

ADDRESS BY JEAN REY  
MEMBER OF THE COMMISSION OF THE EUROPEAN ECONOMIC COMMUNITY  
AT A LUNCHEON IN THE NEW YORK HILTON HOTEL  
GIVEN BY THE CHAMBERS OF COMMERCE OF THE SIX COMMON MARKET COUNTRIES  
JUNE 8, 1967

Monsieur le President, Messrs. les Ambassadeurs, Messrs. les Presidents des Chambres de Commerce, my dear friends, American Ambassadors William Roth and Michael Blumenthal, ladies and gentlemen:

It is a great honor and privilege for me to have been invited to speak before this extraordinary audience of the Chambers of Commerce of the six member states of the European Community, who are here today to celebrate the tenth anniversary of the signing of the Treaty of Rome.

It is rather unfortunate for you that because of a cold I have left a part of my voice in Europe. I must apologize if my voice is not exactly what I should wish for such a situation.

A few days ago, the six governments of the Common Market began to name a new "European Commission," as it is called. It is the fusion of the three existing executive bodies of the High Authority of the Coal and Steel Community, the Commission of the Atomic Energy Community, and of the executive to which I belong, the Commission of the European Economic Community in Brussels.

Only two men have so far been named; the first, being myself as President of the future Commission, and the second, my excellent friend, Sicco Mansholt, who is well known in this country and who will be a Vice-President of the Commission.

The twelve other members of our collegiate body have not yet been officially named although some names have already appeared in the newspapers, and I believe that the final decision will be taken in the next week or two. Our single executive body will begin its work five days after entrance into force of the Fusion Treaty; thus we will start work on the 5th of July.

In the meantime, it is impossible for me to make any address on behalf of this Commission which does not yet exist. Thus, I speak today not in the capacity of the future President but perhaps I am giving my last address as Commissioner for Foreign Relations of the European Common Market Commission. Since I have said something about fusion, I cannot leave the subject without paying a tribute of admiration and gratitude to a very great European, our President, Professor Walter Hallstein.

Professor Hallstein was the close collaborator of Chancellor Adenauer when he served as Germany's Secretary of State. During those many years, he worked toward the unification of Europe which must begin with reconciliation and friendship between France and Germany. After he signed the Treaty of Rome, he became our Commission's first President. He has been

the President of our Commission for nearly ten years and in this time has deployed so many qualities of hard work, of intelligence, and of political courage that all of us, without exception, would have liked very much for President Hallstein to remain as the first President of our Commission unique. . . (Applause)

Events have turned out otherwise, but it was my duty -- and I know that I am expressing the view of all of my colleagues -- to express to Professor Hallstein this tribute of gratitude. We know with absolute conviction that he will go on with his European work. I don't know in what capacity, but we will see him on all the front lines where battles must be waged for European integration.

Having said that, Mr. Chairman, I have something to say about the tenth anniversary of the Treaty of Rome before taking up the subject that has been announced -- "the future of relations between the European Community and the United States."

Last week we were in Rome and celebrated the tenth anniversary of the signature of the Treaty. We were in the same beautiful room in the capitol -- La Grande Salle: des Horaces des Curiaces -- where the Treaty had been signed on the 25th of March, 1957. Ten years ago we had heavy rains. This time there was sun -- sun not only in the sky, but also in our minds and hearts. We had no reason not to be optimistic.

Of course, the dramatic events in the Middle East this week had not yet occurred. This new crisis which we follow closely brings us great concern. At that time, we were thinking about the results of the Community after ten years. The Presidents of our Governments, the Prime Ministers of our six countries gathered together to celebrate this extraordinary event which has been sometimes cited as the most important event in Europe since the end of the Second World War.

Looking back and looking to the Community as it is today, we can say that it is in "good health." I warn you that I am frequently charged with exaggerated optimism. Indeed, my colleagues at Geneva, toward the end of the Kennedy Round negotiations, would sometimes say: "~~Messr.~~ Rey est trop optimiste". . . "Mr. Rey is too optimistic; he is hiding the tragedy of our negotiations from the Ministers in Brussels."

Well, I hope I didn't hide anything and I'm sure I didn't try. When we see how things have ended, why should I not have been optimistic. Mr. Chairman, you are very kind to point out that I have an optimistic member of my family, -- a grandson, who is an American citizen, living in Los Angeles. He recently won a little oratory contest, under the title "Patriotic Citizenship Needs Optimism." (Laughter and applause)

When I heard the news about my grandson, in Geneva, I went to my friend Bill Roth and told him: "You see, you have good reason to accuse

me of being an optimist." (Laughter) I think it's very wise to follow the example of our grandsons.

I said that the Community is in good health. How can we summarize the situation briefly? First, we have come out of the political crisis of 1965-66. You recall that one of our member states went out on a sort of strike which lasted seven months. But now, things are quite in order again and the political work of our six governments is going on smoothly and very well in Brussels.

Secondly, we have achieved our customs union at a date in advance of the Treaty timetable. As you know, on the first of July, 1968, there will be no tariffs inside the Community. At the present time, only a 20% level remains -- 20% of the original tariffs among the Six. On the first of July, 1968, the external tariff will go into effect. At that time, we will also have achieved the main part of our agricultural policy -- this famous policy which was so very difficult for our ministers to agree upon -- surely, you all know how difficult it is to deal with agricultural policy between states.

After the decision taken last week in Brussels on the first of July this year -- in three weeks -- the commercial aspects of the agricultural policy inside the Community will begin functioning. Then last, but not least, has been the successful end of the Kennedy Round. I will say more of this in a few minutes. I should say that for many of our countries, the Kennedy Round and the success we have had in liberalizing trade has been an essential counterpart for constructing our agricultural common policy. If we want to have a strong Community, we want also to have a Community open to the outside. I am not quite sure that all of our partners have the impression, with respect to agriculture, that we have opened the door enough; that is a controversial point.

Finally, we have decided to strengthen our Community by putting into force the "Treaty of Brussels," signed in April, 1965, providing for the merger of the Coal and Steel Community, the Atomic Energy Community, and the European Economic Community. The first step will be taken next month with the unification of the three executive bodies.

Now let me come back to the Kennedy Round. I could not help but talk about this experience to you, particularly when my two distinguished friends and opponents in this negotiation, Ambassador William Roth and Ambassador Michael Blumenthal, are here today. I am very moved that they have given me this demonstration of consideration and friendship.

What can I say that has not yet already been printed in the newspapers? It is unique that almost everybody -- I say almost -- is satisfied with the Kennedy Round results. We have been very satisfied in Europe, and I understand that in general, but perhaps, of course, with some exceptions, there has been a sense of satisfaction in this country

and elsewhere. If there are problems which remain, they are mutual ones.

I think the next days, the next weeks, or perhaps the next years will give us the possibility of solving them. The success of the Kennedy Round was important for the free world as such, but also for developing countries, who have had something to hope for as a result of these negotiations.

May I say in a few words how important it was that the Kennedy Round should not end in failure. There were two reasons. The first one was that in 1963 in the Community there had been members who were eager to stress the construction of the EEC's internal policy -- and mainly its agricultural policy. There were others, including the Federal German Republic and the Benelux countries, who were more eager to open the door of the Common Market to the outside world to insure that tariffs would be reduced.

Thus, in 1963, we agreed in our Council of Ministers to carry on in parallel our economic construction inside the Community and our external policy as represented in the Kennedy Round.

Another important aspect of the Kennedy Round is that for the first time, public opinion in Europe, and perhaps outside of Europe, has been aware of the Community as speaking with one voice in relation to the outside world. This was the first time it has been seen this way.

The last weeks of the Kennedy Round battle were frequently represented as a duel between my friend, Ambassador Roth, and myself -- Roth speaking for the United States and Rey for the Community. I must say that this was exaggerated. There were not two countries, but fifty-three countries involved in Geneva -- and if we look for the reason why the negotiations succeeded, I am sure that Ambassador Roth will agree with me that not only his efforts and mine and those of others in the last weeks counted, but the work patiently and skillfully done in our delegations for the past three years in Geneva were mainly responsible. We can't forget three years of work when we speak only of those last weeks of this diplomatic battle.

The only field in which we Europeans are equal and not inferior to the United States is exactly the field in which we are now integrated -- that is, the field of trade. (I cannot speak of the future addition of Great Britain and other nations to the European Community. I don't know when this will happen, but I am sure it will happen.) (Applause)

The trade of the European Community is, in volume and value, equal to the trade of the United States. In the Kennedy Round of negotiations we were speaking on equal terms and looking at a common responsibility. When we look at the future of our relations -- economic relations with the United States -- we see many other problems. We have our monetary

problems which are dealt with, as you know, in the IMF and in the Group of Ten of the Organization for Economic Cooperation and Development. We have industrial problems, the problems of competition, the problem of American investments in Europe, and the problems of industrial cooperation which must be increased between yourselves and us. We have problems in the field of development policy, in which there has been disagreement between the United States and the Community in the last years. But now there is evidence that we are coming closer to similar ideas concerning the way we ought to help countries in the process of development.

In the field of trade itself, we have not yet ended our work. It has been said that I have insisted at Geneva that we resume our talks on other trade problems this October. Well, perhaps not so soon. I think we need a rest. I should only say this. We have not solved all our problems in Geneva. Even though great efforts of imagination have been shown by everyone in dealing with trade problems, we must still tackle non-tariff barriers and problems relating to agricultural trade, which were barely touched upon when our negotiations ended on the 16th of May.

All these problems must be dealt with. My impression is that we cannot wait five years before we resume trade talks with our American friends to see if new progress can be made. None of our mutual problems -- monetary, industrial, trade, or development -- can be solved separately, either by you, or by us.

These problems have to be dealt with together. If we deal with these problems together, we will solve them. If we don't work at them together, they will remain. That is really, I think, the experience we have gained as the result of the Kennedy Round.

The world, just in our generation, is passing from a situation wherein the ultimate of political wisdom was the organization of affairs at the nation-state level to a period in which the organization must be done at the level of continents. Perhaps you do not feel this quite so clearly in New York or Washington because the United States is virtually a continent of itself and your affairs are organized on that level.

In Europe, where we have been so much divided for so many years by wars and quarrels and national distrust, we are perhaps much more aware of this extraordinary trend now going on -- after five centuries of life at the level of the state, we are turning now to organizing our affairs at the level of continents.

Why have we done that? Two world wars have come close enough together so that men did not lose the remembrance of the first one when the second came upon us. This is the era in which I have lived, like so many of my generation. Those of us who came out of the Second World War, out of prison camps, out of battles, out of all kinds of wartime situations in which we lived for five years, we saw that for a second

time in history it was the Europeans who had started a world war. The flames of both wars had been fed by nationalism between European states.

When we came back to normal life, we discovered that before the war, all the decisions had been taken in London, in Paris, in Berlin, or in Rome. After the war, all the decisions were taken in Washington and in Moscow. Europeans had only one thing to do; either to unite or disappear as a main factor of global political life. Well, we joined together, and I think we are on the way to building a European continental structure. We are building unity in Europe, and our example is now being followed in Africa and Latin America. There are some things which we must not forget. President Kennedy in Philadelphia on the 4th of July, 1962, offered to Europeans an Atlantic partnership. He was wise to see that if we are to organize our affairs at the level of continents, we must avoid transforming the old battles between national states into battles between continents.

President Kennedy offered us Atlantic partnership. His offer has not been forgotten, nor does it belong to the past. The Atlantic partnership idea belongs to the present and it belongs to the future. I am absolutely convinced that in this way, the United States and the European continent will build a better life for the world.

Thank you. (Applause)

###

June 8, 1967

EXTRACTS FROM REMARKS BY M. JEAN REY,  
MEMBER OF THE COMMISSION OF THE EUROPEAN ECONOMIC COMMUNITY

---

LUNCHEON AT NEW YORK HILTON HOTEL BY CHAMBERS OF COMMERCE  
OF COMMON MARKET COUNTRIES MARKING TENTH ANNIVERSARY OF  
ROME TREATIES

M. Rey stressed that the present address: "The Future of Relations Between the European Community and the United States" had been planned for delivery two months ago to commemorate the 10th anniversary of the signature of the Rome Treaties creating the European Economic Community. Thus, he said, his appearance at the luncheon could not be regarded as the "first statement" of the President-elect of the united Commission of the European Communities, but as his last statement as a member of the EEC Commission.

M. Rey paid tribute to the "great European", Professor Walter Hallstein, the outgoing President of the EEC Commission, with whom M. Rey had served for nearly 10 years. M. Rey said that Professor Hallstein deserved admiration and gratitude from all Europeans, first for his efforts as a colleague of Konrad Adenauer in helping restore friendship between France and Germany, and secondly as chief of the EEC Commission during the difficult formative years of the Common Market.

M. Rey declared that the European Common Market is "once again in good health" and said that it had entirely recovered from the political crisis of 1965-66.

Citing EEC achievements in recent years, M. Rey declared that:

- The customs union is virtually achieved and all the final steps needed to abolish tariffs inside the Community and to establish the Common External Tariff will be accomplished by July 1, 1968--well in advance of the treaty timetable.
- The common agricultural policy of the Community is completed and within three weeks, by July 1, the common agricultural market will begin to function.
- The Community has successfully negotiated the Kennedy Round which for many in Europe had been the counterpart of the common agricultural policy.
- The fusion of the three Community Executives will take place on July 1, 1967.

M. Rey underlined the satisfaction in Europe and elsewhere in the world over the success of the Kennedy Round negotiations. He said it was due not only to the strenuous efforts of the last weeks of the bargaining but essentially it was due to the patient and skillful efforts, over more than three years, by the trade delegations of no less than 53 countries. At the end, he said that it had been obvious that the success or failure of the Kennedy Round depended on agreement between the delegations of the U.S. and the EEC. He declared that a major contribution to the success of the negotiations had been made by the two principal U.S. delegates, Ambassador William Roth and Ambassador Michael Blumenthal. M. Rey expressed regret that the late Governor Christian Herter did not live to see the successful end of his last great efforts.

M. Rey said that there still are problems connected with the Kennedy Round to be resolved but he expressed confidence that it would be possible to deal with these before the Trade Expansion Act deadline of June 30.



M. Rey underscored the fact that toward the end of the Kennedy Round negotiations it became obvious in Europe and elsewhere that for the first time in a major international negotiation, the European Community appeared united and spoke with a single voice. He said: "The unification of the European continent is no longer a dream of the future; it begins to be a reality of the present."

M. Rey saw many problems existing in the context of the present and future economic relations between the U.S. and the European Community. He cited international monetary problems which are being discussed in the IMF and in the "Group of Ten" of the OECD; industrial problems such as those represented by American investments in Europe and industrial cooperation; the problem of establishing common policies of development (within OECD, in GATT, and in UNCTAD), and various other trade problems outside the field of tariffs that must still be tackled within the GATT framework at Geneva.

"One thing is certain," M. Rey said, "none of these problems can be solved separately by the U.S. or the EEC; we shall solve them together or they shall not be solved at all".

M. Rey added: "We are living at a time in which the political life of the world is becoming organized less at the level of national states and more at the level of continents. Europe is already far advanced in this process; Africa and Latin America are on the way".

M. Rey concluded by saying that President Kennedy's proposal of a partnership between the two continents can be more readily realized today than it could have been in 1962 when President Kennedy made his famous "Declaration of Interdependence". M. Rey said: "Partnership is not a concept of the past that has failed; it is still our hope and our guide for the future".

#####