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Political integration

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EEC

Looking Back with Pleasure Looking Ahead with Concern

The EEC's official anniversary celebrations were not merely marginal to the summit meeting held in Rome on 29th and 30th May of this year. The statesmen assembled on the Capitol were able to look back with satisfaction at a development initiated 10 years ago, when the EEC Treaty was signed in Rome. Their achievements over one decade give them grounds for pride and satisfaction and it was not exaggerated for the Heads of State and Government to describe the results obtained hitherto as "an unparalleled co-operative success".

On 1st July, 1968, two years before expiry of the interim period provided for in the Treaty, the customs union will become effective and a common agricultural policy will be enforced. EEC is halfway along the road mapped out for it in the Treaty of Rome. The ideas and institutions of the Community are already too deeply rooted in the life of its member states for there to be any backward glances. But economic integration is not yet complete and one cannot help wondering how far it will be possible to fulfil the tasks ahead and, in particular, the economic desiderata of the EEC Treaty only when the political unification of Europe takes place.

Over the last 10 years any initial euphoria about political integration has died down. Member states now see EEC primarily as a sober, economic concern. Views about the manner and extent of political integration vary widely.

The EEC Treaty is not determined by a homogeneous concept, but is rather the result of a compromise negotiated by the governments. So whatever is economically reasonable and politically possible shows itself as standard of judgment for the European integration. It is possible that EEC's progress will also depend upon whether it is successful in creating a solid foundation for economic integration by means of increasing political unification. Considered in this light, the outlook from the Roman Capitol can be described not only as looking back with pleasure, but looking ahead with concern. ***Wolfgang Reisener***

Political Integration

The concept of political integration is constantly being used in contradictory senses—most recently in the television interviews in connection with the negotiations in Rome. If, by political integration, we mean nothing more than politico-economical integration, as laid down in the original Rome agreements, then this is an integral part of the EEC, even though the Community has fallen considerably behind with politico-economical integration, although not with the removal of customs barriers. Customs unions and free trade zones are no longer sufficient since the autonomous trade cycle policy has replaced the automatic business cycle, the former being tailored to the re-

quirements of state territory, primarily with the aim of achieving permanent full employment. Integration can now take place only when the trade cycle policy of the countries concerned is synchronised with all other factors connected with it beyond free trade. This means that those who are unwilling to accept Britain into EEC at the expense of politico-economical integration are in the right. Such acceptance would lead to nothing but somewhat more free trade along the lines of GATT's meritorious efforts.

However, since worldwide politico-economical integration is a utopian concept, we are left with European politico-economical integration as an intermediate stage to a comprehensive world economy, particularly since the inroad of state frontiers in the world economy—which is progressing hand in hand with an autonomous trade cycle policy—affects only marginally industrial heart areas in the vast territories of the United States and Russia, whilst it has torn the European economy in all directions and thus destroyed the dense and sensitive exchange within this industrial focus. Thus the problem is to restore to the European economy, with its industrial "power-field", the position which the American and Soviet ones have never lost. This politico-economical integration is, however, incomplete as long as it does not embrace all European industrial heart areas—Britain above all. Only then can we turn to the task of founding something like an Atlantic community which, in its turn, must not be based upon free trade only. One may be of the view that Britain should remain outside EEC for political reasons, but not upon politico-economical grounds.

But politico-economical integration has nothing to do with political integration in the sense of a close territorial connection however desirable this may be. This type of political integration might grow from a further development of the Strasbourg initiatives; it might also be the maturation of successful politico-economical integration. It is not, however, a pre-requisite for the latter. Even the 1834 German customs union (Deutscher Zollverein) let us wait almost 40 years for German unity, although it could still confine itself to simple free trade. Admittedly, certain superior forms of politico-economical integration, such as a unified European currency system, could not be achieved without political integration; but there are sufficient effective intermediate stages, even in the sphere of monetary policy.

The over-hasty demands for a specifically political integration might even damage politico-economical integration because it would come as a shock to those European countries which are not prepared, or not yet prepared, to relinquish as much of their sovereignty as political integration would require. It is vital not to encourage the view that politico-economical integration cannot be realised without political integration. Although this would not inhibit politico-economical integration, because the economic forces pressing for it are far too strong, it might be delayed. Naturally one would need an apparatus, such as the Brussels Commission, but politico-economical integration can well be reconciled with an "Europe des Patries".

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'Mister Europe' Leaves

Even before the EEC Conference in Rome, the President of the EEC Commission, Professor Walter Hallstein—in a letter to the German Chancellor, Mr Kiesinger, published on 6th May in Brussels—asked the Chancellor "not to pursue further" the thought of appointing him first President of the fused communities of EEC, the European Coal and Steel Community (ECSC) and Euratom. At a first glance, this decision of Hallstein's seems to open up the way for further European integration; the fusion of the three communities, which had been agreed on 8th April, 1965, has been continually postponed, at least formally, by the instance of the German Government upon Hallstein's candidature. The tug-of-war over Hallstein's person is what really points up the struggle over the future conception of a new Europe.

Hallstein is one of the "founder member" Europeans. Since Adenauer made him head of the German delegation for the negotiation on the European Coal and Steel Community (Schuman Plan) in 1950, he has consistently upheld his idea of how the new Europe should look—a European federation with a s i n g l e policy and a s i n g l e government. Robert Schuman, Adenauer, de Gasperi and Spaak had outlined this picture; Hallstein attempted to bring it to life. It is based on recognition of the fact that a permanent peace in Europe can only become a certainty when Europe is merged into one unit where the political functions of member states become communal ones so that any urge towards hegemony becomes impossible.

So for Hallstein EEC is only the first step upon the road towards the political unification of Europe. He has therefore consistently attempted to extend the EEC Commission's powers of autonomous decision. In so doing, he has met with resistance from President de Gaulle of France, who refuses to abandon the out-of-date concept of a balance of power of national forces and is thus endeavouring to prevent any limitation of national sovereignty in favour of a supranational body. In the end, Hallstein resigned when the new German Government let it be known that it was seeking an understanding with France.

The fusion of the three European executive bodies can now be initiated under a new President. But the struggle between "Gaullists" and "Europeans" is bound to flare up again at the negotiations upon Britain's entry into EEC and the entry of other countries.

Manfred Holthus