

Federal Trust. "Political Union in Europe". Windsor, 12-14 IX 69.

- 1) - Schema di progetto di una Comunità politica europea.
- 2) - Political union in Europe.

Outlines of a European Political Community

Premise

1. To discuss a project for a European Political Community (E.P.C.) is today an 'intellectual exercise' whose ties with reality depend essentially on four hypotheses:

- a) that it is possible to create between the Five and Great Britain the political and diplomatic conditions necessary to move towards a new experience of European construction without France.
- b) that it is possible to resist and neutralize French reactions.
- c) that the future political evolution of France will lead her inevitably towards rejoining the process of integration.
- d) that it is possible to ensure the co-existence of the E.P.C. and the E.E.C. for a certain period before proceeding to their fusion.

We do not propose to demonstrate here the validity of these hypotheses. We assume them to be valid in principle.

2. To be a serious new attempt at integration and to give the Germans a concrete alternative to their special relationship with France, the E.P.C. should have the following characteristics:

- a) include the five countries of the E.E.C. and Great Britain.
- b) be open, without any possibility of veto, to all European countries which accept its presuppositions and objectives, and which have democratic governments.
- c) have the objective of fusion with the existing Communities and of constituting together with them the premise for a European Federation.
- d) have the objective of the adoption and direction of a common foreign policy.
- e) have the objective of a common defence policy, with integrated means.
- f) carry out a common industrial policy in the sectors directly concerned with defence.
- g) favour economic integration between the member countries in the sectors not covered by the Treaties of Rome and Paris, without creating imbalances in the economic development of the continent.

3. The E.P.C. should be based on the institutional experience of the E.E.C. on both its successes and its failures. In particular it should adopt the principle of gradual transfer of powers from the states to the Community, according to a pre-established time table and with common procedures. Contrary to the E.E.C., this process should affect both the transfer of competences and the progressive re-inforcing of the institutions. A notable difference with respect to the E.E.C. which creates difficulty is that the E.E.C. could rely on the establishment of a series of common rules (tariffs, rules controlling the function of the market, harmonisation of legislation etc.) which had a direct influence on the economic structure of a European society. This constitutes a premise for the transfer of powers. However, on the other hand, an attempt at integration in the political sphere has very

few of these means at its disposal, but essentially concerns public powers; that is, the most jealous guardians of national sovereignty. It risks becoming a purely formal fact and therefore attracts the criticism of abstractness.

Another difficulty derives from the deeply rooted conviction that sovereignty in foreign policy and defence is indivisible and can only be transferred to supranational organs totally, which would mean a qualitative change.

4. These difficulties can be overcome on two conditions:

- a) that it is possible to create a Community 'Political System', that is, a reorientation of political forces capable of ensuring the necessary cohesion at a European level, so that the Community can soon cease to be entirely dependent on the good will of the national governments.
- b) that it is an acceptable principle that in foreign and military policy as well, sovereignty can be transferred by degrees and at differing rhythms according to the various geographical and political sectors to which it is applied. The experience of the E.E.C. offers a useful precedent in foreign relations conducted with common means: the Kennedy Round negotiations.

#### Foreign Policy

5. A certain number of geographical or political sectors into which the foreign policy of our countries is divided should be defined. The types of classification which could be made are various; for example, the list of topics proposed by the Italian government for discussion in the W.E.U. could be adopted as a basis for discussion. ?

It remains certain, however, that these topics would be graduated according to the degree of commitment of the European countries, the homogeneity of the commitment, and the incidence of economic relations (which would remain within the competence of the E.E.C.) in foreign relations as a whole.

Whatever classification is adopted, it is clear that relations with the U.S.A. within N.A.T.O. and relations with the U.S.S.R. and Eastern Europe would take on prevailing importance.

The aim of the Community must be to arrive at a common foreign policy in its entirety, but the integration would come about by stages, with differing rhythms according to sectors or groups of sectors.

6. For each sector, in a first phase the Council of the States would achieve co-ordination of the foreign policies of the states on the basis of the proposals of an independent political organ: the Commission.

The Parliament of the Community would be consulted and would hold periodical general debates on the politics of the Community.

From the beginning, the Community, through the Commission, would exercise the right to receive foreign ambassadors but not to accredit its own.

7. In a second phase, the common position would be decided by the Council of States and the Parliament and be stated by the Commission at the various international organisations, governments, etc., according to the system adopted for the Kennedy Round.

In this phase the Community would have the right to accredit its own ambassadors, as would have the states. The Commission would have the right to participate in the normal diplomatic and information channels at the disposition of the states, and to create others of its own. In each foreign capital and organisation concerned, a committee composed of the representatives of the member states and the representative of the Commission would be set up with the task of co-ordinating the action of the Community. Diplomatic relations between the member states would be carried out exclusively within the institutions. Treaties would be ratified by the Council and the Parliaments of the member states.

8. In a third phase, the Commission would conduct the foreign policy of the Community with all the normal powers of a government, under the control and acting on the directives of the Council and Parliament. The states would cease to have autonomous diplomatic relations. Treaties would be ratified by the Council and the Parliament of the Community.

9. It is as well to repeat that steps in this process would have different rhythms in the various sectors, but would take place at pre-established times.

10. Particular arrangements should be made to guarantee rapidity of decisions in case of emergency.

11. The Commission of the Community would initially be nominated by the governments of the states, as is the case now with the E.E.C. Further on, it would be elected by Parliament on the basis of a selection of names presented by the Council. Later still, Parliament would elect the President of the Commission on the basis of a selection of names proposed by the Council, and the President would designate the other members of the Commission. The entire Commission could be subjected to the necessity of a vote of confidence, but it would be necessary to think out particular formulas to guarantee its stability.

The Commission would dispose of its own offices which would be progressively extended until they absorbed the foreign services of the member-states. The re-inforcement of the institutions, for the Commission as for the other institutions, would occur at pre-fixed intervals, parallel to the realisation of the integration of foreign policy. This could be tied to progress made in the most important sectors, for example in relations with the U.S.A. and Eastern Europe.

To guarantee the political function of the Commission, the states would have to bind themselves to assume particular care in their nominations, at least in the initial phases. For example, those nominated should be men who have held the post of Cabinet Minister in national government.

12. For each sector, the Council of Ministers would take its decisions by unanimous vote in the first phase and by a qualified majority thereafter.

13. The Parliament would initially be nominated by the national parliamentarians. For example, the Five could nominate parliamentarians already members of the Parliament of the E.E.C. Thereafter, at a pre-established date, it would be elected by universal suffrage.

14. Particular exceptional measures could be provided for, in the form of 'safety clauses' for some problems considered 'vital' to a member state. However, such clauses should be allowed for a limited period only, for the cases

explicitly foreseen, and should be subject to control by the institutions. In no case should general 'safety clauses' be admitted.

15. The member states and the institutions would commit themselves to do their utmost to avoid the creation of imbalances between the foreign policy of the E.P.C. and the foreign trade policy of the E.E.C., in the interests of peace and detente.

The Institutions would have the task of promoting the co-ordination of the two Communities.

#### Defence Policy

16. Parallel to the integration of foreign policy, the states should put into action, according to a time table, the integration of their N.A.T.O. strategies and plans of operation.

In a second phase, the Community would speak with one voice in N.A.T.O.

17. They should then proceed with a progressive integration of General Staffs.

18. The unification of logistics systems would be subsequently carried out.

19. Complete military integration would then be put into effect.

20. The entire process would take place parallel to the political integration and would be directed and controlled by the institutions of the Community.

21. In the case of nuclear weapons, the states which possess them would retain control of them in the ambit of the common strategy.

22. In the final phase, the destiny of existing nuclear weapons and the decisions concerning their development or abandonment would be within the competence of the institutions of the Community.

23. Until the final phase mentioned in point 22 is reached, the member states would commit themselves not to take decisions on nuclear weapons, or reach agreements concerning them with countries outside the Community, which would be contrary to the interests of the Community as judged by its institutions.

#### Military Technology and Arms Procurement

24. The Community would institute, under the control and direction of its institutions, an 'Armaments Agency'. The Agency, parallel to the advancement of integration of strategy and plans of operation, would assume the following tasks:

- a) promotion and financing of arms research and production by the Community's industries.
- b) progressive takeover of all procurement, internal and external, of heavy arms destined for the armed forces of the Community.
- c) progressive control and takeover of all foreign sales of arms.

25. The Agency, subject to political control, should however enjoy broad technical and financial autonomy.

Economic Co-operation

26. The Community would promote economic co-operation between the member states, without compromising the function of the E.E.C.

27. The institutions of the Community should establish the mechanism for consultation and co-ordination with the E.E.C.

28. However, the possibility for the Community to take more serious measures should be provided for, in the case of manifest incapacity of the E.E.C. to accomplish its tasks in certain sectors.

Various

29. The Community would be endowed with its jurisdictional guarantees (Court of Justice).

30. The most flexible possible mechanism for revision of the Treaty should be provided, in order to allow an eventual speeding up of the time table, or a broadening of the tasks of the Community.

31. The Community would be progressively endowed with financial autonomy.

32. The various steps would be taken in co-ordinated stages, as regards both the type of integration (foreign policy, defence, etc.) and the re-inforcement of the institutions. The passage from one step to the next would be subject, at the beginning, to a unanimous vote in the Council: successively to a majority vote, and finally it would become automatic, except in the case of an extension by unanimous vote, as is the case today with the E.E.C.

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P O L I T I C A L   U N I O N

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E U R O P E

Summary of Discussions at an Anglo-Italian weekend meeting held jointly by the Istituto Affari Internazionali and the Federal Trust, 12-14 September 1969, at St. George's House, Windsor.

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## Current Background

### 1. Importance of Political Union

a. Does it facilitate enlargement? Vis-a-vis British opinion it is very difficult to know whether greater emphasis on political commitment would increase opposition to EEC entry or make the economic burden of such entry more palatable by placing it in a wider context. Vis-a-vis continental opinion, political union might be considered a way of calming suspicion of British motives by emphasising the extent of her commitment. Vis-a-vis the real problems of cost on the British balance of payments, political union might facilitate concessions by the Six by opening attractive prospects in defence for the Germans and in a nuclear pact or better political balance for the French.

b. Does it facilitate progress with EEC? The spillover theory that economic integration leads initially to political union no longer appeared valid. On the other hand the weak domestic situation in both France and Italy could provoke a new political interest in Europe as an escape from internal problems. EEC probably needed a political impetus to restore its dynamic.

c. Is it the best way to interest public opinion in Europe? Popular interest in economic integration often seemed small or local. It did not generally compare with the interest shown towards the big issues of East/West relations or the future of the Middle East and somehow remained unconnected with big international issues in the minds of most people. De Gaulle's opposition had made integration a live issue in Italy at least by reaction but this was no longer the case now he was gone. Only a big issue therefore could reawaken interest.

d. Does "political union" in fact reflect general political interest? But was the big issue necessarily political union and a still greater degree of European commitment? French public opinion had remained remarkably European throughout De Gaulle's reign but this was despite the failure of the Fouchet Plan and due more to the general arguments used than to any attempt to force the issue on federalism or political commitment. The European arguments had been put very skilfully in France and owed much to their ambivalence. British public opinion was traditionally sceptical of big ideas and was likely to react against them if they were forced on it too violently: nor were British opinion makers particularly well educated in "thinking European" and thus in persuading their voters in a genuine European sense. The force of the arguments



would swell with time and experience within the EEC. The biggest arguments were political in the general sense but also the least specific e.g. what a dull and unambitious society we shall inhabit in Europe if we do not unite. They were not necessarily arguments for a dramatic step to a specifically defence and foreign affairs "political union" but more general ones for greater W. European integration of whatever sort.

## Common Foreign Policy

(paper by R. Perissich)

### Aims

2. The purpose and advantage of evolving a common foreign policy had to be clearly portrayed in general terms if there were to be any political will to go ahead with it, and more specific requirements stated if a programme leading to actual decisions were to be worked out and put into effect.

The first general point that could be made was that Europe and its constituent countries had an ever declining role in the world, a trend which only unity between them was likely to reverse. At the very least it appeared in their interests to define a common attitude towards each of the superpowers, of greater independence vis-a-vis the USA and security vis-a-vis the USSR. More specifically, this implied a number of steps to reduce economic dependence on the USA, such as the development of a European monetary policy, the joint control of US investment and the activities of American-based transnational companies, together with the development in common of capabilities in advanced technology. For the latter, the ultra-centrifuge uranium enrichment project between Britain, the Netherlands and Germany was a most important step, though it only brought together three of the prospective partners. Joint aircraft production was also a key area but again was at present on an *ad hoc* basis with one or other set of countries co-operating on individual projects without any overall co-ordination. In space, British withdrawal from ELDO put ESRO in jeopardy and threw Germany and France together in a new *ad hoc* project.

3. A more efficient European defence capability provided an increase in security now and some degree of safeguard in the event of U.S. troop withdrawals. Specific tasks were joint logistics, joint use of existing forces, e.g. hunter-killer submarines, and, of course, joint procurement.

4. Relations with other parts of the world, e.g. the Middle East, could also involve major European interests which were not satisfactorily defended in the present disunited state of Europe. For most purposes, however, such relationships were either a matter of economic and trade policy or fairly unimportant "gesture" politics.

#### Demarcation of Policy Areas

5. This raised the problem of distinguishing between competences of the existing Economic Community and any proposed political institution more or less separate from it. Some maintained that foreign policy was indivisible and could only be taken over at the European level in one step by the creation of an effective authority with federal powers, which would then be qualitatively different from, and greater than, the sum of the separate parts of national foreign policies. Others saw foreign policy as the sum of all other policies, requiring as much co-ordination between them as possible, but capable of co-existing under separate institutions and at different stages of integration, at least for a transitional period.

6. If this were so, then the Economic Community should be expected to preserve and develop, as its field of responsibility, the fields of tariffs and trade policy, money, technology, foreign investment, and aid. The remaining areas covered principally defence diplomacy, military defence, and arms procurement. Defence, however, was a subject very near to national sovereignty and not one which aroused great interest among democratic countries. It was more difficult to see a process of integration by stages in this field, unless there was at least a great deal more commitment to the aim of full integration as the end-product.

#### Consensus on Political Union

7. There was disagreement as to whether any major consensus existed at the present time for progress towards a common foreign policy.

For some this just did not exist. It did not exist in its own right since it could be held to be a step which would help precipitate U.S. withdrawal which the Germans in particular would try to prevent. Nor did it possess any basis, since agreement on some major aspects of foreign policy, for example, attitudes towards U.S. investment, was totally lacking.

8. For others there was a large measure of agreement on foreign policy with few discernible differences between W.E.U. member states. The Germans were if anything happier at the prospect of some European political integration than at the N.A.T.O. caucus idea, partly because they anticipated U.S. withdrawal in any case and partly because they no longer saw any conflict between trying to prepare European union and persuading the Americans to stay.

## Means of Setting Up Political Union

9. The differences between countries were, if anything, concerned with the means of setting up a political union. There was in any case a clear distinction between actually putting a common foreign policy into effect and preparing the conditions for it to be introduced. For the moment it was only a question of this latter, initial stage. There was enough consensus on the value of a common position for steps in this preparatory sense to be feasible now given a modicum of political imagination. It had not been foreseen that the E.E.C. would lead to the Kennedy Round, but the existence of the Common Market had made the wider tariff cuts possible and people were delighted when they saw that the structures they had created could produce this result. Similarly, it would not be clear exactly what results could be achieved in common foreign policy unless and until an initial phase had been undergone in which a serious attempt in terms of joint discussions of proposals for common action in specific areas had been rigorously pursued.

10. The first modest step suggested was for the existing E.E.C. Commission, or a Commission type body, to be given the task of formulating proposals for discussion by the governments. It was only through the existence of some such institutional dialogue that one could discover if a sufficient degree of consensus existed in enough fields for common action to commence. Consensus and institutions were both necessary.

11. If an initial stage of this sort showed the existence of sufficient consensus, existing national policies could be co-ordinated along common lines in the areas where there was agreement. Beyond this, a second stage would involve actual decisions on common policy by the Council and the European Parliament acting on proposals from the Commission or Commission type body. The Commission could then take over a representative role in certain international organisations and perhaps elsewhere. The diplomatic corps could be progressively integrated: a modest step in this direction would be to stimulate collegiate discussion and joint action in foreign capitals by the staff of the embassies of member states there.

12. There was some discussion as to whether it was wise to include details of subsequent stages in the integration process from the outset. The experience of the Fouchet Plan negotiations showed that some commitment to revision after an initial stage was necessary. Equally it was impossible to legislate in advance. So the prospect of subsequent stages was necessary, and acceptance of revision at some early point in time essential; but the details of further stages could not be mandatory from the outset.

## Defence

13. Political union, it was averred, is principally concerned with defence. To stress the need for political union was therefore to indicate the importance of defence co-operation.

14. The stimulus of steps towards greater co-operation in defence for progress with integration in general was again forcefully stated. It was also strongly objected to on two major grounds: -

(i) Mass support for defence considerations was weak across Western Europe, so defence co-operation would not promote much increase in popular interest in integration. It might well help integration in a technical sense, through a sense of greater joint commitment felt by governments, administrations and the military/industrial complex. It could in particular give a much needed sense of purpose to the military, who would thereby become still stauncher supporters of integration than they were already - and military staff co-operation and integration had reached a very high level as a result of twenty years of N.A.T.O., an asset which should not lightly be discarded.

(ii) Integration had to show clear advantages to those who were to take part in it. The advantages were clearly understood in the fields of agriculture for some countries and technology for most. Defence, on the other hand, might even be counter-productive. The existence of arms, it was said, increases the chances of war and does not diminish them. West European security was assured on the one hand by the Americans, with or without a European contribution, since the U.S.A. could not afford to lose Western Europe; and on the other by the fact that any Russian attempt to invade and subdue Western Europe would create more problems for the U.S.S.R. than it would solve. At the same time, European defence integration would not alter the internal balance of power in Eastern Europe. The defence of West Berlin was assured by the U.S.A. and, if it were the only justification for West European defence co-operation, it was a heavy price to pay and probably not worth it.

## Cost-Savings

15. In favour of European defence integration it was argued that considerable cost-saving could result. Any saving in costs would be most popular with electorates and a clear advantage for integration. Examples of cost-saving were joint procurement, integrated logistics which remained almost completely divided along national lines, and rationalisation of existing forces, e.g. both Belgium and Holland still maintained separate and expensive naval establishments. There were varying estimates of cost-savings in

all these areas, varying from very little to quite a lot. However, the need to keep up existing force levels at a time of escalating costs probably meant that such savings as were achieved would serve principally to prevent increases in defence appropriations rather than actually to bring about cuts. The suggestion was voiced that in these circumstances a thorough study on possible savings should be undertaken and widely publicised.

16. The cost of developing a European nuclear defence capability based on existing equipment was said to be relatively low - about \$5,000 million, which would be equivalent to 12% of the W.E.U. member countries annual defence expenditure over a five-year period. A further second strike capability to counter A.B.M.'s had been estimated at \$12,000 million. It was therefore said that the cost argument against a European deterrent was invalid. Cost could not only be calculated in money terms of course and the debate between those who thought defence expenditure had a useful spillover into high technology and those who thought it an expensive and roundabout alternative to direct investment in peaceful forms of research and development was given a brief airing.

#### Differences on Strategy

17. The real case for or against defence integration was however strategic and political. The arguments in favour were, of course, to preserve greater autonomy, viz. through a form of security over which Europe had greater control, for example in the event of U.S. troop withdrawals, though not to endorse complete independence since security was not considered possible - by those who attached any importance to military defence - outside an American alliance in the foreseeable future. Influence over the political future of Greece, Spain and Portugal might be greater coming from a European grouping with its own conventional forces.

18. Behind this general statement of purpose there were, however, many difficulties. There was the not altogether unimportant question of membership with its effects on the area and the values to be defended. Which Scandinavian countries could be expected to take part? Should the Turks be included or not? (It was suggested not). Should membership be the same as for the economic Communities? What standards of democracy should apply? (It seemed clear, though was not explicitly discussed, that the Greek colonels and the Spanish and Portuguese regimes would not be included). French membership was essential.

19. There was the further problem of strategy. The greater weight of Germany in a purely European grouping, even if linked in alliance with the U.S.A., put a premium on a forward strategy. If this involved European nuclear weapons, it required a willingness amongst other member countries, which quite clearly did not exist, to risk devastation of their own territories at an early stage for the sake of parts of Germany. If it did not involve European

European nuclear weapons, it nonetheless probably required a return to a trip-wire strategy with consequent attempts to persuade the U.S.A. to back this up. The divergent strategic interests of member countries could raise more dissensions amongst them than unity if attempts were made to force the pace.

20. In the same vein, it was suggested that too much strategic importance had been attached to the central front, though the flanks were equally important. A more flexible approach might allot a predominantly naval role concentrating on the flanks to Britain and army predominance to Germany in the centre. But acceptance of this degree of specialisation implied a far higher degree of mutual trust than existed at present.

21. Coupled to these general problems was the link between military procurement and national industrial interests. These often reinforced the reluctance to resolve the other major difficulties and were themselves made stronger by the general weakness of national administrations in controlling their industrial lobbies. There was, however, much more determination to face up to difficulties of this order.

22. It was generally felt that the time was not ripe for an initiative to set up a full-scale European Defence Community. But many other initiatives within the general context of defence were urgent and feasible. This implied a more piecemeal (or functional) approach but could prepare the ground for an overall approach if circumstances provided the occasion.

The steps proposed covered procurement, logistics, the more rational use of military capabilities and attempts to elaborate joint strategy.

23. It was not clear whether agreement on strategy was considered essential for progress in the other fields, some taking the view that arms could not be developed jointly outside the context of a common strategy, others stating their opinion that armies could perfectly well be equipped and function without a coherent strategy, though morale would benefit from having one. A definable European view on strategy was, however, an undoubted advantage in trying to influence U.S. policy: and with the Strategic Arms Limitations Talks (S.A.L.T.) imminent, this seemed more vital than ever. The N.A.T.O. caucus and nuclear planning group had made some headway. However, the French were not present and for those whose thoughts were turning to a Franco-British deterrent force, their presence was necessary. If the Germans too were equally prepared to accept a European grouping formally separate from N.A.T.O., a strategic planning committee could be proposed as part of it. It would, of course, liaise intimately with national governments and might even start as a small co-ordinating staff, farming out particular studies to ad hoc groups of national administrations.

## Procurement and Logistics

24. The existence of a common European viewpoint on strategy would help progress in other fields in at least two ways:

(i) it would provide evidence of a consistent European commitment which could stimulate military staffs and national administrations to attach more importance to co-operation;

(ii) it would provide points of reference in cases of disagreement (whether hypocritical or not) over specifications and use of resources.

25. However, even in the absence of such a common viewpoint, joint procurement was possible and increasingly urgent in view of the long lead-time between initiating new arms development programmes and actual delivery. M.R.C.A. was evidence of that. But M.R.C.A. filled a vacuum which was not otherwise met by the respective national industries of the partners involved. Where national suppliers existed, all the well-known obstacles which had prevented effective joint procurement from succeeding for almost fifteen years came once again to the fore. Ad hoc methods had been shown to be inadequate. Apart from the inbuilt protectionism of strong national traditions in defence, the replacement cycles rarely coincided. There was agreement that only a strong European Arms Procurement Agency could overcome such obstacles. It would require its own budget which was reasonably independent from national exchequers but subject to Parliamentary control at the European level - the almost total lack of outside control over N.A.T.O. infrastructure expenditure was not an example to be followed. The Agency (or whichever European body was invested with this role) needed to be able to work out future arms requirements, to standardise specifications, and to act as clearing house for orders, methods of ordering and quality control. Inevitably this implied a close link with industrial policy in the economic Community.

26. If procurement was considered to be the first priority for greater co-ordination, logistics was the second. This could be undertaken by the same body as procurement or by a different one, depending on the overall institutional arrangements adopted.

## A European Nuclear Force

27. This subject was not discussed specifically, though the problems with respect to existing Treaty undertakings and Germany in particular were evoked. A long-term situation in which the Federal Republic had anything less than an equal role with the others was rejected. If no joint programme of nuclear arms development were to be launched in the near future, it was suggested that the options at least be kept open for future generations to decide. This implied joint development of the civil uses of relevant technology, e.g. launchers, nuclear propulsion and enrichment.

## Political Union and the Economic Communities

### Relative Purity of Political Union

28. What was the relative purity to be given to political union as against economic and social integration? The arguments suggesting that political union has the greater priority were those concerning Europe's contribution to, and influence in, the rest of the world and the creation of a European voice and sense of identity.

29. It was nonetheless the case that the risk factor was high in giving priority to political union. The Six had tried twice and had failed both times. The machinery for political union already existed and the fact that it was not used showed a lack of will to proceed. If European governments decided half-heartedly to go ahead, the results could be timid and dull and therefore counter-productive. If efforts were more ambitious they might lead to an exposed position far ahead of public opinion.

30. If priority was therefore given to economic and social integration, this did not rule out parallel attempts to move towards political union. These would at the very least represent a commitment to a more complete form of integration at a later date. Some such degree of commitment might have beneficial results in providing a new stimulus to the (for the moment more important) integration in other fields.

31. Although some greater degree of political consensus appeared necessary if further steps towards economic integration were to go ahead, it seemed unlikely that (apart from this general need for consensus) pressures for greater political union would develop from the process of economic integration. This was because economic and social integration such as it existed and was likely to develop had a high degree of autonomy. If the younger generations, and even their elders, were to attach most importance to the quality of life within Europe, then they were less likely to be enthusiastic about political union as at present understood. Only the situation outside Western Europe might be expected to create popular pressures in favour of European political union and it was difficult to foresee crises which might have this effect. U.S. force reductions would affect governments' opinions much more than the electorate at large.

32. However the E.E.C. has been started largely by governments at a time when there was little or no public support, and it was not impossible that governments themselves might see advantages in greater political union. The British might see political union as a means of facilitating their entry to the economic and social integration process, the French as a means of containing the growing power of Germany. All might see the value of co-



ordinating overall policy lines towards the U.S.A. and the U.S.S.R. as well as controlling the activities of any functional agencies, e.g. arms procurement, that might have been set up.

#### A Separate Institution

33. Obviously steps towards political union would only be taken when governments agreed to take them. There was some considerable prospect of some move in this direction in the near future, quite likely in the context of enlargement, if only as a gesture of intent for future commitment. What form could and should this take, and what relationship would it have to the economic Communities?

34. There was a large measure of agreement on the need to keep some separation between the structures for political union and those of the existing economic Communities, though this separation would only be for an initial period leading to merger between the two at a later stage. However, not all the structures need be separate. The European Parliament could certainly serve both sectors. The Council of Ministers too, with only the Executive separate.

35. The arguments for a separate executive for any serious effort to develop political union were:

- i. the present Commission has more than enough to do already;
- ii. the E.E.C. Commission has lost much dynamism, which in part may simply be the consequence of an irreversible bureaucratisation;
- iii. a new name and new faces would provide much needed dramatisation;
- iv. the problem of membership remained obscure: would it be identical with the economic Communities from the outset? Different relationships of member countries with N.A.T.O. could not be ignored;
- v. the continued progress of the economic Communities would be to some extent insulated from anything short of major reverses in the process of integration in political union.

36. A further argument for separation arose from uncertainty over the measure of integration in common institutions which it was right or possible to expect at the outset. Some participants pointed to the relative failure of intergovernmental arrangements in the past and drew the lesson that only a structure which was at least as "integrated" as that of the E.E.C. could be expected to make any change in the status quo. This implied the existence

of a Commission-type executive at the very least. If there was not enough agreement for it to be possible to set up institutions of this sort and to provide them with a minimum programme and timetable, there was little use in even starting.

37. Linked to this point of view, though logically in conflict with it, was the anxiety that the more integrated forms of decision-making practised in the economic Communities would fall victim to inter-governmental methods if these were to prosper in the parallel political union context.

38. Other participants considered that a lower level of integration might be suitable at the outset for institutions concerned with political union. The executive (and quite conceivably the council too) would then clearly have to be separate from the existing Commission of the economic Communities.

39. The alternatives for the starting point were set out as follows:

- a) a full European Political Community, embracing defence, with a Commission-type executive (viz. collegiate principle, simple majority voting in the Commission, powers of proposal to the Council, accountability before the European Parliament) responsible for general policy and the activities of functional agencies.
- b) a modified Fouchet plan type inter-governmental organisation, with an independent secretariat whose role would comprise administration, co-ordination and the right to propose policy papers;
- c) a number of separate ad hoc functional bodies, e.g. arms procurement agency, a joint strategic planning staff.

The distinctions implied in a), b) and c) remained imprecise and required more detailed elaboration. Nonetheless, it was possible to draw rough contrasts.

40. The Fouchet Plan approach drew support on several grounds:

- a) Formal machinery for decision-taking, as in the E.E.C., was quite probably not applicable to broad issues of foreign policy and defence: it might even be unsuitable to specific problems of procurement and logistics on which open debate might be untimely and dangerous. A gradual transfer of responsibilities from the national to the European level was probably unsuited to the policy areas concerned, and a major shift in powers was unlikely at the start. It was therefore a question of preparing the way for such a major shift through much improved, systematic, co-ordination.

- b) The process of bringing the French back into defence co-operation and greater European integration would be assisted if the framework proposed was approximately the same as they themselves had originally suggested. Concessions by them on the important details of an independent secretariat and a date for revision of the Treaty could be presented by the French government to its gaullist supporters as of minor importance by comparison with the successful adoption of a plan which was French in origin.
- c) The original proposals had foundered largely on the issue of British membership. With British participation and modifications to provide for revision and an independent secretariat, the plan appeared to be capable of rapid implementation.

41. However, the problem of co-ordination with the economic Communities required consideration in order to avoid conflict on policy and administration. A provisional system providing for close consultation, perhaps including the presence of the President or a Vice-President of the E.E.C. Commission at the discussions of the political union council, would be needed. Clear demarcation of policy responsibilities would be required. The terminology which called defence and some aspects of foreign policy "political", while other aspects such as foreign trade policy, international monetary organisation and many everyday issues affecting the standard of living were considered as "economic", was confusing. With the exception of the industrial incidence of military procurement, a reasonably clear demarcation was nonetheless possible (see above para. 6) and should be clearly set out in any Treaty in order not to undermine the effectiveness of the economic Communities.

#### Future Strategy for Enlargement and Political Union

42. It was not clear at which stage proposals for steps to political union might arise, but it was quite possible that they would be put on the agenda in the period of negotiations for enlargement of the economic Communities. If so, Britain should be ready to take part since disinterest might backfire against enlargement negotiations, whereas constructive participation might help the success of the difficult economic negotiations.

43. It was recalled that the British government position on political union had been favourable, given British participation, ever since Heath's initial statement in the 1961-63 negotiations. More recently, George Brown had reiterated British willingness to take part at the Hague in 1967 and Stewart had initiated consultation in W.E.U.

44. However, some participants favoured delay, with discussion now emphasising

procedures and method. The principal reason for this was a feeling that immediate initiatives would be at such a low level of integration that they would be virtually worthless. The present climate was one in which the others - the Five alone or with Britain - might concede more to the French than at other times in order to confirm their acceptance of enlargement. A better stance than one that was ready to accept any proposals for political union at any time, might be one that was ready to accept initiatives concerning the procedures for its preparation. In this way Britain could be actively involved in discussion on the shape and form of political union in parallel with negotiations for enlargement. If it was seen to be useful for the success of the negotiations on enlargement, some dramatic move could then be made from a stronger starting point, viz. from within the preparatory talks. If not, then there would be sufficient for the British electorate to be shown that the political aspect of joining the Community was being tackled while avoiding any too specific a commitment which might arouse further domestic opposition. More serious progress on political union could then be left until after formal enlargement of the economic Communities when it would fit in more logically.

45. However, the usefulness of political union as an instrument to bring the British electorate to accept enlargement should not be overestimated. Whatever the strength of the political case, there would be unrelenting and increasing pressure for a detailed economic assessment of enlargement on its merits. If this was not too unsatisfactory, use might be made of political union. Its chief attractiveness would be to re-establish a sense of priorities and make possible suitable concessions for enlargement of the economic Communities to succeed.

#### Procedures and Methods

46. There was a general feeling that simple intergovernmental talks would lead to failure and that the very least for success would need to be a modified Fouchet Plan with its independent secretariat (see above). One reason for this analysis was that the sort of concert of European leaders which had existed in the early fifties was not likely to re-occur, and even if it did, the complexity of the problems to be faced was far greater than at that time.

47. Another approach, which found considerable support, was for a small high-level specialist committee ("wise-men"): in this case it was thought advisable to include one British member amongst them. An important refinement was the idea that its work would be linked with that of the European Parliament. An alternative was to entrust the whole task of drawing up proposals to the European Parliament.

48. The advantages given for entrusting the European Parliament either in part or wholly with the preparation of such proposals, was the fact that it existed, was a growing political force (with increasing recognition of its role and even a few minor powers foreseen for the future) and had a competent secretariat. Furthermore, it introduced a democratic element, which the prospect and eventual application of direct elections would enhance. It would also have a vested interest in developing political cooperation. Governments might well dislike it being assigned a role in drawing up proposals for political union precisely for these reasons. But a different reaction could be expected from public opinion, which if it understood anything of what was happening (and it would probably not be aware of much) would probably find it scandalous that the Parliament was not associated in some way.

49. The timing of any procedure involving the European Parliament raised the problem of the absence of parliamentarians from candidate countries prior to enlargement. One way to resolve this would be to create an ad hoc assembly with its own joint committees (cf. the talks on technology between British M.P.s and experts with the European Parliament's Committee on science and technology). Another would be to wait for enlargement. It was thought preferable to associate the Parliament directly and wholly from the start, but if the "wise men" committee approach was adopted, or any other, then the Parliament should nonetheless pronounce on the final proposals.

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