sum total of what is often believed to be our short-term interests - the short-term interests which our countries have to promote through protective measures.
Experience - and that is protectionism - hasshown, however, that the common interest is seriously injured when supposed national interests of a short-term nature are put first. And therefore we may conclude that by doing so our countries injure their own interests, being in a world where self interests have come so much dependent on the welfare of all.

But the acceptance of common responsibility for these purposes means that decisions to be taken should issue from a common policy of the countries, that is to say that common decisions should be taken. This implies that the national sovereignty should in these fields be superseded by a new supra-national sovereignty, namely that of the community of the countries. Unlike for instance, the O.E.E.C., the organs of the community, bear a responsibility of their own and not to the national Parliaments, but to the Parliament of the Community.

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The title of my address is: Unity of the political and economic integration. I think I have already pointed out this unity. I already said that the integration policy of the six countries, is, politically, based on the recovery of Germany, which should be fitted in with a political organization of Western Europe so as to prevent a revival of conflicts.

I have pointed out that the political conception which underlies the solution of the German problem, makes it necessary for all countries to accept the same restrictions of sovereignty as they want to impose on Germany. And this requires a political decision: The creation of European organs with supra-national powers. But I also pointed out that the removal of the policy of individual protection, which makes the European economy so vulnerable and hampers its expansion, requires the application of the supra-national principle. So it is logical to link the supra-national conception, which is required for the economic integration, with political integration which is based on the same principle.
There is another argument for a close association between the economic and the political integration as it may be greatly doubted whether a solid political unity can be achieved as long as the antagonism in the economic field should be continued.

As a matter of fact, the six Governments already soon recognized the unity of economic and political integration. Shortly after the signing of the treaty of the E.C.C.S. in April 1951, the Council of Europe published a report in which the view was expressed that it would not be possible to establish more or less interdependent European Authorities for various integration objects including the coal and steel section, European Defence and, possibly, other sections. In this report it was considered essential that these Authorities should fit into one framework and one political Authority should be superimposed on them. You all remember that this became the starting-point for the decision of the

six Governments made in September 1952, that the supra-national Parliament of the C.S.C. should be charged with the drafting of a European Constitution. When they charged the Assembly of the E.C.C.S. with this task, they had already accepted the principle that political integration should be bound up with economic integration. You will further remember that the Assembly of the C.S.C. completed its task. On the 9th of March the draft Constitution was submitted to the six Governments. Its main idea was that the European Community should be superimposed upon the already existing E.C.C.S. and the Defence Community still to be ratified. This was, in a way, the consolidation of conquered territory. In accordance with the decisions made by the six Governments the draft was more than only consolidation; it expressed the need for further development in the economic field. You will further remember that the Draft-Statute then became the object of the close studies and lengthy discussions between the six Governments. It was soon apparent that some Governments thought that in the given circumstances they should first and foremost safeguard their own interests and embody their own wishes in the proposals made before embarking on the "European ship of state". In these discussions some countries emphasized a detailed elaboration of the principles of economic integration, others advocate the inclusion of temporary, and even permanent, special positions and escape clauses.

We cannot escape the impression that the discussions between the six Governments sometimes assumed the character of a procedure of negotiation on classical lines, that is to say, on the basis of shortterm, national interests. This affected in a bad way the character of the discussions about the federation of Europe, which deteriated occasionally to the point of haggling. The countries concerned pinpointed during the discussions exactly the points which they consider of great importance from the national point of view or which are closely linked with national interests, and so they entered into the discussion of problems on which of course it is very difficult to get agreement. In this way the delegates of each country were in fact doing nothing but trying to direct already in advance, or even to determine to some extent, the future supra-national activity of the European organs. But so they entered into the very field in which a European Authority is considered desirable and even necessary. For, as I pointed out, these are the problems which considered from the national point of view cannot but lead to divergence of opinion and because of this to protectionism. Therefore the solution of these problems requires a joint policy.

The main controversy was, no doubt, whether the countries should confine themselves to accepting the general principles worked out by the Assemblee of the E.C.C.S. or if they should proceed to a further elaboration and interpretation of these principles, and it is clear that such elaboration should have been performed with great prudence in order to avoid the danger of agreement on principles giving way to a possible conflict during the elaboration.

You may remark here: "This may all be true, but yet there are many national interests and wishes which, in the long run, cannot be covered by a common policy and which are of such paramount importance for the country concerned that, such as they are, they cannot be entrusted to majority decisions of the community". I entirely agree with this view. But it only brings me to the conclusion that integration comprehends so many problems that gradual progress, stage by stage, is here imperative.

And the first stage will, of necessity, be to seek agreement on the principles. In this sphere the incidental problems of the countries should, for the time being, be left out of account and, for this reason, not be linked up with the general principles. This need not, in any way, give cause for alarm, provided the countries put the right construction on the common responsibility which they have to accept for each other's problems. Here I have touched a point which, in the discussions between the six Governments, did not receive the consideration it deserved in the light of integration. I already said that the acceptance of the principle of a joint responsibility is essential. Nobody has ever contested this, but has it ever been sufficiently realized what it means? I doubt. In this connection I would refer to the discussions on economic integration. It seems that especially the hesitation in respect of economic integration largely results from the fact that in the debates on these problems the progressive removal of the protective barriers has received more attention than the joint responsibility for the non-solved problems which are behind these barriers. It goes without saying that the Governments cannot accept responsibility for an integration policy without receiving adequate guarantees. I mean to say that the security that the interests for which they have undertaken national responsibility are also guarded by the joint policy of the Community. How this should be done need not be worked out in detail in the first stage. If agreement can be reached only on the principal lines of integration it is required to determine at the end of each stage or rather, at the beginning of a new one, what is exactly at issue in this field. It is clear that the problem of determining the implication of the accepted joint responsibility must have much more attention than the removal of national protection. The impression, however, prevails, that so far this problem has not received the attention corresponding with its importance.

I have already said that an elaboration of this problem in detail is neither possible nor desired in the first stage. But I think it would be highly desirable if in this stage the countries should make a gesture which clearly shows their preparedness to accept joint responsibility. They could do so e.g. by contributing from their national income for "European" purposes to be determined in close co-operation - purposes for which the European countries could easily accept in an early stage joint responsibility. I am thinking here of the modernisation or adaptation of certain industries which are to be considered of great importance. I also think of the development of certain areas. Of course this needs a European investment policy, but this would in no way be so revolutionary, as you may think. Let us not forget that only a few decades ago European countries made considerable private investments abroad which, however, have become now mere history owing to the great depression and the late war.

The position of the C.S.C. may here provide a concrete startingpoint. The establishment of this Community has integrated the basic industries of the European economy. It is not in the first place a question of coal or steel, but the supply of energy and of raw material for the heavy industries. It has already become clear that the problems of the C.S.C. are closely linked with those of another basic industry: traffic. It does not seem right to me to restrict the future development of C.S.C. by the words "coal" and "steel", which happen to be featured in its birth certificate. It is not a question of coal, but as I already suggested, of energy supply, which in future will also comprise atomic energy. And it involves, according to my views, all problems of the heavy industries and traffic. These three

"industries" constitute, as it were, a large part of Europe's economic infra-structure and it is clear that here a common policy is essential for Europe's future wellbeing. A broad interpretation of the C.S.C. as a basis for economic integration, therefore, is required as fundamental for its economic integration.

Finally, I have to mention another impediment in the discussions of the six Governments about the Draft Statute for the establishment of a European Community. The discussions on this subject were, as I pointed out earlier, overburdened with the weight of national wishes for safeguarding or promoting certain national interests. This might have been of less importance if the establishment of a Political Community had been felt as urgent by all countries. In the beginning this seemed to be the case. Several groups, particularly the socialists in France, at first made their approval of the E.D.C. conditional on an agreement about the Political Community. Afterwards the French socialist party abated a good deal of its demands and promised to vote for the E.D.C., if an Assembly - that is to say a European Parliament - should be constituted on the basis of general, direct elections. In this way they wished to strengthen democratic control over the already existing European Communities or the Communities still to be established. In this connection, the six Ministers of Foreign Affairs, on the 4th of May last decided that such a Parliament should be formed as soon as possible after the ratification of the E.D.C. treaty by all countries. This decision was important in that it again made the fate of the E.D.C. independent of a preliminary agreement on the establishment of a Political Community. This restored the old situation and formally nothing had changed. Materially, however, this decision brought a considerable change as it was an official announcement of a devaluation of the P.C., which, as I just pointed out, had already taken place at an earlier date in the political game. Through this the P.C. became what it had formally always been, the capstone instead of a condition. And the E.D.C., still not ratified by France and Italy, again officially assumed primary importance, which, in fact, it always had.

Meanwhile it will have become clear to you, that in the situation described, neither the proposals for the establishment of a P.C., nor the proposals for economic integration, which were closely related to them, were an urgent affair. So they did not provide a strong basis for insisting on the inclusion of national interests and wishes in the Treaty for a European Federation.

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I have now entered the recent political development. You know the course of events in the last few months. After the taking office of Mendès-France, the treatment of the E.D.C. by France has come to a head. I need not point out of what great significance the ratification by the French Parliament would have been. The grand political conception underlying this originally French scheme I have already set out earlier. At the Conference in Brussels it was evident that all Governments, the French Government excepted, are aware of its importance. They rejected the French counter-proposals without hesitation. For these proposals were no compromise. They took away the very basis, the essence, of the treaty for the E.D.C., namely the chance of a definite reconciliation of the Franco-German dissensions and also the chance of fresh conflicts arising due to

rearmament. The French compromise proposal was opposed to the inclusion of Germany in the European Community on an equal footing and, consequently also rejected the supra-national principle.

We now know that France has rejected the E.D.C. plan and for this she assumes a heavy responsibility. For the E.D.C. was a carefully considered plan for a new European policy. A plan approved by the five other Governments in Brussels, although we know that for these countries the sacrifice of part of their national sovereignty should not be underestimated. A plan also, which the Governments of the United States and England considered decisive for the future of Europe and for which they have therefore given considerable guarantees to the participating countries. A plan, finally, the significance of which for Europe cannot be indicated in a better way than by the persistent efforts of Moscow to frustrate it.

Can we say that France, now that she has rejected the E.D.C., has also rejected the new European policy? According to the communiqué published after the discussions in Brussels, this seems not to be the case. This communiqué sums up the "unchanged" objects of the European policy in the following four points:

1. the strengthening of European cooperation in order to protect Western Europe from the forces that threaten it;
2. any neutralization of Germany should be avoided;
3. this policy should contribute towards the re-unification of Germany and towards her participation in the common defence;
4. countries should prepare a political and economic formula of Western integration.

So, would there be another road leading to the same end?

We may be sure that the rejection of the E.D.C. by France has not solved any problem. German rearmament continues to be an urgent necessity and so, now we know that France does not want the E.D.C., another form will have to be found to enable Germany to make her contribution towards Europe's defence. The remarkable thing in the attitude of the French opponents of the E.D.C. is that they can not put forward any clear alternative. There is a relatively small section that wants in fact no solution at all. It simply wishes to prevent Germany from re-entering the ranks of the free countries. It may no more become a sovereign state and make a contribution towards the defence of the West. There is another important trend that realizes the inconsistency of this attitude and recognizes the necessity of an inclusion of Germany, but is averse to the supra-national conception. Have they advanced strong arguments in defence of their point of view? No, they have not. It may be assumed that, to some extent, national pride comes into play here. But, are they blind to the dangers they evoke, which can only be warded off through supra-national control as afforded by the E.D.C.? Probably they are not, but they cannot give a solution either. Further there is a third group, the advocates of the E.D.C. It would seem that this group was the largest, but it could not poll a majority.

The only real alternative would be the admission of Germany to the N.A.T.O. on a basis of equality, but so far the National Assembly has not been in favour of this idea. There is no reason to believe that this Assembly would accept a solution that cannot be other than a variant of the N.A.T.O., unable to give safeguards comparable to those afforded by the E.D.C. The rejection of the E.D.C. by France cannot be her final

decision - on the contrary, those who rejected the E.D.C. cannot avoid taking the decision which they evaded by saying no to the E.D.C. without being able to indicate a reasonable alternative.

I already referred to the communiqué of Brussels, which is in favour of a continuation of the European policy. But, you may ask, is there still a real basis for such policy now that in some way or other, an acceptable alternative to the E.D.C. must be found? I think I have advanced strong arguments for the thesis that the supra-national conception of the integration policy rests on two pillars:
The political necessity of including Germany on equal terms amongst the free countries of the West;
The economic necessity of a revision and modernization of the European economy.

If, for the time being, the first pillar should get somewhat into the background the European integration policy would of course be deprived of one of its important political levers. But although this will affect this policy, it does not detract anything from its necessity. This would only remove a pillar, relating to the political situation in Europe, which may to a certain extent be called accidental. I consider the second pillar so important therefore as it is the consequence of an unavoidable evolution in the economic and social fields, an evolution which has confronted the Governments with serious problems, to which they have not yet been able to find the right answer. In consequence of this the world has for some decades been in the grip of economic protectionism. I already said that this has serious consequences, particularly for the relatively smaller countries of Europe. Europe's importance as compared with East and West is visibly declining. Therefore, I consider it a matter of great importance that this problem of economic integration has for the first time been clearly put forward and that, in my opinion, the right answer has been given, namely an economic and social policy on a supra-national basis with the acceptance of common responsibility.

It will be clear to you that, if this policy is to lead to results, it will be necessary that the Governments should not try to realize or to safeguard beforehand national interests and viewpoints in a way which undermines the common policy already in advance. My impression of the discussions that have so far been held, is that in this initial stage of European integration, our Governments have not quite succeeded in giving up the policy relating to a stage which is, properly speaking, already past, a stage in which it was believed that national interests could be served best by pursuing a narrow national policy. We all know what have been the consequences. It is clear that if there is to be any chance of continuing the European policy, the way of achieving it should, I think, be somewhat different from what we have seen so far. Emphasis should not be placed in the first place on the removal of the national policy - both politically and economically - but what comes primarily is that countries determine together what European problems, what purposes immediately require a common policy in order to solve the many national - and therefore European problems. Here the acceptance of a joint responsibility to a common Parliament should be the basis. As I pointed out earlier the E.C.C.S. is a starting point on the long road to United Europe. The Defence Community was an important step but not decisive!

I conclude with expressing the hope and wish confidence that we shall not, amidst the well-nigh unsolvable problems of the moment, lose sight of our bearings and keep following the great line of development.