Season 3, Episode 8: “Our Relationship with the Common Market”

Description: ER and her guests discuss the Common Market and Europe.

Participants: ER, George Ball, Robert Marjolin, Kenneth Younger, Albert Kervyn, Edwin Dale

Unknown speaker: Dix, neuf, huit, sept, six, cinq--

[Title Sequence:] [Text overlaid motion picture images of Paris] National Educational Television/ Mrs. Eleanor Roosevelt/ Prospects of Mankind

[As announcer speaks, film rotates through images related to the announcer’s comments]

[Unknown announcer:] Recorded in Paris on February 16, 1962, National Educational Television presents the WGBH-TV production, Mrs. Eleanor Roosevelt Prospects of Mankind, produced in cooperation with Brandeis University. “Europe: Rival or Partner?” is the question emerging at the forefront of American policy discussion. The debate centers around the accelerated economic growth of the six Common Market nations. We applaud their increasing integration but fear their possible tariff wall and trade discrimination. To counteract it, President Kennedy has proposed to Congress a revolutionary revision in our trade policy. What is Europe’s reaction to the American proposal and its own plans for increased integration? Mrs. Roosevelt journeyed to Paris in mid-February to discuss these questions with some who are seeking the answer. In Washington, some weeks later, she sought the views of Under-Secretary of State George Ball, a principal architect of U.S. trade policy.

Now in Paris, here is Mrs. Roosevelt with her guests: Robert Marjolin, a Frenchman who has the key position of vice president of the Commission of the European Economic Community, known as the Common Market. Trained as an economist, he has made important contributions to the planning and development of France and Europe. He has been a frequent visitor to the United States.

Kenneth Younger is director general of Chatham House, The Royal Institute of International Affairs, London. He was minister of state for foreign affairs during the Labour government and was a member of the House of Commons from 1945 to 1959.

Albert Kervyn, as the director of Belgium’s National Planning Office, is responsible for coordinating his country’s economic policies with the Common Market. In 1954-55, he was a visiting professor of Economics at MIT.

Edwin Dale, European economic correspondent for the New York Times, has been interpreting Common Market developments for his paper. On this occasion he will assist Mrs. Roosevelt in directing the discussion. Now here is Mrs. Roosevelt.

[ER:] I am very glad to welcome all of you here and very glad to be with you. And my first question, I think, Monsieur Marjolin, will go to you. In America, we have been interested in the possibility that Britain may join the Common Market. How do you see the prospects in the near future?

[Robert Marjolin:] Of course, Mrs. Roosevelt, it is rather difficult to suggest now because the negotiations are just getting under way. Nevertheless, I feel reasonably confident that we shall succeed. I feel confident because I sense a great amount of goodwill on both sides, and also because it is tremendously
important that England becomes part of the European construction. This is the reason why I feel that uh we shall move through the addition of England to a strengthening of Europe and a greater unity on the Continent.

[ER:] I see. Well, that’s a hopeful. What about you, Mr. Younger.

[Kenneth Younger:] I think one has to face the fact that there’s still a good deal of confusion in Britain about this, but since the Government decided to apply, I think opinion has been swinging towards the feeling that these negotiations will succeed if only because they must because the consequences of failure would really be very bad for all. But this will depend to some extent, I think, on how sympathetic a reception uh the Europeans give to one or two of Britain’s requests. We don’t, I suppose, expect to get everything we ask for, but it has to be remembered that there are a lot of, for instance, of Commonwealth countries whose economies have depended on their particular arrangements with Britain which now are going to be changed in some way. And some kind of a sympathetic response to this very real need, I think, is required if British opinion is to be solid on the matter.

[Albert Kervyn:] Yes, well, I think I may add one word on European response, at least in smaller countries. Uh in my country, in the Benelux countries certainly, generally I think public opinion, by and large, is pretty solidly in favor of British entry, and not only on purely economic grounds. After all the free trade area is better the larger it is for obvious reasons, but even for some political reasons, it is felt very commonly that a purely French-German dialogue in terms of political leadership on the continent uh may cause difficulties in the long run, and some kind of a broadening of the political basis would be in the interest of all concerned.

[Edwin Dale:] As somebody who has no uh direct stake in this, I’d like to add a word that is certainly not meant to be pessimistic, but merely to bring home the fact that this negotiation, as Mr.--Monsieur Marjolin said, is only beginning and there’s a rocky and long road still to travel, and to describe what I think is the key issue here. If Britain came into the Common Market and dragged the whole Commonwealth with her there would be no more Common Market--it would change its entire nature and character. And so that the six keep talking about retaining the integrity of their community. From Britain’s point of view, on the other hand, if she came in and adopted all the rules of the Common Market without any change, without any special exceptions, some Commonwealth countries, as Mr. Younger has said, might suffer rather seriously. Well, to state that problem does not solve it; I just want to make plain that it exists.

[ER:] Well, that’s a necessity. We have to look at these problems. But there is one thing that I wonder, Mr. Dale, if you couldn’t summarize, because I think many people in the United States think of the Common Market in terms just of the words with very little understanding of what it means.

[Edwin Dale:] I think that’s probably right. I’m sure that the Common Market has just rather suddenly burst into the American consciousness, as the president has been talking about it and so on. Well, I would summarize it this way: first, that though we will think of it in America as a primarily economic thing, we should really remember that it’s basic purpose is political. It’s to stop European wars; it’s to bring these eternally squabbling, as we’ve often seen them, nations, particularly France and Germany, together under one roof and in permanent friendship. But it attempts to do this primarily and originally through an economic instrument, which is the classic customs union in which they free trade among themselves and erect a common, average tariff against the outside world, which of course is what has prompted the American response. But in addition to the customs union, the architects of the Common Market felt that in the modern world it was necessary to go much farther and to create at least some elements of a true economic union, in such fields as anti-trust law, transport rules, perhaps energy, perhaps harmonization of their various tax systems, a common trade policy toward the outside world, and
above all including agriculture as well as industry. Uh, and, in addition, it includes a certain element of what we could call supranationality, in two respects: one, Monsieur Marjolin’s commission has certain powers, certainly great powers to initiate proposals although the governments still must accept them; and second, on certain questions, and increasingly as time goes on, there is the provision for majority voting—it’s a really a two-thirds majority, it’s not a straight majority, but there is some possibility of that. And finally it should be said, of course, that it’s been a great success. It’s worked well for Europe; it’s proceeded without anybody violating the rules in any serious way; Europe has prospered in part because of the Common Market, and it’s because of that, I’m sure Mr. Younger will agree, that Britain has taken [Kenneth Younger: Oh yes.] this enormously consequential step of joining, as Jean Monnet often says—Monsieur Monnet being one of the architects, one of the great architects of this-- that the British never react to a theory, only to a fact. In concluding on this note of success, I might mention that the last time I saw Mr. Marjolin before today was at four o’clock in the morning outside the Council Chamber in Brussels when the Common Market concluded in very dramatic circumstances by far its greatest success to date, and I wish he would describe the significance of that uh that moment last month when the agreement was reached on agriculture and the Common Market moved forward.

[Robert Marjolin:] Well, I think, Mr. Dale, one can’t always state, I mean, the importance of that move which was made at the beginning of this year, on the fourteenth of January exactly, toward the common agricultural policy. It means that agriculture becomes a joint European venture. Not only will European commodities in the future circulate freely within the six--within the Common Market area, but the national policies of the six governments are going to be unified. There will be one system of prices all over Europe. In addition, the six governments will take collective responsibility for the disposal of any surpluses which might emerge in the future, and for help, therefore, in that way, to underdeveloped countries. They take collective responsibility, too, for the modernization of European agriculture. And all the decisions which will be necessary will be increasingly taken by majority votes or by decisions of the Commission. Therefore, I don’t think I would exaggerate it if I stated that the decision we made a month ago is the first step toward the real European government. I should add, of course, I mean that the decision of agriculture has made it possible to move from the first stage to the second stage of the Common Market, which means that now we have reached the point of no return.

[ER:] That’s very interesting. Yes, Mr. Younger.

[Kenneth Younger:] Well, I was going to say that I think the importance of this event is recognized in Britain, not because the agreement you have reached on agriculture makes it any easier for us to get in, I don’t think it does, but because it’s a further sign that your organization is going to succeed in its objectives whether we come in or not. And as Monsieur Marjolin knows very well, one of the errors the British have made over a decade is always being over-skeptical about what the Europeans were going to manage to do. I entirely agree with what Mr. Dale said-- [Edwin Dale: Right. yes.] that the success of the six that has brought Britain in, and I think--there were people saying even three months ago: “Well, just wait; they’ll fail over agriculture.” The fact that there’s been an agreement makes it more certain that they will go ahead anyway. And I think it also emphasizes the eventual political implications because, like the Americans, we’ve tended to regard this European business primarily as economic, and have only gradually come round to recognize the importance of the political objectives.

[Albert Kervyn:] There’s one point on which I would like to disagree slightly with you. I’m not sure it made Britain’s entry more difficult. In many ways I think it makes it easier, because the British know now much more clearly what they are committing themselves to. As long as there was no agricultural policy in Europe, uh the thing was so fluid that it was very hard to appreciate exactly where one was going. Now there is a sense of direction and purpose and the negotiation really only now becomes possible whether Britain does or does not accept the general purpose and line and how to harmonize the agricultural policy, [Kenneth Younger: I think--] which couldn’t be done as long as there was no policy.
[Kenneth Younger:] I do appreciate that. On the other hand, there is a certain feeling in Britain that if the European six come to firm agreements with great difficulty among themselves and we immediately follow on with negotiating, they are very unlikely to be willing to change anything. They have reached their own agreement only after hours of discussion and the balance is a delicate one.

[Edwin Dale:] And they feel solid—they feel -- [Kenneth Younger: Yes.] a certain solidarity. What do you think of that, Monsieur Marjolin?

[Robert Marjolin:] Well, I would say I don’t think that the agreement on agriculture makes it more difficult for the British because, after all, I mean this agreement wasn’t arbitrary. It took fully into account the characteristics of European agriculture, and British agriculture, though it is protected by different means than the other European agricultures and it is facing more or less the same problems: the level of prices, the degree of efficiency, all that is comparable. Therefore, I would agree with Mister Kervyn that the fact that we are—the six have agreed on a common agricultural policy is a great step forward, not only toward the consolidation of the six but also possibly toward the enlargement of Europe.

[Edwin Dale:] Well, for better or for worse, I think it can be stated quite flatly that the British negotiations could not have even proceeded [Unknown speaker: Yes.] if they hadn’t reached an agreement among the six on agriculture.

[Kenneth Younger:] That may be so.

[Edwin Dale:] I’m also—I’m sure you would all agree with this—the thing that struck me after covering that affair for a month was that this is the first time any government—and in this case six governments—have taken action that will hurt somebody. I don’t mean that in general European farmers will be hurt, of course that’s not true, but if the program means what it’s supposed to mean, the inefficient farmers in Europe are going to have to improve or get out. Is this not uh is this not a fair statement?

[Robert Marjolin:] Yes, it is a fair statement, but I should add that we are going to help them to improve. [Edwin Dale: True.] I mean because it’s an essential part of our common agricultural policy to modernize the agricultural structures of Europe.

[Edwin Dale:] I should mention that in Germany, for example, half of the farms are less than twelve acres. To Americans that should mean something, and it is too small to be efficient, and this agreement is going to make them do something about it. Isn’t that right?

[Albert Kervyn:] Well, the average size of a farm in Belgium is sixteen acres [Edwin Dale: There.]--average size.

[Kenneth Younger:] I don’t think agriculture—home agriculture—is what really worries the British most.

[Albert Kervyn:] No.

[Kenneth Younger:] I think we feel that this will be settled.

[ER:] But I think that um the average farm in Europe has always been smaller, but I had a feeling that they were more efficient. Do you think that uh you will have to do a great deal to make them realize that this is a change, Mr. Marjolin? That they must come together to do it successfully?
Robert Marjolin: Well, Mrs. Roosevelt, the fortune—the luck of the Common Market if I may say so, I mean, is that it develops in a very favorable situation [Kenneth Younger: Good businesses.]. The modernization of European agriculture does not start now, it was started many years ago, and what the Common Market will do, it will speed up a movement which is already underway.

Albert Kervyn: I think the basic significance of this remains. This was one very high hurdle, I mean, in all European countries, as indeed in the states [Edwin Dale: Absolutely.], agriculture constitutes one very important political lobby, and it’s a highly conservative one, they’re always afraid of a change, and this has created great political difficulty. And the fact that this difficulty has been overcome means really a strengthening, a considerable political strengthening. One has gotten over this and now one can face the future with a great deal more confidence.

Robert Marjolin: If I just may add one thing to what Monsieur Kervyn says—said? I mean, it is quite true that farmers are conservative everywhere, but in France, at least, they were the first and foremost supporters of the Common Market when it started.

Edwin Dale: But they had a good interest in it too.

Robert Marjolin: Well, I don’t think it was only a matter of interest, but of conviction I mean that there was no future for agriculture, I mean, outside of a large market.

[Some crosstalk]

ER: Are young farmers different in their outlook from your older farmers?

Robert Marjolin: Well, I am not a farmer myself so, I mean, I’m not a good judge. I would say, yes, as everywhere, and uh more progressive and more ready to accept changes. Yes.

Edwin Dale: The remark of Monsieur Kervyn on this strengthening the solidarity in the political movement in Europe brings up, of course, something that’s going on right now, namely a move, sponsored originally by General [Charles] de Gaulle, to add a purely political treaty to go on top of the three economic treaties that link the six. Uh and this has aroused a good deal of dispute among those in Europe who favor closer integration and some supranationality and those who, like General de Gaulle, uh believe that the state will remain supreme and that the concept of a United States of Europe in our sense of the word is—is an illusion. How do these political proposals ring in Britain, Mr. Younger?

Kenneth Younger: Well, I think, of course—

Edwin Dale: I should mention and perhaps describe them first. Namely, a system of regular meetings of the heads of state in an effort to reach by unanimous agreement a common European foreign policy, perhaps defense policy, and perhaps in some other fields as well. (18:23)

Kenneth Younger: I think one thing I ought to say is that there’s a natural feeling in Britain that we’ve got enough difficulty in trying to accommodate ourselves to the Treaty of Rome without being asked to accommodate ourselves simultaneously to something in a different field. That’s not to say that we aren’t in favor of trying to get a more closely coordinated political policy in Europe, and of course it’s fairly well-known, I think, that the British tendency has—on this subject, to be rather near to General de Gaulle, not wishing to go too fast towards supranationality and being prepared to see a consortium of states. But I think, probably, our negotiators don’t want to have to tackle this one until they know they’ve pretty nearly got the other one settled. I think the British government is quite sincere in accepting now, at long last, the political implications of an economic uh unity, but they’ll be a little cautious about going
fast on the coordination of foreign policy because if we look at the facts, over the last three or four years it has appeared to be the case that Britain and the United States have very often taken one view while Paris and Bonn have taken another. And if we are asked to substitute an Anglo-American focus for our foreign policy for a European one, we have got to look and see whether we do, in fact, agree more with the European than with the American, and this has certainly not been so in the last four or five years.

[Unknown speaker:] Yeah.

[Edwin Dale:] How do you, as a good European, feel about this kind of initiative?

[Albert Kervyn:] Well, um I think among the European opinion, but I’m talking now when I say European, I mean the [Edwin Dale: Pro-Europe, yes.] pro-Europe, the group that is committed to the European idea, the proposal of General de Gaulle have come as--well, you know--cold water. But on second thoughts, people seem to come around more and more to the view that political integration is, after all, a goal of a very long run character and one must not over-expect any quick development on those lines. And, in fact, I’ve heard quite a number of times recently the view put forward that this has come in a very timely way, precisely to permit Britain’s entry, which if the focus had been more European integration would have become almost impossible. Now we’ll get a chance to develop institutions and consultations together, and over time I think the general view would be that this Europe made of national states will have to be overcome, but this will take time and it provides a very useful transitional stage in the construction of Europe.

[Edwin Dale:] Yes, well, that’s a very common reaction among the Europeans: the first reaction being, “I don’t like this,” and then the more they’ve looked at it, the more it seemed okay. Do you think in the Low Countries in particular, in Benelux, that people really want to give up national sovereignty someday?

[Albert Kervyn:] Well, the smaller the country the less significant is national sovereignty [Edwin Dale: Fair enough.]. To be quite frank, and a country of the size of mine, we aren’t giving up so very much in terms of foreign policy. And on the other hand, we’re terribly interested in effective coordination of economic policies because the smaller the area, the more dependent on foreign trade, on what happens abroad. I mean countries such as mine or the Netherlands are entirely dependent on what happens in the larger countries because of the impact through their foreign trade. And therefore, to us it is an absolutely vital national interest to have some word to say in the economic policy followed by the bigger countries. And we feel this can only be realized through some closer cooperation of economic policies. This, to us, is one of the basic meanings, and this, to us, is the real advantage but also the price that has to be paid for joining [Edwin Dale: Which is giving up some--] It is no longer, you see, just a free trade area. This, as you said earlier, is entirely inadequate in the present setting. And uh part of the entrance fee, as it were, must be, in our view, some acceptance of a coordination that goes a little beyond purely voluntary cooperation.

[Edwin Dale:] Why, sure. A merger in Britain will be triable by Monsieur Marjolin’s commission. Or at least certain agreements, which is not easy for Britain to accept.

[Kenneth Younger:] I think, you know, that even in a rather larger country like Britain there is less resistance to the concept of giving up sovereignty in the constitutional sense than there would have been five or ten years ago. I think what worries British people a little more is not the question of giving up sovereignty--we feel we are giving that up little by little to somebody all the time, whether it’s to NATO or to some other grouping--but I think what worries us is whether we really do share common policies with the group which we are now about to enter. [Unknown speaker: Quite. Yes.] One of the things that has worried us has always been a certain tendency to third force thinking, indeed even to anti-American
thinking, if I may put it like that, in Europe at certain stages. [Robert Marjolin: Yes, I would --] The feeling that joining Europe will split us from the United States.

[Robert Marjolin:] I would certainly, I mean, agree with you that there is no anti-American thinking, at all, in the Common Market. As a matter of fact, the biggest and the most efficient supporter of the Common Market has always been from the start the United States. But I would like to say this, I mean, that the Common Market is very little if it is not the basis of European political unification. I don’t mean by that that we should estrange ourselves from the United States at all. But I feel strongly, as a European, that the Europeans together should represent a weight in the world comparable to the other big uh states, which uh exist, I mean the United States and Soviet Russia. And I believe that though it may take time a coordination of our foreign and defense policies is of the very essence of the venture in which we are engaged. I mean [Edwin Dale: Even though --] I feel very strongly.

[Edwin Dale:] Even though you are all in NATO already?

[Robert Marjolin:] Even though we are in NATO, of course. Presently, we are in NATO, but NATO is made of one big state, an enormous state, the United States, and a set of little states, so that cooperation is difficult.

[ER:] And will this--will this mean, really, that you would have good deal less dependence, as far as NATO was concerned, on the United States?

[Robert Marjolin:] Well, I would hope that there would be still more cooperation on the United States, and as you say, Mrs. Roosevelt, a little less dependence.

[Kenneth Younger:] I think that what Monsieur Marjolin said a moment ago points out very well the difference between Britain and Europe at the moment. [Edwin Dale: Yes, yes.] I think we may be, if you like, lagging ten years behind the Europeans, but I could not have said, as you said, as a European, I feel that Europe must have its own separate weight and so on. British people certainly don’t yet feel that, and they-they tend to feel that their major policy decisions have always been made at least in an Atlantic setting, NATO is a good example, and that to make it in a purely European setting is something that doesn’t yet appeal. And if I may just give you an example, I’m sure you’re right in saying that there’s no real anti-American feeling in the Common Market. But only recently when General de Gaulle and Dr. [Konrad] Adenauer met and were talking about a possible future summit meeting, I noticed that the first report that came out reported Dr. Adenauer as saying to General de Gaulle that he must come in order to represent a European point of view against the Anglo-Saxons. Whether this was a correct report, I don’t know, but this was what appeared, and we still have this feeling, which we don’t share, you see, that France and Germany see themselves as something essentially different with a different interest. It comes out very clearly over defense and nuclear questions at the present time.

[Edwin Dale:] And it’s come out also in the uh differing reactions about how to handle Berlin, or at least how to handle negotiating about Berlin. [Kenneth Younger: Yes, yes, yes.] But that’s something, we--particularly with its connection with America that I hope we can get into later, but in the meanwhile, we ought to get straight on how big the Common Market is going to get. We’ve got Britain applying, uh we have Denmark applying for membership with good chances of getting in if Britain does and [ER: And Scandinavian countries,]--well, now that’s just it. Unfortunately, Mrs. Roosevelt, like all things in life it’s complex. [All laugh] It’s-- uh only Denmark and Ireland have applied for full outright membership in the Common Market. And in addition to that, Norway has said she will apply for either membership or what is called association, and then Norway--I mean, Sweden, Austria and Switzerland, and just recently Spain have applied for what is called association, which is a much looser form of connection with the Common Market in which a-a-an associate gets much of the economic benefits but doesn’t become a full member
of the club with all of the same obligations and responsibilities. It was the formula used already to link Greece with the Common Market. Well now, let me ask Monsieur Kervyn, as it were, as somebody not immediately involved in these delicate matters how you see it coming out. Do you think the neutrals, in particular, are going to find an accommodation with the Common Market?

[Albert Kervyn:] Yeah, this -- I would hope so, but it’s very hard to express a view on this [Edwin Dale: It’s delicate.]--well, this is a matter very much of internal politics in these countries and it’s quite clear that in a country like uh Switzerland or Sweden it will involve at least symbolically some giving up of uh traditional line of neutrality, perhaps not formally in terms of a treaty, but in the people’s attitude it does represent very much what it does in Britain, that is, a basic change [Edwin Dale: Change.] in the whole line and alignment of the country. I wouldn’t prepared to make any forecast on that, though it’s quite clear that for Switzerland and Austria, at least, that this will become a matter of vital interest. The larger the [Edwin Dale: Economic interest.] economic interest. Yes. The larger the Common Market becomes, the more imperative it is to join [Edwin Dale: Exactly.], because it represents the entry to a larger and larger market, or exclusion from a larger and larger market.

[Kenneth Younger:] Isn’t there something--

[ER:] It would seem to me that Switzerland has sort of kept like a little island all by itself. Is it willing to come in now?

[Albert Kervyn:] Well --

[Edwin Dale:] This is the key question. You see-- [Albert Kervyn: The psychological answer--] well, I didn’t mention that there was a fairly strong current of opinion within the six, that these are advanced industrial countries and that if they want to get the benefits of the Common Market they must come in as full members. They say, “No because there our neutrality is compromised.” And some people within the six would say: “Well, I’m very sorry then, and you can’t come in.” I don’t know whether Monsieur Marjolin wants to comment on this exceptionally difficult and delicate question, but I’d love to hear any thoughts he has on it.

[Robert Marjolin:] Well, nobody can help being sympathetic to the European nations uh which were a member of OEEC, the Organization for European Economic Cooperation, and which are now outside the Common Market, and which for reasons of their own or for reasons which sometimes are not of their own, cannot or don’t want to come into the Common Market.

[Edwin Dale:] As full members.

[Robert Marjolin:] As full members. But I would say that we must be careful of one thing. The larger the Common Market becomes, and by the size of the Common Market I mean not only the members of the Common Market but the countries which are associated with the Common Market. Suppose, I mean, that the whole of Europe become associated with the Common Market. Well, the position of the rest of the world, of some countries in the rest of the world will become so much more difficult. So I mean without excluding anything, I mean we are beginning to-- I think there will be probably conversations in the near future about the association of the neutrals and other countries, we feel in the Commission that the main answer to the problems of third countries is in a liberal commercial policy. We feel that if we-- well, we’ll come to that point probably later--if we jointly, I mean, cut down our ties. The amount of discrimination which will remain would be small, no country will be hurt, and it will be possible for everybody to cooperate together. I mean that would be the main point on which I would put the emphasis.
Well, that leads me to the conclusion that uh President Kennedy’s trade bill begins to look like the answer to the problem of the neutrals as well as uh perhaps our own problems, if I’m following your thinking correctly. That Sweden could exist if the common tariff around the Common Market is not too high. And I think we would all agree, wouldn’t we, that the tariff is perhaps over-rated in this world anyway.

Kenneth Younger: I think I would very much agree with that. There’s just one more little fundamental point, I think, about the neutrals, and simply their neutralist traditions. They’re all in different positions. Switzerland, it may be, could give up her neutrality quite all right, but the Austrians couldn’t. I personally think that the Swedes would find it very difficult because I think if the Swedes were to come into NATO there would be repercussions in Finland at once, which would be not at all advantageous to the general strength of the West. I would even bring Yugoslavia into this, which is a non-aligned country with a lot of trade with the six, and I don’t believe that if you’re looking at the overall strengthening of the West, you’re going to strengthen it by discriminating against a number of countries who for varying reasons are not likely to come fully into the political unit. And I think— I know that Americans, particularly, are interested in this as an aspect of strengthening the West. I really think that very great consideration has got to be given to the economic interests of countries who can’t come in fully.

Edwin Dale: Well, I think to be fair about this, I should say that our policy has been quite clear. We tend to— that is, our government, not very openly, tends to support the view of those within the six who feel that countries who are going to get the economic benefits of the Common Market must come in as full members. And we would tend, I also believe, to support Mister—Monsieur Marjolin’s idea that the way out for the neutrals is simply a little bit of tariff lowering. But this is going to pose a problem for Britain, as you know, they are all tied with Britain in the outer seven, which still does exist, but nobody hears about it anymore.

Kenneth Younger: We have a certain moral obligation to them, but I think that is— I don’t want to underplay the moral obligation—but I think that it is the longer term aspect of what is really going to happen to the unity of Europe. Is one really uniting Europe, if one in fact sets the barrier in Western Europe at a different point from where it is now? You’re not really uniting them all, you’re just altering the boundary line.

Edwin Dale: There’s a dispute about that because the— you’re not going to get any united Europe, in the view of the strong European, unless you take into your club only those who share your purposes. Kenneth Younger: Yes. I hope that’s an accurate description. {Kenneth Younger: Yeah.}

Kenneth Younger: This is quite right, and this has been, I think, the essential difference between Britain and the six. Whether it’s going to be in the future is another matter. I mean, I personally feel we’re being dragged along by the success of the six and we’ve probably got to come round to their point of view. But that there is a difference of point of view still is certainly a fact.

Robert Marjolin: You see, it is connected with our previous discussion about the political content of the European idea, [Edwin Dale: Exactly. Yes.] and, of course, if Europe were a purely economic construction, there would be no reason to draw a line here or there. But if Europe is going to be something political, I mean, with a common, at one point, I don’t mean immediately, but at one point, a common foreign policy, [Unknown speaker: Right.] and even a common defense policy in close association with the United States. Then, I mean, there is a problem. [Unknown speaker: Right.]

Edwin Dale: For neutrals. Now we’re back at the United States, which we sort of left out of this for the moment. Uh I’d like to have Mr. Kervyn describe the reaction here in Europe to what we’ve done, which
I'll briefly describe. The president has continued strong American support which has lasted since President Truman for anything which unites Europe on political reasons. But we’ve accepted from the beginning that the Common Market posed a certain potential economic threat, very simply described: if an American seller of a textile machine has a customer in France, after this thing is in full operation, a German competitor will be able to sell in France with no tariff and the American will have to pay a tariff—15, 16, 18 per cent. This is the supposed economic threat to which the president has reacted, as Mrs. Roosevelt said at the beginning, with a sweeping revision -- a proposal for a sweeping revision of our traditional tariff policy, namely a radical reduction of our tariffs in return for the same from the Common Market, and most important, reductions on both sides to apply to the whole world. What’s your reaction, or what do you think European reaction is?

[Albert Kervyn:] Well, I can hardly speak for European reaction [Edwin Dale: No, no.] but I mean, judging from the number of people I’ve been talking to, I don’t think the Americans should take this for granted, that it’ll happen, anymore then you know, as you mentioned earlier, British entry should be taken for granted.

[Edwin Dale:] But what will happen?

[Albert Kervyn:] That the Europeans will jump [Edwin Dale: Ah, yeah.] at this chance offered to them. You see, we’ve been through this, the agricultural thing we were talking about earlier is a perfect example. We have accepted the uh suppression of any trade barriers, knowing a certain number of people would get hurt, despite what one may do to help them adjust. Now um there is an element in the way President Kennedy has, of course, had to formulate this to Congress, there’s a lot about escape clauses and making sure that nobody gets hurt, and all that kind of thing. Now you see, either one does it or one doesn’t, but if one goes into it, it must be to some extent without all these reservations. Of course, escape clauses are necessary and we have plenty of them in our European negotiation, but escape clauses-- and this is really the basic political philosophy, I think, of it -- are matters of common interest, and not matters for one government to decide on its own. I think this is the great step forward in Europe, and if the Americans want to come in I think they are heartily welcome. [Edwin Dale: Come in?]--To come in on those terms. [Edwin Dale: Oh! To bargain, to bargain on those terms.] [ER laughs: To bargain.] Yes, but then they have to accept the rules of the game, you see. I don’t think uh from the European side there will be any shouts of enthusiasm for what the American proposal as we read it today without knowing too much of what is behind it, uh which lays a good deal of stress on reservations and escape clauses and that kind of thing.

[Edwin Dale:] I should mention in that connection, as Monsieur Marjolin will certainly remember, the Council of Ministers of the Common Market went out of its way to issue a statement about a week ago in which it used rather soft words, but with a hard meaning behind it, it said that this sort of achievement, a mutual reduction of tariffs, can only be successfully achieved if the rules of the game are the same for both sides. [Albert Kervyn: Exactly.] And that meant escape clause, peril point, and these other--

[Albert Kervyn:] Well, that’s exactly the point I was trying to make.

[Robert Marjolin:] Well, I would agree with what has been said, but I think we should be careful not to put the emphasis, I mean, on the wrong things. After all, I mean, safe-guard clause, peril points, and other exceptions, well, all that will be dealt with in time. Uh what is important, seems to -- it seems to us, and I think I can talk here for the Commission, is for the United States government to move in what we consider the right direction.

[Edwin Dale:] And this is it?
[Robert Marjolin:] And this is it. I mean, namely, toward a general reduction of tariffs in the world which will precisely minimize considerably the harm which might result. I mean, for third countries, of the various movements toward integration which are under way. And this is, I--we believe, the essence of the matter. In doing so the American government, I mean, these were--well, it's joining, if I may say so, I mean, the Common Market in what we have done already. Because I would like to remind you that when the Common Market Treaty was drafted it represented in itself from the beginning and without any counterpart a 20 percent reduction in the average degree of protection which existed in Europe. And in addition to that, as you know, I mean, we have made the offer of another 20 percent reduction in our common external tariff, being aware that we would not get full reciprocity from everybody. Therefore, I mean, we feel now that President Kennedy's proposal will create a kind of partnership between the United States and the Common Market towards the general reduction of tariffs in the world.

[Edwin Dale:] You've offered 20 and we've just finished a bargain for 20 percent with the Common Market. How about 50 percent or even down to 100 percent on a very significant list of products as the president has chosen. You're getting into a reduction now of much greater magnitude. What would you say to that, Monsieur Marjolin?

[Robert Marjolin:] Well, we feel that this first--this new reduction of 20 percent, I mean, which we have offered and which, I think, will come through, though I don't know yet the final result. I mean, is a first step. And we agree, I mean, to move forward. Now as to the conditions under which we could move forward that I must leave for the future because frankly I don't know exactly yet what the deal is and, of course, I mean I cannot know possibly what Congress will go.

[Edwin Dale:] But what do you think? The Common--After all, the cement that holds the Common Market together, or one of the main cements that holds it together is its common tariff, and the president has asked for the outright abolition of a good part of it in one part of this bill and a 50 percent reduction for the rest of it in the rest of his bill. Is this going to be welcomed in Europe, do you think?

[Albert Kervyn:] Oh, by and large, you know, if we are prepared to take German and British and French competition, why not throw in the Americans too? [Laughing]

[ER:] But is not this going to lead perhaps to something rather fundamental? Isn't it perhaps going to lead to a change of production in different countries, because you will tend to produce what you can produce most economically? Will not this mean quite a change fundamentally in the world?

[Robert Marjolin:] Yes, Mrs. Roosevelt, I think you are quite right. I mean, there will be a better division of labor between the countries, a greater productivity and therefore a higher standard of living. And we believe that that can be done without harm and without disturbance, without too great disturbances, if we maintain a high level of economic activity.

[Albert Kervyn (maybe?):] Yes, that is a good point.

[Kenneth Younger:] I think from our point of view, the less important trade discrimination becomes, tariffs and other methods, the easier it will be for us to accommodate the interests of a number of Commonwealth countries, countries in Africa, and perhaps even more, countries like India who are not likely to be offered the opportunity of association with the Common Market. And I think we in Britain, because so much of our trade is not with Europe at all, want to widen the club.

[Unknown speaker: Yes.] When Monsieur Marjolin said that the United States was in effect joining the Common Market--

[Robert Marjolin: I wasn't saying that, no. Actually]
[Kenneth Younger: You did say it.]

[Edwin Dale:] You-you said it and we had to correct you-- [Laughter]

[Kenneth Younger:] I think that what people in Britain are anxious to feel is in the long run the Common Market is going to join the human race, because we don’t really like the idea that there’s going to be a particular group of underdeveloped countries in Africa with special privileges in Europe, while there will be equally underdeveloped countries elsewhere with no special privilege. And it’s this type of close European club to which spiritually we simply do not yet belong. Ten years later we may be in it, we’re not in it now.

[Robert Marjolin:] May I-may I take exception to your sentence: you hope the Common Market will join the human race. We have the feeling, I mean, that we have never parted with the human race [All laugh], and therefore we need not join. But, I mean, there is uh one point on which I would like to come back. Mr. Dale a little earlier said that what will happen if tariffs go down, will not the cement of the Common Market disappear. I would say this: I think I can conceive a fully united Europe with very low tariffs, but- so that, I mean the unity -- the real unity being expressed in common policies, in common agricultural policies, [Unknown speaker: That’s right. Yeah.] common financial policies, common economic policies, and also later common foreign and defense policies.

[Edwin Dale:] You won’t need the tariffs--

[Robert Marjolin:] You don’t need the tariff. The tariff is not the essential element of our construction.

[Edwin Dale:] Well, I’d like to ask a straight-out prediction. If Congress passes the bill and, for what it’s worth from this far across the Atlantic, I myself think that the chances of Congress doing so are a great deal better than some of the pessimists have made out, if Congress passes the bill, will Europe respond with a good solid tariff-cutting bargain?

[Robert Marjolin:] I think so, but there I would like to uh join, I mean, Monsieur Kervyn, in some of the things he said before. I mean, in order to succeed in certain negotiations, and Mr. Dale, you said it yourself recently in an article, I mean, the powers of negotiation on both sides should not be, if not exactly the same, not too different. There should not be too many exceptions, I mean there should not be too many industries excluded from the tariff cuts. And finally the powers of governments to give subsidies or other advantages to industries, I mean, should not be too great and too unilateral. I mean, with those qualifications, I believe that if President Kennedy gets his way in Congress, I mean, he has a good chance [Edwin Dale: Ok, that’s fine.] to reach an agreement with the Europeans.

[Edwin Dale:] Some cynics have suggested that this is the way out for Britain. President Kennedy gets his bill, the six and the U.S. negotiate a sweeping reduction of tariffs, applying to the whole world, and we’re all agreed on that, that these will always be on the old most-favored nation basis, and that, therefore, the economic reason for Britain going into the Common Market becomes that much less. You’re able to sell to Europe over a fairly low tariff and you don’t have to join. Is there anything to that?

[Kenneth Younger:] Well, I suppose there might be. But I think against that you have to say that there’s less reason for our staying out. And if one thinks--if one switches it onto the political uh plane, rather than the economic, I know there’s a growing feeling in Britain, if Europe is going to be big and strong alongside us, there’s not much point in us deliberately remaining small outside. We’ve got no other grouping that’s going to provide an alternative, so that I would think that if that development occurred,
the balance would be that it would give a reason for Britain going in rather than for Britain staying out. [Edwin Dale: I see, I see--] The objections would be much less.

[Albert Kervyn:] And also I think there’s another point that the lower tariffs are and the less sovereignty can be effectively executed on a national basis. I mean, the lower the tariff the less a country has any defense against what happens abroad. I think in terms of either recession or inflation in one country. If you have given up any possibility of putting up barriers at your frontier, you’re really completely exposed to what your neighbors are going to do, and this increases in a way the incentive for effective coordination of economic policies.

[Edwin Dale:] As distinct from what happened in the thirties when everyone put up barriers against each other.

[Albert Kervyn:] Yes, sure. There you had it, you see.

[Edwin Dale:] Well, of course this is what the OEEC was all about.

[Albert Kervyn:] Yes, but I-I-I -- you know--

[Edwin Dale:] With sovereignty reservations.

[Albert Kervyn:] With a great deal more reservations, and there it was a purely voluntary basis, I mean there were no teeth in the cooperation. At the point where you have given up any possibility of quantitative restrictions and cut down your tariff wall, you probably want to go a little further that that.

[Edwin Dale:] Yeah, yeah. One other point, of course, the tariff is far from everything in this world and even trade is far from everything. I’d like to hear Monsieur Marjolin comment a bit on some of the other methodologies or methods of consultation and coordination which are already going on in the Atlantic community, and in particular on these intricate matters of the gold and the balance of payments, aid to the underdeveloped countries, and so on.

[ER:] You’ll have to be very brief because in a minute we have to have a summing-up.

[Edwin Dale:] Anyway.

[Robert Marjolin:] I shall be extremely brief. I shall just say this: that what is being done in the Common Market is complementary to what is being achieved now in the OECD [Edwin Dale: Which is the Atlantic--] which is the Atlantic--well, even probably more than the Atlantic potentially, and I’m quite confident that the cooperation which already exists and which has been strengthened year after year, I mean, will get to such a point that we can look forward, I mean, to being in a position, I mean, on an Atlantic, on a free-world basis to overcome by cooperation any great difficulties which might arise, for instance, in the monetary field.

[ER:] Now for the United States, will you sum up, Mr. Dale, pretty well? You have about a minute and a half.

[Edwin Dale:] Well, it’s a little hard to summarize everything. I think we can state total agreement on the enormous importance of the achievement by the Common Market of its common agricultural policy and moving forward. That it’s now a going concern, and something that will have to be reckoned with by the whole outside world. That Britain is--has faced up to it, has applied and is still emphatically not yet in, but that the general consensus seems to be that the odds favor successful negotiations. What is not,
however, yet agreed is that Britain’s political purposes in joining are exactly the same as those of the Europeans. That Britain sees the new emerging European club as perhaps a little too closed, uh and she would prefer to keep her independent window to the United States and to the commonwealth.

[ER:] I’m afraid you have to come to an end.

[Edwin Dale:] All right. And finally, in our case, that there is a good chance that if President Kennedy gets his bill, that Europe will will respond with a good tariff cut that could solve a lot of problems for people other than us and Europe.

[ER:] Well, before we go to Washington to continue the program, I would like to thank all of you gentlemen who have come to Paris to join me in this part of the discussion.

[Image of Jefferson Memorial in Washington, DC.]

[Unknown Announcer:] A few weeks later in Washington, Mrs. Roosevelt continues the discussion with Under-Secretary of State George Ball, leading spokesman for the government in the drive for new tariff legislation.

[Cuts to ER and George Ball sitting by a fireplace.]

[ER:] Mr. Secretary, I am so glad that you are able to come and be with us today. You’ve just heard our discussion of the problems currently facing the Common Market countries and--

[George Ball:] I thought it was very good, too.

[ER:] Yes, and we ended with the speculation of what Congress would vote on the request of the president, and I think the American people would like to hear from you why these tariff reductions are so needed and so important when we not so very long ago lowered a good many of our tariffs, and exactly what is the president asking for in his proposed bill.

[George Ball:] Well, Mrs. Roosevelt, the president, as you know, is asking for authority to cut tariffs by 50 percent, and in the case of negotiations with the European Common Market to cut them by as much as 100 percent on some items where we and the Common Market are the major producers of those items. And which can be most efficiently produced either in the United States or the European Common Market. The biggest, most compelling reason for acting now on this measure is to give American industry, American agriculture, the opportunity of establishing itself in this great new mass market which is being created in Europe. A market which will be comparable in many ways with our own--the first time in history we’ve ever had a mass market for our products which is anything like the magnitude of the “common market” that we have in the United States. And of course, the second thing is that by doing this and by creating greater movement of-of trade back and forth, and with the rest of the world because this will be open to the rest of the world as well, we will greatly strengthen the ties that bind us, and uh that cement us together with our allies on the other side of the Atlantic.

[ER:] Well, of course, there are some people in this country who have believed in high protective tariffs who are saying that lowering the tariffs will in some cases destroy our industries and create great unemployment, and I wonder exactly how you feel about that. Is that what’s going to happen? It will be serious?

[George Ball:] Well, I think, Mrs. Roosevelt, this is very greatly exaggerated, the possibilities of-of very serious difficulties for industries. Actually, we know American industry is constantly on the move, is
constantly making adjustments to new conditions. Population shifts, new technological discoveries are made, substitute materials are employed, there are changes in consumers’ tastes—industry adapts to this all the time. And adapting to a new condition, so far as the import of some goods from the rest of the world is concerned, is something too which industry is perfectly capable of doing also. Now, in the rare case, and it would be a very rare case, where there may be temporary dislocations, temporary difficulties. As you know, the legislation which the president is asking Congress to pass makes provisions for assisting industries to gain the kind of efficiency and productivity and make the changes that are necessary to enable them to compete, and provide some assistance to labor in the form of re-training and helping them to meet any temporary dislocations that may result from this.

[ER:] You know this is a very interesting thing because in a way it’s uh maybe a long-term thing, but isn’t there some thinking at least that we may be having to adjust in many countries so as to produce in the countries best able to produce most cheaply certain things?

[George Ball:] Well, of course, this is the basic principle of the free movement of goods around the world, that we use our resources in the most effective way and therefore we can produce more. And this is what our society has to adjust to because we can’t afford to waste resources when we have as many great problems that we have to meet, when we have as many responsibilities as we have. But the--by assuring the free movement of goods we assure the most effective utilization of our resources of manpower, our resources of materials, our resources of techniques.

[ER:] And in a way this is also tied to the question of automation because you have to think of that too [George Ball: That’s right.] as you make these changes. It makes planning more necessary than ever before.

[George Ball:] Yes, it makes planning more necessary, it adds an extra factor of complexity. At the same time, it gives a greater opportunity for America, as the master of the techniques of automation to attain the efficiency which enables us to compete around the world.

[ER:] We all know that you were in the forefront of those Americans who worked for the establishment of the Common Market. Now that it’s a going concern, you do think it will be a challenge, but you also think, I gather, that it will be a great opportunity, don’t you?

[George Ball:] A great opportunity and a great source of strength to the Western World. As you know, the United States government is --has been sympathetic to the development of the Common Market from the beginning. Largely for political reasons we wanted to see a cohesive Europe as a source of strength to the West. We wanted to see the--an agreement between France and Germany put in institutional form so that there wouldn’t be the old quarrels between them. But apart from that we have seen in it also a great new opportunity for uh the movement of goods, for industry to find new markets, for agricultural products to find new markets, for a general levelling up of prosperity all around the free world. And this can greatly contribute to our ability to withstand the problems and the dangers that threaten us.

[ER:] So it gives us really a wider market and we have more hope of having a bigger market, I think, don’t you?

[George Ball:] Well, you know, this-this will be, as I say, the only great mass market to which American goods will ever have had access outside of our own mass market. And we’re the great masters of the techniques of producing for mass consumption.

[ER:] I-I think it is a very exciting thing and I think it is a wonderful thing that we are doing this because it looks to me as though it was a step towards a peaceful Europe at least.
[George Ball:] Well, that’s right. And this is one of the major reasons we have supported it. We want to see a strong Europe.

[ER:] I thank you very much for being with us today. It was very kind of you.

[George Ball:] It has been a great pleasure for me, Mrs. Roosevelt.

[Credit sequence overlaid on motion picture images of Paris.]

[Theme Music begins 58:01]

[Unknown Announcer:] George Ball is under-secretary of state, Robert Marjolin is vice president of the Commission of the European Economic Community. Kenneth Younger is director-general of Chatham House, London. Albert Kervyn is the director of Belgium’s National Planning Office. Edwin Dale is European economic correspondent for the New York Times.

Next month Mrs. Roosevelt and her guests will discuss the future of television. The guests will include Newton Minow, chairman of the Federal Communications Commission, Jean d’Arcy, director of UN Television, and Marya Mannes, television critic for the Reporter Magazine.

This program was recorded in Paris, through the facilities of Radiodiffusion Television Française, and in Washington through WETA-TV

[Theme Music ends 58:51]

[National Educational Television Logo]

[Unknown speaker:] This is NET. National Educational Television.

Transcribed from materials in the Henry Morgenthau, III Papers and audio recording at the Library of Congress.

Transcription: Kellie Menzies
First Edit: Seth LaShier
Final Edit: Christy Regenhardt