

THREE EUROPEAN COMMUNITY PRESIDENTS

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President Flnet

President Hirsch

President Hallstein

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P.G.

PRESIDENT HIRSCH: Mr. Chairman, gentlemen, it is a great privilege for the three of us to be your guests today. We consider that the press is the force power in a democracy and we consider that the American press is an example to the presses of our countries. And we feel that liberty of the press is essential to the working of democracies, so we are specially happy to address you today.

I understand that a written statement from me has been handed to you; I have just read it; I think it is quite good -- (laughter.) I think it is probably unnecessary for me to read it or to recite it, I would do it very badly, and I will try to give you another story, a very short one, in order to give you time for the questions.

There about, exactly fifteen years ago, the Allied Forces were landing on the beaches of Normandy under the command of a general whom since you have elected your President. These Allied Troops afterwards liberated our countries. I include in these Germany which was suffering under the most devilish dictatorship which happened in history. I think if anybody at that time would have said that Belgian, German and Frenchmen would come together here, working as a team, after the short delay of fifteen years, everybody would have considered that as a daydream. Well, the daydream is now a fact.

We have now in being this community of Europe. We are working together, people of the six countries which have

during the past centuries so bitterly fought against each other. All of us have in the recent years, in the recent wars, suffered bodily or in their heart, and all the same we are working together and there is between us no question of nationality. I can assure you that that experiment is a success, and in itself it is a great promise for the future.

As you know, since quite a long time people have found that it was stupid to continue with the divisions in Europe between the two walls in particular, a way has been sought, a way of political union, and it has failed. The result was the deadliest war of history. Well, we took that wall to see that again, and we feel very earnestly that to avoid that we have to change the framework. So, people went to work and tried to find a way, which, if it didn't get immediate result, would in due time achieve that result.

The way was first to create the community of which President Finet is the Chairman for coal and steel. We altogether, the resources of the six countries, there are no duties, no quotas, free circulation between the countries. But we knew from the inset, that according to economic standards, that was quite stupid. It was impossible for the duration to have this common market only for two products as essential as they could be. We knew that that would further new developments, and that was the idea. The new developments were initiated in 1957 -- that is five years after the

signing of the first treaty -- and they cover the common market of which the Chairman is Professor Hallstein, who will speak next. And, at the same time, it was felt that the future of Europe was directly linked to the development which was offered by the nuclear reactions. It was felt that this could not be tackled by the countries working individually, and so my own commission is in charge of promoting research and development in the nuclear field. But we know that all that is still incomplete, and we know that, for instance, the common market cannot work if there is not a common social policy, if there is not a common monetary policy, and nobody can think of a common monetary policy if it is not calmed by a common political policy.

So we feel we are now in a process which with all the difficulties which we will find on our load will lead -- nobody can say in how long, but will lead inevitably to the calming of this edifice that is the United States of Europe.

Gentlemen, I thank you for your attention.

(Applause.)

QUESTION: Judging from the questions sent up here, the slogan today seems to be "up and URATOM." (laughter.)

Dr. Hirsch, does URATOM mean anything to America, and if so, why is America not better informed on the subject?

PRESIDENT HIRSCH: I think the answer to the first question is rather easy, as we have with your country an

agreement. This agreement is, in principle, simple. That means that we work together, we develop a search on a definite program. The results of this research are available, both to the United States and to the URATOM countries. On the American side fifty million of dollars are devoted to this research, and on our side the same amount is provided by the URATOM merchant.

On the industrial development, the agreement provides that we will have from you certain facilities. For instance, the disposal of nuclear fuel, and also the possibility of having loans, repayable loans not grants, and the experiment which will be made on the industrial scale -- the results will be available both to the United States and URATOM. So it shows that on a very practical basis we already are working together.

Now, as to the second question, it is probably our fault, and the fault may be somewhat of our friends here, if the American public is not more informed of these relations and of the interest that your country has in the development of URATOM.

(Applause.)

QUESTION: We have two questions here regarding a report by Robert McKinney. Will you please comment on the recent criticism of URATOM by Robert McKinney. Is there any basis for these criticisms? Do you consider the McKinney report

to the Joint Committee to be a basis for further development of URATOM?

PRESIDENT HIRSCH: There is a point which Mr. McKinney made which is quite appropriate. That is, that two years ago the estimate was made of the urgency of requirements in Europe of . . . the estimate which one could make of the urgency of requirements in Europe of atomic power were estimated in the framework of the Suez crisis. Since then, the developments have been somewhat different, and oil sources in North Africa and natural gas have been found which are larger than expectations, and then the economic expansion has for a time -- short time, we hope -- halted, so that the urgency -- and I agree with Mr. McKinney on that -- is not as great. But we have to think in terms of longer periods, because the development of atomic power requires many years -- many years of work, of research, and we have to form teams, both in public utilities and by the manufacturers conversant with the requirements of this new technology.

Our agreement with the United States, which I have just mentioned, which I referred to, provides for a program of one million kilowatts to be achieved by 1965. At that time that will represent about 2 per cent of the production of electricity in the community. That means that it is a very small amount, it doesn't count in terms of covering of our requirements, but it is absolutely essential to gain the experience,

both for the suppliers and for the manufacturers in that field, because as Professor Hallstein explained, we are not content with the present level of the standard of living in Europe. We intend, and we plan for an increase that will allow us to enjoy the same standard of living as you have in about fifteen years.

The production of electricity for the same equivalent amount of population is only 230 billion kilowatt hours in the community. In your country it is 720. That means that we have a large, a huge expansion in view, and we have figured out that before twenty years we will produce as nuclear power at least as much as the total which is produced on a classical basis now. We have no time to waste if we want to achieve these results.

(Applause.)

QUESTION: Just one more, Dr. Hirsch.

We understand you have had talks with the State Department about the possibility of setting up a diplomatic mission in Washington to represent all three European communities. Would this replace in some degree the functions of the existing embassies of the six member nations? (Laughter.)

PRESIDENT HIRSCH: I must say that we didn't put a formal request here. We just had an exchange of view of that problem which is an important one, and I must explain, perhaps, a little history. When the first community was created in 1952,

immediately it was recognized by your Government, and a diplomatic mission was appointed by you at that community. As soon as the two new communities got into function, the same diplomatic mission had its functions extended to the two other communities, and we have the pleasure of having here with us your ambassador, Mr. Butterworth, and I am very happy to have this occasion, publicly to say how we are grateful to him -- the three of us -- for the help which he constantly brings to us.

It is not normal that such relations should remain for a long time only on a one-way basis, so it is not any new feature, any new structure, to have the (?) that is, to have our representation here for the three communities. Maybe that would help to solve the problem which was mentioned before, that you are not sufficiently informed about the problems which are of future interest to us.

(Applause.)

QUESTION: Thank you, Dr. Hirsch.

I don't know whether President Finet has a vice president or not, but someone in the audience asks, "You've been with the high authority of the coal and steel community since it was started in 1952. Who is your choice for a successor?"

(Laughter.)

PRESIDENT FINET: The reply will be certainly very short. That is a top secret from the sixth government (?)

QUESTION: As a labor leader when do you feel European wage rates will reach U. S. levels?

Excuse me, in line with this is a companion question. The American steel mills complained that imports of European steel to the U. S. are reaching as far inland as Chicago and they claim this is primarily because the European steel workers get paid less than their American counterparts. What is your comment?

PRESIDENT FINET: The first question about wages is a little difficult to answer it, but I want to tell this one. On wages, on social security benefits, you can spend only what you earn. So, if the European countries reach one day or another one the scale of prosperity of the United States, I am sure, that the workers of the European countries will get their share of that new prosperity.

It's the comparison between wages in the steel-making industry between European workers and American workers. The highest average hourly wages is in Luxembourg, and that means for the steelworkers about one dollar point one. I think that the same wages, the hourly wage, is in the

(?) about \$3.40. So, we still have a long way to do before reaching dollar wage in America.

About importation of steel -- European steel -- of Europe, it's true that we are exporting steel even to Chicago. It's certainly the reason because the wages are lower in Europe

that it's possible to compete with American steel. But I think that is not really a tragedy if some European steel is reaching Chicago. The amount -- the total is so small, and I think that we are taking and we are making some exportation for special steel, and I think that after all, if the wages are lower in Europe, I think, that the steel-making industry as the holder (?) that the steel makers in Europe are paying for their cooking coal is the bitumen -- excuse myself for the proper pronunciation of that word -- bituminous coal, they are paying at least five or six dollar more per ton than the steel American makers are paying.

You have iron ore in America. We have got, too, iron ore in old country, but they are not so rich in iron (?) We have just exactly a percentage of iron about 35 per cent. I think in American you have got some iron ore with a percentage of iron about 55 per cent, so the condition of producing steel are so different I am thinking that the time is not yet been that the American steel industry will be wonned by the American-European steel.

(Applause.)

QUESTION: We have a triple-barreled question here on coal. Will the German coal tariff disrupt West European unity in view of the fact that the Council of Ministers turned down your proposals for coping with the coal crisis in Europe? What will be your next step? And how can American producers

be assured of a market in Europe in the future?

PRESIDENT FINET: The German coal is the cheaper coal in the sixth country of the community, and the dearest coal is the better coal. And certainly, when we are just in a period like the period that we are living now, it's a big competition between the German coal and the Belgian coal. But it's not enough to tell that the German coal is cheaper.

For years and years I have been that the President recalled that (?) relation, that (?) for nearly thirty years, and since thirty years I hear about the coal problem in my home country, in Belgium.

What is necessary to do is to close up some pit. We are certainly marginal enterprise, and Belgium is trying just now to clear this coal mining industry in view to loyal replies and to behavior to compete with the other producer of coal in the community.

About a question, in view of the fact that the Council of Ministers turned down the view that this (?) proposal for coping with the coal crisis in Europe, what will be your next step? That question, I say, we will try to do our best. The proposal made by the high authority was still in doubt by the Council of Ministry, but I want to point out that it was exactly the right of the Council of Ministry to tell yes or no of the proposal put before the Council of Ministry by the high authority. It was the right -- at the right in the

treaty of the community for coal and state.

What we can do now is to try another way, and I am sorry I am not able, for the time being, to tell you some details of what we have prospect/^{in view}to clear up the situation in Europe. The American producers are still sure for the time (?) to export for this year, 1959, about 20 millions of tons of coal in European countries, in the community. And I will quote two figures: In 1954, the (?) of state exported to Europe, to the sixth country of the community, five millions of ton of coal.

For this year the American will be able to export to Europe 20 millions of ton. I think, after all, we have made progress in view to maintain a flow of exportation of coal from the states to Europe.

(Applause.)

QUESTION: These questions are directed at Dr. Hallstein. Here is a short, sweet one. How long will it be before there will be a United States of Europe?

PRESIDENT HALLSTEIN: That's really a \$64 question, gentlemen.

There will be a United States of Europe, but it's certainly premature to say when and what exactly its structure will be.

QUESTION: Having achieved the United States of Europe they want to know when you're going to start taking in

Britain and the Scandanavian countries? When will Britain and the Scandanavian countries join the European communities is what this question really is?

PRESIDENT HALLSTEIN: It's not only up to the community to decide this. The point we are always making is, that the fact that we have only six member states, it's not due to the six but it's due to those who have not joined us.

QUESTION: Along the same line, what are the chances for admission of Spain to the community, would this be a benefit to Spain?

PRESIDENT HALLSTEIN: We are so happy to have brought about the community that we can but think it will be the advantage of everybody who may join the community. So, again, the answer is the same. I cannot explain the policy of Spain in this respect. You know there is a step -- a preliminary step to be done before this; that's the question under discussion in O.A.U.C. whether Spain should join O.A. U.C. After this question might be cleared up, then the time has come to decide about the next one. But, again, it's up to the government of Spain to decide this.

QUESTION: According to the recent figures from the Commerce Department, U. S. investments in Canada and Latin America are four times as great as in the common market countries. Do you think that the creation of the common market is going to increase the percentage of U. S. investment

in Europe?

PRESIDENT HALLSTEIN: I think I have already answered this question in the short statement that I made. We are happy to state there is increasing investment -- American investment in the common market. It is quite correct to say the percentage represented by American investment in the total investment in the common market is rather low. It's not very significant, but we very much -- there is a constant rise of American investment and we very much hope that this development will continue.

QUESTION: Is the common market going to produce in Europe a gigantic complex of industrial cartels. Do you see it as freezing out the products of other countries from the area by trade restrictions?

PRESIDENT HALLSTEIN: Our treaty is quite clear on that. We have followed the example of the treaty on the coal and steel community by inserting strict rules of ^{an} anti-trust character. The difficulty is that the implementation of these rules is not quite easy since only three of the six member states of our community have an appropriate legislation. So, the first thing to do has been to invite the three governments, which so far have not yet passed the legislation on this matter to do so.

We have done this. The Commission has addressed appropriate suggestions to the states and we are looking forward

to a harmonized, even equalized policy in the field of cartel and monopoly control.

QUESTION: This seems to come from a patent error. In the common market will the patent rights issued in Country A be honored in Country B? For example, if a French manufacturer ships a patent article to West Germany where the article is also patented will the article be admitted in Germany? If so, under what restrictions?

PRESIDENT HALLSTEIN: So far this question is settled by the existing international agreements which, to a certain degree, assure already recognition of patents which have been granted in one country in another country. But just in these last weeks we have been approached by some progressive elements in the administrations of the six member states in order to discuss a further equalization of patent laws in our six countries.

The Commission has welcomed this move; we think it's a step in the right direction, to harmonize legislation in this very important field.

QUESTION: Dr. Hallstein, what has the United States to gain from the common market? What does the European common market mean to the average American?

PRESIDENT HALLSTEIN: There is first this rise of market possibilities which will be the accomplishment of the advantages of this big home market. We have always considered as

one of the essential reasons for the much better economic situation of your country existent of a large, common market. In Europe the actual standard of living is no more than one-third of the standard of living of this country. This indicates how big the margin of rise is once the European economy has come to explore the existing capabilities of production. This is one point.

The other point is the point I indicated before in my short statement, it's the big advantage of a firm and stable corporation between the European continent and the American continent with all its economic and political implications.

QUESTION: Before asking the final question, which is addressed to all three presidents, I would like to award the certificates of appreciation to each of the presidents in recognition of meritorious service to correspondents of press, radio and television in the Nation's Capital.

The first one to Dr. Hallstein, and Dr. Hirsch --

(Applause.)

And this final question, any one of you can take it or I'll give you all equal time.

It's a pleasure, of course, to get three for the price of one of the Press Club lunch, but don't you think there should be a single European community/^{president}to head the whole program? Is anything being done to this end?

PRESIDENT HALLSTEIN: I think this is a very essential

question. It's not quite true to say that the very presence of three presidents of European executives indicates a split into two different organizations of the European community. It's only in this community sphere of the executive that we have the distinction between the three departments. Other very important institutions which are characteristic of the structure of our setup are common, like for the atomic energy community and the economic community, the Council of Ministers, which is identical, for the three communities there is only one parliament to which the three executives are responsible and as far as the European judiciary is concerned, there is one court.

But, I think it is quite fair to ask the question whether we should not go beyond this actual structure. We certainly believe that it will be necessary to rationalize European organization. For the time being, it's not to be quite frank the most structure of our problems. Every one of the three executives have sufficient number of tasks but there will be certainly a time will come when we have still to make -- still further progress in the direction of still greater unity even as far as the technical setup of our organization is concerned.

(Applause.)

QUESTION: I have here a final, final question and I read it because it is ^a compliment as well as a question, and I think all of us will agree with the questioner in the

flattery.

We are flattered that each of our guests speaks English so well. Is there a movement toward a common language in the community nations, which language?

PRESIDENT HIRSCH: We have to take into account the traditions of our country. We don't think that the United States of Europe means identity in the various countries. We are part of our traditions and we feel that it is not at all uncomfortable with the creation of United States of Europe.

We have at present four official languages, which are Dutch, Italian, German and French. Certainly, it doesn't make our work easier, but in a single country, which my friend, Finet, knows well, in Belgium there are two official languages, and that works quite well.

QUESTION: Thank you very much, gentlemen. We stand adjourned.