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**SPEECH BY MR. ROY JENKINS  
PRESIDENT DESIGNATE OF THE EUROPEAN COMMISSION  
DELIVERED AT MIT**

Britain's former Home Secretary Roy Jenkins, who becomes President of the Commission of the European Communities on January 6, tonight addresses an audience at the Massachusetts Institute for Technology (MIT) in Cambridge.

The lecture, entitled "World Change and World Security," focuses on EC-US relations, internal Community problems, and the Community's place in the world. It is Jenkins' first public statement on these issues since it was announced last July that Jenkins would become the next EC Commission President. (The text is attached to this release.)

Mr. Jenkins brings to the nine-nation Community's complex economic, monetary trade, and employment problems his experience as a reforming Home Secretary and, in 1967-70, as Britain's Chancellor of the Exchequer.

In 1972, Mr. Jenkins resigned the deputy leadership of the Labor Party after it called for a referendum on whether or not Britain should remain in the Community. His hopes that the British would vote a definite "Yes" were realized, and the 55-year old won two major European awards for campaigning for West European unity -- the Charlemagne Prize and the Schuman Prize.

Mr. Jenkins is the author of several political biographies, including one on the late Labor Prime Minister Clement Attlee, whose post-war administration helped build the welfare state in Britain.

Massachusetts Institute of Technology

Bicentennial Lecture Series

WORLD CHANGE AND WORLD SECURITY

Address by

The Right Honourable Roy Jenkins, M.P.

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UNITED STATES AND A UNITED EUROPE :  
ARE WE NOW UNCERTAIN PARTNERS ?

I come before you tonight as a President-elect.

Or perhaps I should say a President-designate, for my electoral college, which is as small as that of the Nine Heads of Government of the member states of the European Community, does not perhaps entitle me to the status of "elect". But in any event I am a President - in - waiting, and I shall assume office on the 6th of January next year, which will give me a start of 14 days on another much more distinguished President-elect. There is little obscurity about the office of the President of the United States. But the President of the Commission of the European Communities is a mysterious person in a post which for many in Europe as well as in the United States is pretty mysterious too.

In the course of this lecture I hope to lift some of the mystery both about my own future job and the institutions I shall have the honour to represent. It will not be easy. Indeed I can hope to do little more than give a kind of photograph, taken with a short time exposure, of institutions which are evolving even as we look at them. Already they are the subject

of a kind of folklore and have generated a vocabulary which often obscures rather than illustrates. What is a United Europe ? What is the partnership, certain or uncertain, which it can be said to have with the United States ? Can the United States and a United Europe be regarded as in some way comparable ? What is their future ? Have they one ?

This is a lecture of less than an hour rather than a seminar of several days, and I do not intend tonight to take up more than three themes : some history about the relationship between Americans and Western Europeans ; some description of the institutions of the European Communities, and their direction of growth; and some thoughts about the uncertainties latent in the relationship between the industrial societies on each side of the Atlantic. Therein I shall express my own best hopes for the future.

This is a country in which the past has only relative virtue. Until recently at least, your eyes have been more focussed on the future. Nevertheless you are your past as well as your present, and if we are to look forwards we have to look backwards as well. The United States is both a product of European civilization and a reaction against European society and politics. It was created out of a revolt against one European State, although aided in that process by another one. It was populated to a large extent by those who for reasons of poverty, persecution, or lack of opportunity, wished to shake the dust of Europe off their feet. But only in few cases was this accompanied by a desire to get their European heritage out of their minds and hearts; rather it was to keep Europe as a point of reference in the framework of their

new society and cherish it while adapting and to some extent reshaping it in their minds.

It is not perhaps surprising that one of the basic principles of United States foreign policy, at least until 1917, and to some extent well after that, was a desire to avoid the entanglements and sophistries of European diplomacy and conflict. Nevertheless in this century the United States has fought two world wars, entering them both reluctantly but ineluctably, which arose - the first wholly, the second principally - from European causes. As a result of the second, the position of the United States in the world was decisively changed. Then began a quarter century in which the United States had a pre-eminence in the world of which Washington was more assuredly its centre than any capital since the fall of ancient Rome. In these post-war years the United States held the political balance of the whole world and on the whole welcomed the task. American withdrawal in the 1920s had greatly damaged hopes for any long-term peace. Such a withdrawal in the 1940s, 50s, 60s would have been still more disastrous. It would have meant a fundamental shift in the balance of power towards the Soviet Union. It is no wonder that at that time the support of the United States became essential to the continued independence and prosperity of Western Europe, that most vulnerable peninsula at the near end of Asia.

It is likewise no wonder that the United States should have become an early, enthusiastic and even impatient supporter of the process of European economic and political integration.

Many needs and motives pushed the United States in this direction:

- First there was the understandable desire to avoid any repetition of what had happened in 1917 and 1941. Anything that the Europeans could do to put an end for ever to their civil wars which had so devastatingly involved the world in general and the United States in particular was obviously a prime American interest.
- Secondly the Americans had their own inner faith in the advantages of union, of federal institutions, of what could be forged from the heat engendered by the mingling of peoples, traditions, customs and ways of life. In short many Americans saw a union of European States on the same lines as the union they had made for themselves.
- Thirdly there was the understandable feeling that the Europeans should organise themselves to use as co-operatively and effectively as possible the massive American economic aid which was so generously provided after the end of the last war.
- Finally there was the strong feeling, as strong today as ever, that if the United States was to take the risk of military involvement in the defence of Europe, the Europeans should organise themselves to make the biggest and most effective contribution of their own that they could.

From 1950 or even earlier it was therefore a settled object of United States policy to encourage moves towards the integration of Western Europe. The recently published memoirs of Jean Monnet are studded with the names of distinguished Americans, and not only the most obvious ones who were Presidents and Secretaries of State, but men such as Jack McCloy, George Ball, Bob Bowie who were all closely and intensively involved in this most creative period of European development.

It was not easy. Sometimes the Americans pushed harder than the Europeans, and in directions in which the Europeans did not want to go. Thus American desire for early German rearmament at one time endangered the setting up of the Coal and Steel Community, and this danger was circumvented only at the price of setting off down what became the dead end of the European Defence Community. Much later the project for a Multinational Nuclear Force also proved an unfortunate diversion.

But I mention these exceptions only to prove the rule : the consistency of United States support for the European idea. It is in some ways paradoxical that what was - and is - an essentially political enterprise should have been pursued by largely economic means. This has simply been because it proved easier to make the Coal and Steel Community and then the European Economic Community than to make a European Defence Community or a European Political Community. But we should not be deceived. The European founding fathers -

Robert Schuman, Adenauer, de Gasperi, Paul-Henri Spaak - were always more interested in politics than they were in products and markets. They might have echoed the sentiments of Gladstone when in his thirties he became Vice-President of the Board of Trade :

I wished to concern myself with the great affairs of men, and instead here I am set to look after packages.

But the Europeans made a good job of looking after packages, and soon realised that the loom of trade made a tissue which included supranationality, and itself became, as it remains today, one of the great affairs of men.

This point was perhaps better understood in the United States than in Europe itself. Quite often moves towards economic integration were against the short term trading interests of the United States, although the immense growth over the period of wealth and stability of the European market benefited world trade and in general/therefore the United States. Happily for us all, there was almost invariably in Washington a willingness not only to take a long-term economic view but also to see that the political advantages of having stable, prosperous and united allies far outweighed any short-term economic inconveniences.



Then there was the problem of Britain. Was Europe to consist of the Six or of a larger number? In the 1950s and 60s the debate in Britain was about whether British relations with the countries of the Continent should be more akin to those of the United States with them or to their own with each other. The attitude of both the Attlee Government and of the second Churchill Government which followed, thus spanning the crucial decade 1945-1955, was firmly in favour of an American style relationship. Ernest Bevin, Foreign Secretary in the Attlee Government, was one of the architects of the North Atlantic Treaty, but kept Britain out of the European Coal and Steel Community. Anthony Eden, Foreign Secretary in the second Churchill Government, tried to encourage the creation of a European Defence Community without Britain (although eventually committing British troops to Germany for the rest of the century), and tragically declined to be represented at the Messina Conference which led directly to the Treaty of Rome. These were the days, much more than in the 20s and 30s, when the British saw themselves as the meeting point of three circles: the Commonwealth, the North Atlantic, and Europe.

This view of ourselves, however understandable at the time, represented a gross over-estimate of British power and British options, and turned out to be a source of misjudgment and misfortune for ourselves and our allies. It might have been

expected that these illusions would have been punctured by the failure of the Suez adventure of twenty years ago this autumn, and to have led to the abandonment of the idea that we were a kind of mini United States off the coast of Europe. We might thus have moved towards Europe itself. This may have been the effect in the longer term. But in the shorter one the failure of Suez affected the two countries most concerned - Britain and France - very differently.

The British, chastened and a little guilty, drew the conclusion that however unhelpful Secretary Dulles and even President Eisenhower might have been, the main lesson to be drawn was that no more enterprises were to be attempted without the assured support of Britain's principal ally. Hilaire Belloc's words: "keep a-hold of nurse, for fear of finding something worse" became for most of the next decade Britain's motto for dealing with the United States. At the beginning there was even some attempt to give new life to the old special relationship; but by the end nurse had become too preoccupied with her own affairs and too bespattered by the dirt of Vietnam to give even starched reassurance.

In France the reaction was quite different. There was less guilt and more anger. The lesson drawn there was not to trust the Americans and probably not the British either. When General de Gaulle came to power 18 months later, this turned into an intransigent but successful pursuit of French independence, with "the Anglo-Saxons" (that curious mythical people)

kept as far as possible at arms' length.

This conjunction of Gaullism in France and Macmillanism in Britain created delicate temptations for the United States. There was of course the temptation to play one off against the other. There was also the more subtle temptation to abandon faith in the idea of a united Europe and work bilaterally through the individual European governments. On the whole these temptations were resisted. Of course some bilateralism continued, as it still does, and is bound to do so long as European institutions remain imperfect. But no-one doubted that the Americans wanted both the enlargement and the strengthening of the European Community. Knowledge that this was so was deeply reassuring to those who like myself had the same beliefs. Even those opposed had to reckon with it. This point is well illustrated by the fact that when Hugh Gaitskell, then leader of the Opposition in Britain, made what I regard as the one major misjudgment of his career and opposed British entry into the Community in 1962, he thought it necessary to write in his own hand a 13-page letter of justification to John Kennedy.

He did what he believed to be right, but he knew it would not be well received/and thought he had better explain himself.

Those anxious and disagreeable days are done. The European Community now comprises both the original Six and the new Three, including Britain, who joined in 1973.

I now want to say a word about that Community and its institutions, and the way in which they are evolving. Before doing so I give a warning. As I have already said, it is extremely easy for Americans, particularly in their Bicentennial Year, to see an analogy between the United States of America and the uniting states of Europe. This is a temptation which should, I believe, be resisted: not because there is nothing in it, but because it can lead, like many historical and political analogies, to misleading hopes and expectations. In this year of 1976, Americans have probably thought more about their origins than at any time for a century, and have better separated the fact from the fantasy of what happened two hundred years ago. As much by inadvertence as by deliberate intent, and with many deep misgivings, a group of remote colonists, united by language, custom and the land on which they lived, threw off the authority of a mother country which was itself divided by the constitutional issues at stake. The new country thus begun had more than a century in which to develop in

relative peace, protected for the most part by the British Navy from uncomfortable involvement in the affairs of the rest of the world.

Contrast this with the origins of the European Community. The original Six had one unhappy thing in common: they had all been defeated, and in many cases devastated, in war. They had also been forcibly united for four awful years under the domination of Adolf Hitler. Their first thought was to unite to prevent at all costs a third European civil war. But as their prosperity returned, they became more conscious of their historical roots, their different languages, habits of thought and way of life. The recovery of Europe as a whole meant a recovery in the self-confidence of the participating states. Thus what happened was in a way the reverse of what happened in America. Suppose that Massachusetts had been the only British part of America, and that New Jersey had been Dutch, Rhode Island Flemish, Virginia German, Georgia French and Maryland Italian, and that each had proudly retained the traditions of its homeland, how difficult, if not impossible, would have been the elaboration of a federal constitution of anything like the kind which was eventually established. This very diversity is one of the riches of Europe; but it has required looser, different mechanisms which cannot readily be compared with your own.

The constitution of the European Communities is the Treaty of Rome as subsequently amended. This constitution represents a balance between respect for the powers of the member states and the grant of a limited measure of supranationality in economic and judicial matters to the institutions of the Communities. Four main institutions were set up. I shall have something to say about each of them.

First there is the Commission of which I am to be President. It is the executive body of the Communities and is responsible for ensuring that the principles of the Treaty are observed and for initiating proposals for adoption by representatives of member states sitting together as the Council. In proportion to its responsibilities the Commission is very small: some 10,000 people of which about a third are concerned with interpretation and translation. At its head are thirteen Commissioners, two each from Germany, France, Italy and Britain, and one from each of the other members. They are chosen by member governments, <sup>by common accord</sup> but each has to swear an oath to be guided only by the European interest rather than that of his own country. Their decisions are by majority vote.

Then there is the Council, the principal decision-making body which is responsible for co-ordination of the general economic policies of member states. The Council

consists of representatives of each member government, and the chairmanship moves from one country to another every six months. All important decisions are by unanimity. The Commission and the Council are placed in a state of what has been appropriately called creative tension.

Next there is the European Parliament which has advisory and supervisory powers, and meets eleven times a year for about a week at a time. Its committees also meet between Sessions. At present it consists of members designated by parliaments of member states, but the firm intention is that elections to the Parliament will be by direct universal suffrage from 1978 onwards. This will be only 26 years after the creation of the first Community - the Coal and Steel Community - whereas it took the United States 136 years to achieve them for the Senate. The Parliament gives opinions on proposals of the Commission, debates the activities of the Community, and reviews a general report submitted annually to it by the Commission. More important is its power to review the annual budget and to compel the resignation of the thirteen members of the Commission.

Finally there is the Court of Justice, composed of nine judges appointed for six-year terms by common accord of the member states. The primary function of

the European Court is to ensure respect for the Treaty and interpret the law of the Community. Its judgments are legally binding throughout member states, and can over-ride national law and bring national states to book. Not so well-known are the powers of the Court to guarantee or improve the position of individuals, and protect fundamental human rights.

Beside these four pillars of the European Communities - the Commission, the Council, the Parliament and the Court - has grown up another more flexible institution outside the scope of the Treaty. This is European political co-operation, and represents an attempt to co-ordinate the foreign policies of the Nine member states towards the outside world. It has no permanent staff and its secretariat simply consists of national officials which change every six months with the chairmanship. Thus the caravan moves from capital to capital of the Community. Nevertheless this is a field in which considerable progress has recently been made. As one example, unanimity amongst the Nine has been achieved in over 80 % of votes at the United Nations. You will recall that the attempt to create a European Defence Community failed, but that the European Economic Community succeeded. European political co-operation is perhaps the embryo of the European Political Community without which the European Union, to which member states eventually look forward, could have no meaning.



These institutions have filled their functions unevenly over the years. As a bureaucracy the Commission has had its successes and its failures. What is not always understood is the extent to which it has been the protector of the weaker member states against the stronger ones. It is in fact the instrument of the Community, and the means by which its policies are put into effect, whether, for example, the common agricultural policy, the common commercial policy, or anti-trust legislation. It is likewise the manager of vast funds, those required for directing the agricultural market, and the Regional and Social Funds, both of them redistributive of wealth between the different parts of the Community in intent and effect. Finally it provides an administrative framework for the coordination of the economic and monetary policies of the participating states. It will be evident that its possibilities for growth, as common action is called for in new fields, is theoretically limitless, but it is at once the creature of the Treaty and the servant of the Council. Needless to say it comes into conflict from time to time with the member governments, which like all governments, are jealous of their powers.

Hence the importance of the Council where the Commission proposes and the Council disposes. The Council

meets at the level of Ministers of Foreign Affairs, but there are specialist Councils as well, where such Ministers as those of Agriculture, Finance or the Environment can come together.

Recently summit meetings of Heads of Government of the Community have taken place on a regular basis and are known, somewhat confusingly, as European Councils. The advantages of such meetings are obvious, but the disadvantages less so. European Councils provide an all too convenient means for Ministers of Foreign Affairs not to take the decisions themselves but to refer them to their Heads of Government; and so far the Heads of Government meetings have often been too informal to produce the real results now required of them. Whether for this reason or for others the normal Councils have in the last few years lost some of the impetus, the accommodating spirit, the readiness to take decisions which characterised the Councils of the first few years in the life of the Community. The requirement of unanimity on all matters of importance has laid an inevitably deadening hand.

If the Commission has sometimes been too bureaucratic and the Council too mindful of national interests, the Parliament, through no fault of its own, has not yet succeeded in achieving adequate power of democratic

control. I believe that the recent agreement on direct elections by universal suffrage will eventually give the Parliament a new and different role, although direct elections will not mean any formal increase in powers. Parliaments have always been keenly interested in the problems of financial supply and control of the budget. The role of the European Parliament in helping us to tackle the problems which now face the Community - from the size and purposes of the budget to the lack of economic balance between the member states - may prove to be crucial. But again it will not be easy. National parliaments are in no hurry to give up their powers; and a whole new balance of democratic power within the Community will eventually have to be established.

Finally in this section a word on the European Court. Here there are remarkable possibilities for growth. The powers of the Court are more formidable because it is in effect, although international, a judicial organ of each member state and its decisions are directly enforceable. The implications go very far for those used to the doctrine of absolute parliamentary sovereignty - which is particularly so in Britain, where the somewhat extreme position of Dicey has long held sway. To take one example, an individual could invoke its decisions on equal pay for equal work if he found that British legislation on these points did

not go as far as that of the Treaty of Rome. I think that even Americans, used to their own Supreme Court, would be startled by the potential powers of the European Court. The best American analogy would be to have the Equal Rights Amendment automatically becoming part of the law of the United States by virtue of a judgment of the International Court of Justice at The Hague. In due course the European Court may play as formative a part in the history of Europe as Marshall's Supreme Court played in the early/middle history of the United States.

It will be clear from all I have said that although the European Community in its various aspects has economic, political and judicial reality, it is very far from complete. Moreover the relationship between the Community and its member states is constantly shifting. It would also, I am afraid, be a mistake to think that the construction of the Community may be slow but is always advancing. I do not think that any part has yet been demolished, or that work in this area or that has been more than blocked. But the Community has faced, and now faces, very serious problems.

Tonight I shall mention only one of them: the economic capacities of the member states, far from reaching

a rough equivalence, have recently become more markedly divergent than ever before. Four years ago the small countries feared the dominance of the four large ones: Germany, France, Britain and Italy. Two years later there was fear of two large countries: Germany and France. Now Germany is alone in a position quite different from the others. A number of ideas are under discussion for righting a disequilibrium which no one wants, least of all the Germans. All these ideas would if applied require discipline and sacrifice on the part of those who have dropped behind. I do not know which will be adopted. But I do know that if this fundamental problem is not faced the effect will be that of an earth tremor on a half built house.

It would be tempting for the United States to think it better to leave the Europeans to put their affairs in order and develop the new institutions which I have described, and deal for the time being with the familiar governments of the member states. It is not necessarily easy to conduct business with an institution which so evidently has scaffolding still round it, when fierce argument comes from within, where parts seem half built and others half used, where the telephone system does not seem to be fully installed, and where sometimes even essential services do not seem to be laid on. Yet this

would be a great mistake. At least most of the building is in good working order, and is stronger than it sometimes looks. And the view from the top, to which men of vision occasionally mount, reveals far horizons.

I do not want to numb you with figures but one or two statistics about the Community and the states which comprise it will give you an idea of its scope and potentialities. In 1975 the total population was just short of 260 million, against 212 million for the United States and 110 million for Japan. Its gross domestic product was \$ 1,362 billion against \$ 1,505 billion for the United States and \$ 491 billion for Japan. The volume of its imports (excluding trade among its members) was \$ 155 billion against \$ 97 billion for the United States and \$ 58 billion for Japan; and the volume of its exports (also excluding trade among member states) was \$ 150 billion against \$ 108 billion for the United States and \$ 56 billion for Japan. Thus you will see at a glance that the European Community comprises an immense population, a gross domestic product almost as great as that of the United States, and a volume of imports and exports which make it decisively the largest trading unit in the world.

No wonder that Governor Carter recently wrote:

"United States-European relations is at the heart of U.S. foreign policy. In economic policy, their cooperation with each other and with Japan is necessary both to their prosperity and to the progress of developing countries; growing European unity can help to fulfil this promise."

He later added:

"Europe will be better able to fulfil its role in US-European-Japanese cooperation in the degree that it can speak with one voice and act with one will. The United States has sometimes seemed to encourage European unification with words, while preferring to deal with national governments in practice. I believe that we should deal with Brussels on economic issues to the extent that the Europeans themselves make Brussels the focus of their decisions."

I much welcome these words. They represent a challenge to the institutions of the Community and the Member States to rise above their various national problems and difficulties, and to negotiate with the strength which only unity can give them. The European Community is more than the sum of its parts; and it is generous as well as sensible of the new United States President to have given the Europeans the encouragement he now has.

I say sensible as well as generous because the Community, with all its imperfections, is gradually asserting greater weight and authority in the world. In Europe itself the Community has acted as a political as well as an economic magnet. The Six original members were joined by the Three nearly four years ago. Around this central nucleus is a web of association agreements with all the free countries of Europe. Greece is now negotiating for membership, and Portugal is not far behind. Spain may follow, and also Turkey. The Community has also drawn closer to such countries as Yugoslavia and those on the Southern and Eastern shores of the Mediterranean, and through its mechanisms of political cooperation is engaged in a dialogue with the Arab world, where it has still greater economic interests than the United States. It is in the process of working out new economic relations with the countries of Eastern Europe and the Soviet Union, and of course played a major role in the Conference on Security and Cooperation in Europe, which led to that charter of hope for all Europeans on either side of the post-war dividing line: the Helsinki Declaration.

Looking beyond the frontiers of Europe we can see the network of agreements with the 49 African, Caribbean and other countries comprised in the Lomé Convention. The Community thus has an intimate institutional relationship with a large number of countries in the third world, and is the source of more trade



and aid than the United States itself. Looking still further afield, it has a particular relationship with the Chinese People's Republic, which was the first Communist country to accredit an ambassador to the Community in Brussels.

I need hardly say that the very success of the Community and its members in the fields I have described is of vital concern to the United States. It means that the Europeans have been taking on an increasingly important part of the burden of responsibility for the maintenance and development of the democratic industrial society we have in common. It means that in the eyes of the third world there is more than one source of Western power, and that on the international as on the national scale we practice what we preach about plurality of choice. I do not deny that in another sense the growing weight of the European Community can complicate life for the United States by adding a new dimension of difficulty and argument, and by bringing new and sometimes divergent interests into play. But I have no doubt that when these considerations are weighed against each other the balance is overwhelmingly positive for the United States. The world can now be a less lonely place for a country with the power and responsibilities of America.

I have not so far spoken of the problems of defence. Like the Pope the Commission has no divisions. Nevertheless the defence of Europe cannot be dissociated from the recovery

of Europe and the growth of the new European institutions. I have already referred to the failure of the proposal for a European Defence Community in the 1950s; and there are of course many practical objections to reviving such an idea now. Perhaps the fundamental point is that the proper unit of defence is not Western Europe or the Europe of the Community but the North Atlantic area as a whole. Western defence is at present organised in a way which respects the specifically European as well as the broadly Atlantic aspect. Thus there is our joint membership of the North Atlantic Treaty, a more restricted membership of that strictly practical European defence association the Euro-Group, and the still more restricted membership of the Western European Union which involves its seven signatories in the most binding commitment into which any state can enter: an automatic commitment to mutual defence.<sup>/It</sup> is much tighter than the North Atlantic Treaty. If these perspectives are to change, and change they may in the years to come, I think that the main agent of change will be the need for the Europeans to integrate their own defence industries, to standardize equipment among themselves and within the Alliance, and to establish a more even partnership, each making its due contribution, with the United States.

The more powerful the European Community becomes, the

greater its capacity to be a worthy partner of the United States. This is as true in the realm of defence as it is in any other. The converse is equally true. If the Community were to fall apart and the national states were to go their separate ways, the capacity of the Europeans to contribute to the common defence and play the greater role which should surely come to them over the years would be gravely prejudiced. NATO came before the Community, but I doubt very much whether it could now survive the disintegration of the Community. And the Community's relationship with countries at present outside its bounds - with Greece, Turkey, Spain and Portugal in particular - can have considerable impact on the political orientation of those countries.

So far the partnership across the Atlantic has been unequal. In many respects it remains so. To that extent it remains an uncertain partnership, one with immense possibilities for the future but one which could still go wrong.

I deal first with the economic aspects. Here there is a very lopsided balance of trade in favour of the United States. This is not perhaps surprising. Unlike the Community the United States is self-sufficient in most raw materials and does much less trade with the outside world. The American consumer tends to buy American more than the European consumer buys European. And foreign

competition is more deeply embedded in our home market than it is in yours. Moreover we manage our agricultural market in a different way, and in certain cases give preference to agricultural products from the countries with which the Community has institutional links or come under the Generalised Preference Scheme.

Nevertheless the United States has an enormous trade surplus with the Community (in 1975 it was over US \$ 6 billion and in 1976 will probably run to over US \$ 7 billion). Even in the field of agriculture alone the United States had a surplus of US \$ 4.5 billion in 1975. That is hardly a picture of a trading relationship with a protectionist Europe. There has been, is, and I imagine is always likely to be, some commercial friction between such giant economic entities as the United States and the Community; but I hope some of the issues over which our negotiators contend will find their solution in the Multi-lateral Trade Negotiations which we would like to see completed by the end of next year. Certainly if we even got near to a trade war with each other there could be only one certain result: great damage to us both; and in the present fragile state of world trade, great damage to the world as a whole. Let us have greater mutual understanding. Trading means buying as well as selling, and in a political as well as an economic perspective a grossly unequal balance of trade is not in the long run tolerable to either partner across the Atlantic.

It is sometimes said that the Community is an economic giant but a political dwarf. This is half-true, but only to the extent that the Europeans make it so. The United States, I suspect, sees no Political Community in Europe in the way that it sees an Economic Community. This is illustrated by the fact that the limited and strictly economic term Common Market is almost invariably used in this country. You may notice that I have not used it once this evening. That is at once natural and purposeful for me. There is of course a Common Market in Europe. But there is an attempt at, and half a reality of, something much deeper, and that mixture of reality and aspiration is far better expressed by the term European Community. I hope that phrase will pass into wider use in this country, for phrases have a power that is more than purely descriptive. And it would be ironical and perverse if leaders of United States opinion, which for a generation has been attracted by the political unity of Europe, were now to discount that aspect of the enterprise. So long as the Economic Community is a flourishing concern, there is a certain logic driving its members towards at least political co-operation and perhaps one day a Political Community; but if the Economic Community looks sick and the economics of its member states diverge, so the machinery of political co-operation looks sick too, and co-operation, let alone anything more ambitious, becomes increasingly hard to attain.

In this respect I would like to make a simple plea to Europeans and Americans alike. It is that President Carter's words to the effect that Europe would be better able to fulfil its role if it could speak with one voice and act with one will should be heeded by all. I include Americans in my plea because if the United States searches for one European voice and one European will, it will be more likely to find them than if it prefers to look for nine European voices and nine European wills. It will be interesting to see how the forthcoming economic summit meeting, recently proposed by President Giscard d'Estaing of France, and now widely supported, is organised on the European side of the triangle of United States, Japan and Western Europe.

The words of the Gettysburg address are I suppose almost the most overworked in the American branch of the English language. They could not be quoted straight. But I am occasionally tempted to paraphrase them into a modern European context.

"Two decades and a few years ago our fathers brought forth upon this continent a new Community, conceived in hope and dedicated to the proposition that all European nations depend for their strength, security and prosperity upon each other. Now we are engaged in a great trial of will, testing whether that Community or any Community so conceived, can long endure."

We do not of course have the challenge of a European civil war. Those wars are, I hope, behind us. But we do have the threats of inertia, parochialism, narrow nationalism and,

through misplaced and unimaginative caution, standing still when immobility is a much greater risk than moving forward. I think we can overcome these dangers. If I thought otherwise, I would have not have taken on my new assignment. But it will be a struggle. Walt Whitman wrote much nearer to the Charles River than Abraham Lincoln spoke.

"Have the elder races faltered,  
Do they drop and end their lesson  
Over there beyond the seas?"

he asked nearly 100 years ago.

My answer to-day is No . We are engaged on an enterprise even more difficult and complicated than your own two hundred years ago. We need understanding more than help, patience more than pressure to act in ways which may not be our own. The result can be of vast benefit, not only to us but to you. The more equal the partnership between the United States and the uniting states of Europe the better for both, and the longer it will endure.