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EEC: No Cause for Jubilation

Observers of the Brussels integration spectacle have forgotten how to wonder for a long while past. For in spite of innumerable difficulties, the Community of the Six time and again could be actuated and supplied with new impulses. Therefore the agreement on the establishing of an economic and monetary union of February 9, 1971, after the rejection of the Werner Plan, did hardly surprise anybody—all the more since the preliminary negotiations between the Federal Republic and France had not been kept secret.

Now the Six have officially demonstrated their intention to continue consequently on their road toward a Common Europe. Within ten years, beginning on January 1, 1971, the Union is to be gradually realised. In the eighties free movements of persons and goods as well as of services and capital, without any distortions and constricting regulations, will no longer be the utopian idea of euphoric apostles of Europe but reality. In any case this could be a possible interpretation of the decision. Nevertheless doubts seem to be more justified than enthusiastic jubilation. For so far the member states' parliaments never showed overgreat zeal for complying with decisions taken in Brussels. The serious difficulties are still to come.

In this context the coordination of budgetary and cyclical policies as planned for the first stage as well as the harmonisation of taxes should not yet set insurmountable problems. And the technocrats are also quite able to cope with the first steps toward a monetary union. In the present cyclical situation, characterised by quite favourable growth rates, neither fixed exchange rates nor narrower margins of fluctuation or the establishment of some aid mechanism offer the parties concerned any reason for hard disputes. But this will come to pass when the partners—as is unavoidable in an economic union—will actually have to cede national competencies to the European Communities in Brussels—for example they could not even decide on the realisation of a genuine customs union in spite of the expiration of the deadline date.

The moment of truth will arrive in 1973. On May 1, a report on the first stage is to be submitted to the Commission and further measures are to be recommended. They may then be passed unanimously or by a modification of the EEC-Treaty. Then it will become evident to what extent France is willing to abandon its not very integration-minded idea of an "Europe des patries" or how many concessions the advocates of the Italian conception of the Community's regional policy are prepared to make. Besides, at that date not only the representatives of six states will meet at the round table in Brussels. Perhaps ten countries will engage in the debate, countries with problems and troubles of their own that will certainly not facilitate unanimous decisions.

The German delegation is to be given credit for introducing a precautionary clause, according to which above all the common monetary policy measures as planned now will be valid until 1975. This dexterous move shows a healthy distrust in a quick agreement during the coming years. This will perhaps become an inducement to continue the efforts for unification after a quite probable *éclat* in 1973. Although many measures taken by the EEC are already judged by the new guidelines and the final target, the road toward a true community is still a long and thorny one with many turn-outs. And all concerned still have to face a comprehensive process of learning and education before they will be able to switch over from a national policy with a European tinge to a true community policy.

Dietrich Kebschull