

S P E E C H

given by the Spokesman of the Commission
of the European Economic Community,

Giorgio SMOQUINA

before the wives of participants in the
Business International European Roundtable,

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This verbatim text was transcribed from tape with the aid of the
speaker's notes.

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Ladies, the most special meeting of Business International Roundtable with E.E.C. is opened !

And now let me please start again and -following of course my personal feeling - let me put in this start what one could call a Latin touch (true or not, if we are merging so many European elements, why should we forget about it ?) and allow me to say : My charming ladies ! On behalf of the Commission of the European Economic Community it is for me not only a great privilege, but a particularly agreeable task to welcome you in our headquarters and to thank you cordially for the interest you show for the European enterprise of which we are one of the artisans.

I must also express my particular gratitude to Business International and especially to Kathleen Haynes for having suggested not only that we should have this meeting but that the Spokesman of the Commission should be your guide in this excursion into the new world of the European Community.

You can probably imagine what kind of duties the Commission puts on the shoulders of her spokesman : to serve the journalists day and night (sure : many sessions of the Commission, of the Council of Ministers, of the Assembly happened in these first three years to last until dawn); to meet visitors of all sorts (politicians, experts, trade unionists, businessmen, students, professors, and so on and so forth); and to face all kind of questions (and these are sometimes pretty hard to answer at once), criticisms (and those are sometimes very intelligent), preoccupations (and these are not always justified), even to face hostility (and this is a very useful but also a very disagreeable job).

So you certainly don't need to defy your modesty if I ask you to agree with me that I have good reason to be also very grateful to the Commission for having unanimously accepted the Haynes's suggestion about giving me the honor and the pleasure to address on her behalf so a gracious assembly.

This said, I wouldn't give you the impression of being a little bit too emotional and I must add that we also appreciate so much your coming to this meeting because we are conscious of the intelligent, active, important

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role that American women play in all sectors of the life in the United States. In fact you not only - we know it here in Europe - stay by the side of your men as true life partners as well as precious advisers, you also share with them a great number of heavy responsibilities. And, therefore, again we are happy to have the opportunity to let you share with your husbands at least some basic information about our problems. On the way back you might show them that our two hours were also profitable.

INTRODUCTION

And now let me - I think it is really time for that - let me, I say, introduce myself. I trust to the idea that knowing something of the personal background of the speaker, his words may be better understood and estimated.

I was born in Trieste 45 years ago when World War I was just starting. Son of a frontier region, which suffered many times severely because of the European quarrels, I started my life as a war refugee (nowadays we have invented the name of D.P.) and spent my first years in Switzerland, this wise country which has shown to Europe for centuries the right way of a federal merging of different national elements. I hope we are now on that way too.

My studies followed then in Italy, between the two wars, and my doctorate in political sciences at the University of Rome was largely completed by supplementary degrees I obtained in Vienna and France.

I entered the diplomatic service in 1939 and served almost exclusively in Western Europe : Germany, Switzerland, Austria, France, the Netherlands and now Belgium. From 1952 I was constantly following the different forms both of international and European multilateral cooperation.

I am sorry for this indulging in my personal history, but if I have to tell you today about Europe, I think it is good for you to know which kind of European you are listening to. By birth, by my studies and

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life experiences, by all my activity, by the history of my family (after the French Revolution, 150 years ago, in the graves of my mother's family two exiled sisters of the King of France were buried for some years, and on the other hand since some generations the graves of my father's family are abandoned behind some eastern border line). By all that I was formed as an European, I know well I love Europe, and I feel the same home atmosphere in Paris as in Vienna, along the canals of the Dutch cities and around the towers of the Cathedral in Cologne, on the Geneva Lake as, of course, at the Grand'Place in Brussels or in the eternal City of Rome as well. As a child in my father's house my lullaby each evening was the Westminster Carrillon.

In this light, please, consider the modest attempt I now will make to give to you our European picture. I will certainly not do it in the experienced way of a press or information man and not through the prudent professional distortion of a diplomat. By the way, I am sure that I am not an expert in the first field and I am not so sure that I am a 100 % diplomat, even if I have no reason at all to complain about my career. Finally I don't want either to be too technical.

You will, after all, notice it yourselves by two points. First : my particular English, for whose bad quality I must sincerely apologize; I jumped in it many years ago, but never had real time since to improve and clean it up, exception made for going on using it with my personal pleasure but probably with deep concern of my working partners. Second : the fact that I never like to read a prefabricated speech; I did some work this time as you see, but I am not very sure I will follow my own lines, as I know myself. I will try, at least to do so in order not to forget too much about what I would like to tell you.

OUR AIMS

And now let us go.

Which are, first of all, the aims of our enterprise? I think four are the main ones.

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To avoid war

First : to stop for ever war, destruction, death within Europe, and in doing so, eliminate also the tragic repercussions of our quarrels on the other countries of the world. Believe me, we don't forget in Europe that America's mothers had twice in 30 years to send their sons to die overseas, because of our rivalries.

To help ourselves

Second : to help ourselves, building up our life without being a burden for our friends. Here again let me say how much your country contributed after the war to European economic relief; and believe in our gratitude. But we don't want to be any more supported by U.S. tax payers.

To raise the standard of living

Third : to increase more and more the standard of life of our populations, giving them full employment, reducing costs, implementing production and consumption, elevating the retribution of all production factors.

To meet our world responsibilities

Fourth : to make out of Europe a strong, valid partner for the free world, which will use its new strength to share with the United States and the British Commonwealth the burden of the heavy responsibilities represented on the one side by the necessity of assisting the underdeveloped areas and on the other by the challenge of the growing Russian and Asiatic powers.

OUR BASIC APPROACH

So far the principal aims.

But we must stress also three capital elements of the way - I could say of the philosophy - in which we are pursuing them. And these are :

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Democratic

First, the democratic method. In fact, all our construction is voluntary and freely accepted by all participants. Europe indeed has seen through the centuries many attempts at making unity by force. Remember only the more recent ones : the history of Napoleon's Empire and Hitler's dream - better say his nightmare - of hegemony. But how could a happy Europe be created by means of weapons, destruction, dictatorship ? So we are particularly proud about our present way, and I remember that President Eisenhower, receiving in June last year at the White House the three Presidents of the Executives of the European Community, mentioned this point as the most important of what he called a deeply fascinating task of interest to the whole world. That is the point also that I stress from time to time with visitors from Eastern Europe, who now and then mention that the Comecon, which divides its tasks between its various countries, come before the Community. But I ask them, if this specialisation means that Russia produces heavy tractors, for instance, and Poland is only allowed to produce light ones, what would happen if Poland wanted to produce heavy ones ? That is no kind of freedom or democracy.

Open

Second, the fact that the European Community is in no way an exclusive club. We are only six not because of our decision but because, at present, no other European country has felt able to join us. They may have very good reasons : we don't blame them at all, and we still hope they might join us later some day. In the meantime we are building up, for them too, the first nucleus of a united Europe. The door is kept open by Art. 237 and 238 of the Rome Treaty, which provide for the full membership and even for any other less demanding form of association. But we have the same attitude also on a world basis, and that takes us to two further considerations which might be of great interest for you : the European construction we are working on doesn't want in any way to jeopardise or alter

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either the Nato system or the relations between Europe and the United States. On the contrary, in all our actions we constantly keep in mind the basic nature of these two vital connections. This is, by the way, one of the reasons why we did not much like the idea of a European Free Trade Area.

Liberal

The third element of our philosophy is that our Community must be liberal, both inside and as regards the outer world.

Inside that means that we want to ensure free competition and to respect free enterprise. To the outer world, it means that we want to increase international trade by developing a liberal trade and custom policy.

And may I give you some practical examples of this philosophy. First, our Treaty is I think the only written Constitution in the world which expressly prescribes a liberal policy. Secondly, our Common external tariff is based on the simple arithmetical average of previous national tariffs, and hence means a tariff increase round a market of 60 million potential customers, but a tariff reduction for 110 million. Thirdly, even so, the actual common tariff will be some points below the average. Fourthly, the famous List "G" of tariffs which had to be negotiated between our Member States was also finally fixed below the arithmetical average again. Fifthly, our first reduction of 10 % in internal tariffs, on 1st. January 1959, was extended to our trading partners. Sixthly, the Community rapidly accepted U.S. Under-Secretary Dillon's proposal for tariff reductions of up to 20 % in the G.A.T.T., and has even proposed a further round of reduction after the Dillon negotiations. Seventhly, the Community's Member States were left free to extend to all Members of G.A.T.T. the second 10 % reduction of internal tariffs on July 1, 1960. Eighthly, the Community has proposed the total abolition of industrial quota restrictions, and by leading the way to convertibility is ending dollar discrimination. Finally, in our recent decision to speed up the Common Market,

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we have made a provisional 20 % reduction in the level of our common external tariff, to be confirmed as far as possible in the G.A.T.T. negotiations themselves.

OUR HISTORY

And now, as I think, you have sufficient basic knowledge about our aims and methods, I would like to give you a quick historical view of how far we have come until today.

After the War

Less than fifteen years ago World War II had left Western Europe sick with horror and hate. Cities were in ruins. Populations starving. Economies paralyzed. In some of our countries even the social and political structure had been torn to tatters.

At the same time big economic markets proved to be absolutely necessary in a world of mass production and lightning communication. An era of vast, continental political units was opening in the history of humanity.

We had to attempt - it was a question of life or death - to settle under the rule of law our economic rivalries and our political antagonisms.

The First Appeal

It was a great European, Sir Winston Churchill, who first called the divided European countries to unity, in his historic speech of September 1946 in Zurich. Please, note that we start with a British voice on Swiss ground. Isn't that significant?

Many other European statesmen of wide and constructive spirit followed this appeal : Schuman, Monnet, Adenauer, Spaak, De Gasperi, Sforza. A new atmosphere was created in Europe, and, with the help of the United States, European cooperation made possible some years of great progress.

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New methods

This was nevertheless still the old method. Trade agreements, military and political alliances, international organisations. Useful but not enough, if a real change was to be made in Europe. We had to take the first step toward integration, to make a beginning, a break-through.

The beginning took the form of an undertaking to pool both men and resources and to develop common governmental policies. Through this means we sought to create close mutual bonds of confidence and common interest, to take the first step to a united Europe.

The European Coal and Steel Community

We moved first in the area of coal and steel. The French Government proposed to create a Community having jurisdiction over French and German coal and steel, but open to any other European country. While Great-Britain and others, though interested, and friendly, could not see their way clear to joining, Belgium, Italy, Luxembourg and the Netherlands followed France and Germany. The Treaty was signed in 1951 in Paris and came into operation in 1952. The first European Community, the European Coal and Steel Community was born.

Further Steps

After this first move, in spite of all difficulties and disappointments (don't forget the failure in 1954 of the proposals for a European Defense Community), European integration moved forward.

We signed in 1957 in Rome the Treaties creating a Common Market (European Economic Community) embracing all commodities (goods, capital, services and manpower) and a European Atomic Energy Community pooling our plans and resources for the common development of atomic energy (the so-called EURATOM).

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THE EUROPEAN COMMUNITY

And here we are. Through these three Communities we are building a Common Market of more than 170 million consumers, which is almost so big as the American market and has three economic aspects : it is the world's second producer, its first manufacturer and its largest trader. I am sure that you don't underestimate the terrific importance, both economic and political, of this achievement. For us in Europe it is a real revolution.

You Americans have become so accustomed to your own great market, but let us indulge in fancy for a while and you will better see what that means for us. Try to imagine for a moment a non-federal America. If we were to drink delicious Californian wine in Chicago, we would have to pay a duty on it. Duty would also have to be paid on steel shipped from Chicago to California. But perhaps California would prohibit or limit those imports in order to protect its own steel industry. During times of low agricultural income Middle Western States could place a quota on the import of automobiles from Detroit, not having earned sufficient foreign exchange to pay for them. Capital would be more or less restricted in its movements from state to state. Workers could not move freely across state lines. Firms would be required to limit their activities to the state in which they were registered. Finally you would have to give up any activity requiring means exceeding the normal capacity of a single state : modern aircraft, great communication roads, highways, electronics, atomic energy, general research, and so on.

This sounds fanciful - and fortunately for you and the whole Free World it is fanciful. Yet in the beginning it was not certain you would escape the fragmentation with which we in Europe are so familiar, and which was the obstacle to our progress and a constant source of friction and conflict.

But your Founding Fathers were men of great perception, and they wrote into your Constitution provisions prohibiting the single states to raise such obstacles and delegating to the Federal Government such powers as the power to tax, to coin, to deal with commerce, and creating a set of federal institutions. Within the present limited framework of the European Economic Community we have adopted similar techniques and hope to reach similar solutions.

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WHAT THE COMMUNITY MEANS

We have provided for the free movement of goods within the Community, the adoption of common economic policies and the creation of common institutions.

That means a lot : apply a common external tariff, follow a common commercial policy toward the rest of the world, establish common fiscal and monetary policy, establish common rules restricting cartels and monopolies and encouraging competition, liberate movements of labor, services and capital, develop common action to deal with the business cycle, take care in common of regional development, follow a common policy in investments, agriculture, transportation and social affairs.

Obviously measures so revolutionary cannot all be introduced at once, therefore, the Rome Treaty provided for a gradual coming into force of the Community through a transition period of 12 to 15 years and moving from consultation to coordination, to harmonisation, finally to common legislation and policy.

Still it will appear clear to you that our enterprise is not a simple trade-club, neither a simple custom-union, nor even just an economic union, but a real, throughgoing economic community which will be a springboard for new steps toward full European Unity.

Therefore, believe to me, when you hear about some polemics concerning the creation of our Community it is certainly not a matter of this or that difference in tariffs : the difference consists in building or not a United Europe, which seems to us to be an end goal of paramount importance for the whole of humanity.

THE COMMUNITY'S STRUCTURE

And now a few words about the structure of the Community. In building it we were faced with problems closely related to the problems of federation, even though the Community, limited to the economic field, is not a federal state.

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Therefore, we recognized that the powers should be divided following the classical doctrine among parliamentary, executive and judicial institutions. But we found it necessary to modify the usual scheme in order to adapt our construction to the following circumstances :

- a) the European Community is as yet limited to the economic field,
- b) economic policies cannot be finally determined without consideration for the other policies (foreign policy, national security, and so on) which remain under the exclusive sovereignty of the Member States,
- c) political authority is vested still in the national governments,
- d) the institutions of the Community had to be so designed that they could work in close harmony with the Member States' governments.

And here are the results of this work.

The executive power

In each of the three Communities the day-to-day executive power is delegated to an independent body of a few members, they are appointed by common consent of the Member States, but they cannot take instructions from any national government and have to fulfill their duties from the point of view of the Community as a whole.

These executive bodies (the Common Market and Euratom Commissions and the High Authority) are to ensure the application of the Treaties and to take all necessary measures to promote the accomplishment of the objectives of the Community in conformity with the provisions of the Treaties. They are particularly to prepare for the Council of Ministers the necessary proposals and recommendations. They are responsible only to a single European Assembly - the European Parliament - which by a 2/3 vote of censure can force the executives to resign en bloc.

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The European Parliament

The Assembly is appointed each year by the National Parliaments, from among their own members.

Although the powers of the Assembly are at present limited, its political role in the development of European integration is not to be underestimated. Not only can it force the resignation of any of the three Executives, but it also maintains 13 standing committees which operate rather like your own Congressional Committees. And if it has not yet legislative power it exercises inquisitorial powers and both the Executives and the National Governments must explain publicly what they have done or failed to do. Finally the Assembly can address to both its own recommendations.

The Council of Ministers

The legislative power belongs to the Council of Ministers, in so far as this body, formed by one member of the Government of each Member State, has to apply the basic rules of the Community given by the Treaty, adapting them to the circumstances and taking the decisions necessary for the gradual implementation of the Treaty's provisions. It discusses the major policy issues in presence of the Executives and only on the basis of their proposals.

The Court of Justice

The Treaties and the decisions of the Executives and of the Council are the law of the Community, directly binding within the territory of Member States and therefore enforceable in the National Courts. But a special judicial power has been created as the ultimate authority with respect to the interpretation of Community law : the European Community's Court of Justice, a kind of Community Supreme Court. It is composed of seven judges appointed by common consent. The Court has also authority with respect to the definition of the obligations of the Member States and to the delimitation of the powers vested in the common institutions. Any Member State, as well as the Executives and the Council can bring a Member State before this Court for violation of the Community law.

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Any Member State can also complain against any act believed to be contrary to the provisions of the Treaties taken by the Executives or the Council.

And finally, individuals and enterprises may also appeal when directly interested.

National Courts must refer to the Court all questions involving the interpretation of the Community law or the determination of the acts of the common institutions.

These then are the main institutions.

But I must, rapidly, mention some other bodies, which are not less active or significant.

Advisory Committees

First the advisory committees consisting of highly qualified experts, businessmen and trade unionists. The Commission doesn't want to work in an ivory tower, or to make out of the new Europe a monster of pure technocracy and bureaucracy. On the contrary, it wants all the active elements of the real life of the Community to participate intimately in this revolutionary enterprise.

I may mention, therefore, the Economic and Social Committee, as well as the Monetary and the Transport Committee.

All these Committees have already been giving on many occasions thoroughly studied and influential opinions on matters submitted to them by the Commission or the Council. And I may draw your attention to the fact that we have requested such opinions not only when so prescribed by the Treaty, but also in other cases because we thought the advice of business and labour representatives as well as of qualified experts could be extremely useful.

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Funds

Second, two special funds, the European Social Fund and the Overseas Development Fund. The Social Fund is helping the vocational training of manpower and its reconversion to new jobs when that appears necessary; and it guarantees at the same time the wages of the workers during their retraining. While it is not possible to make definitive forecasts of the money to be granted by the Fund, since this reimburses half the cost of resettlement etc., already met by the Member States. 20 million dollars were provisionally earmarked for expenditure in 1960.

The Overseas Development Fund is allocating financial grants for economic and social prospects in the associated countries, mainly in Africa. I may give you only a few figures about that financial effort : 580 million Dollars in 5 years.

The European Investment Bank

Third, the European Investment Bank (one billion dollars) which is contributing to investments of common interest for the harmonious development of the Community with special regard to projects concerning two or more of the Member States and to the regional development prospects in the underdeveloped areas of the Community.

The existence and operation of these Funds and of the Bank both show, I think, how strong is the feeling of solidarity within our Community.

Finally I must stress one point more, which is also of particular significance. That is the close, cordial, frequent collaboration between the Commission and the Member Governments and their various administrations. This particular activity is not precisely required by the Treaty, but we have found it not only very useful and constructive, because it gives to the Commission a better chance to find solutions acceptable for all Member States, but also very important because it helps in creating gradually a common view inside of the national administrations.

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Therefore, a great number of joint working groups and boards were set up in this spirit. Most of them on a temporary basis with the purpose of studying a specific problem; some of them on a more permanent basis like the very interesting business cycle policy committee, which consists of two Members of the Commission and 2 Representatives of each Member Government, one of them for the national Central Bank and one for the Treasury.

THE COMMUNITY'S ACHIEVEMENTS

And now, ladies, I shall come to my last point, hoping that I am not too exhaustive in my speech and that you are not exhausted by my Italian loquacity! My last point is of course intended to give you, after all these enthusiastic provisions and all this ambitious planning, a short survey of the practical and concrete results of these first three years of activity.

Let me in this respect first state that we are far from thinking everything has been perfect until now. Quite the contrary : a great revolution such as we are effecting by peaceful and democratic means cannot be achieved without difficulties. We had, we are having, and we still will have our share of growing pains. We must therefore improve each day our techniques; nevertheless, we are certainly already in a position to offer you a firm optimism and a sizeable amount of positive achievements. You may judge them for yourselves. They are - I think - about nine at least.

The establishment and working of the Institutions

First : The Community has quickly created all the institutions, they are functioning and - what is even more important - in the best connection between all of them. This was not a minor success, because of the lack of any previous similar experience, of any tradition, of any administrative routine. Every move was a real new creation. But also because we had to build up these institutions fusing 6 nationalities, 6 civil service habits and 4 languages. Finally because we had to put side by side people who were 15 years before divided by the most terrific and savage conflict.

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And I may assure you that we have created a good European team. Just one example : You have seen our commissioners on Monday evening and you wouldn't believe, seeing how they are working and living together, that some years ago Roy was prisoner of war in Germany, Hallstein a prisoner of war in the States, some others fighting in the "resistance", and so on.

Keeping to our timetable

Second : all the targets established for this first three-year period by the Treaty have been fulfilled. The Commission as well as all the other institutions of the Community have strictly respected the timetable foreseen for the various steps which have to be taken for the regular implementation of the Treaty.

Respect of obligations

Third : The national Governments have complied with all their obligations indicated by the Treaty in a remarkable way : reducing tariffs, enlarging quotas, negotiating special parts of the external common tariff, removing subsidies, and so on.

In the very few cases where infringements have been noticed the Commission has made representations to the Governments concerned, which have been accepted without further proceedings before the Court.

Acceleration

Fourth : Not only has the Treaty until now been fully executed, I must stress that in many aspects our achievements have gone consistently beyond the written requirements of the Treaty and its timetable.

It would be - I assume - too long and too technical to give you here a detailed list of these performances. One point, however, will be perfectly sufficient and this is the decision taken by the Council of Ministers on the proposal of the Commission last Spring to speed up

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the establishment of the Common Market by accelerating the internal tariff and quota demobilisation and by anticipating the first step toward the Common external tariff. This is a striking reality, especially if you remember that only three years ago the timing established by the Treaty (12 to 15 years) seemed even too rapid.

And I must add that the same principle of an acceleration has been adopted in respect of all other activities forming the different parts of our economic integration.

Business reactions

Fifth : This is due to the institutions of the Community and to the Member States, but there is another dynamic element that we cannot fail to mention. This is the business community. All of us have been astonished by the rate at which the larger and more modern enterprises have accepted the idea of the Common Market. Businessmen have realized that their own attitude would influence the governments and institutions to move on. Business in the Community has, in a word, anticipated the realization of the Common Market and it is making plans for development taking for granted that we have passed the point of no return. They are becoming more and more confident, active and eager about new initiatives.

Economic expansion

Sixth : It is a matter of fact that the general economic situation in the Community is a very brilliant one and our forecast is that it will continue to be such even next year. Our present production capacities are being fully exploited, demand is very positive, our internal and external trade is increasing rapidly. While internal trade in the first six months of 1960/^{was} some 34 % higher than in the corresponding period of 1959, our trade with the rest of the world also rose by some 23 %. Imports, incidentally, rose rather faster than exports - nearly 24 %, as against nearly 22 %. The imports of Italy, I may add, were up by nearly 43 %.

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Psychological change

Seventh : even psychological changes have taken place in our countries giving expression to some positive attitudes of Member Governments. I may perhaps indicate as an example the fact that the two partners (France and Italy) who were traditionally more protectionist and less dynamic in free competition, have gradually changed their line and are now becoming active and liberal-minded as their partners.

International impact

Eight : no doubt that the creation of our Community has a direct influence on the world level. Because it offers to third countries one big partner instead of six (and that makes a lot of operations much easier); because it is not pretentious to say that to a good extent the creation of the Free Trade Association is also a consequence of our existence; because we are ready to reduce further our external common tariff provided that its reduction is reciprocated and that this happens not in a discriminatory way but on a world scale. In this sense I think the Community acts as a precious motor to world trade liberalization.

Relations with other countries

Ninth : growing international consideration is given to the Community, as a new essential element in general economic world equilibrium. Two circumstances support this statement. The one is that already 16 countries have accredited an ambassador with the Commission and for some others the procedure is pending. By the way, you will notice that the U.S.A. Ambassador was the first one accredited and, therefore, he is the doyen of our diplomatic corps. The other circumstance is that on many occasions, already, the Community, represented by the Commission, is participating as a unity in intergovernmental negotiations and international organizations, such as G.A.T.T., the Paris Committee of 21 on European trade problems, the Development Assistance Group in Washington for coordinating aid to developing countries and the Organization for European Cooperation and Development which is

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taking the place of the old O.E.E.C., and in which the United States and Canada will be full members.

THE WIDER EUROPEAN PICTURE

Now a last, very last, paragraph. The Six and Seven.

I certainly don't want to give to you any report on that problem which has been fully discussed - perhaps too much discussed. But here is one point I would like to make clear, especially because I know that tomorrow you will meet my old friend Ladame, spokesman of the E.F.T.A.

The problem of the Six and the Seven is a very difficult and complicated one. Not because we in any way want to exclude them or that they don't want to join us just for silly reasons. Don't believe that there is in this difficult approach any political bad will or any dramatic mystery. The difficulties are real, practical and technical. The political reasons for which we want to integrate and for which the other European countries find it impossible at present to do so, are equally respectable. Both of us are, I believe, good Europeans. As my friend Ladame told me recently we both exist now and we must avoid any action which could hamper the implementation both of the Rome Treaty and of the Stockholm Convention. We represent - he said and I share his opinion - two lines of European economic development and we have to take care that these two lines don't diverge, or even stay parallel, but that they gradually converge. For that purpose we have two means, an immediate one, this is to say : to try by any pragmatic, concrete approach, if necessary case by case, to avoid difficulties and to eliminate any danger for traditional inter-European trade. Secondly, we have long-term means, consisting in keeping the door open to more permanent future solutions and in pursuing the study of all such solutions possible. So we must handle this delicate matter, and without making any mystery. Doors are open and our cards are on the table. The best proof is the presence here of my assistant, Mr. Mayne. Please, don't consider him either a refugee or a fifth columnist !

What we don't want is to be asked to participate in a solution which would lead us to the creation of an exclusive European club which would in any

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way hurt our other friends and allies or infringe the G.A.T.T. rules for international trade.

CONCLUSION

And here we are, ladies, to the end. I don't know whether I was too long, or too annoying, or insufficiently understandable. And I hope that this was not a too boring experience for you.

But only to one goal I hope very much that I have come : and this is to give you a new picture of Europe, which you certainly know, but not necessarily under this new light.

You had acquaintance in past times with the unpleasant old Europe. That little turbulent continent, full of rivalry, frequently a "casus belli" for the entire world and living more in the afterglow of its previous glories than in the constructive reality of present times.

And you are familiar also, my charming ladies, I believe with several other aspects of Europe which are, there is no doubt about it, much more agreeable ones, and which we also like and appreciate.

I am thinking about so many elements of our beloved European mosaic, which includes first its world-famous geographical charm : the picturesque spots - the islands, the lakes, the mountains; the brilliant cities - Paris, Munich, Brussels, Amsterdam, Rome, Venice; the fascinating smaller centers - Bruges, Avignon, Heidelberg, Assisi, Delft.

Secondly, it includes hundreds of attractive activities : festivals, exhibitions, theatres, museums, historical celebrations, pageants, religious celebrations. A mosaic which is then made by your favorite craftsmen, producing lace, perfumes, glass, jewellery, fashions, shoes, leather work. And I would not forget the good things of the table : from the modest pizza to the creations of the several "cordons bleus", from Apfelstrudel to the glorious choesos, from Munich beer to French Champagne! And I could continue.

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From to-day onwards we sincerely hope that you will be able to have also present in your mind the brand-new Europe we are trying to build up. This new unit is the European Community. Our ambition is to make out of it a solid pillar of the free world, a valid instrument for a better future for our children, for strengthening freedom, peace and justice, for the defense of our common civilisation, for the welfare of humanity: and so may God help us in our work.

And that really is all, Madames. Thank you heartily again for coming and for giving me such gracious attention. My friend Richard Mayne and myself will be happy now to answer (so far we can) any specific questions you would like to ask.

Encore, Madames, merci mille fois, danko, dank U wel., grazie.