Erhard’s Relaunch

The transition of the West German chancellorship from Adenauer to Erhard in October of 1963 confirmed what had already been seen in the replacement of the Fourth French Republic by de Gaulle’s regime in May of 1958: European institutions imposed constraints on the participating governments that could not be evaded. In the beginning, Ludwig Erhard was highly skeptical of the Treaties of Rome as well as the European Coal and Steel Community and the project for a defense community. In his view, it was all a “bureaucratically manipulated Europe” that could not work.1 What he envisioned instead was a “functional integration” of the economies of all the democratic states of Europe and, beyond that, of the entire Western world, based on confidence-building cooperation among governments.2 Upon taking the office of chancellor, however, his first official statement included support for the construction of a “European political entity with parliamentary, democratic accountability.” As he stated, “Economic integration alone, without political ties” would fail to do justice to “the practical life and the political circumstances of the participating countries.”3 Behind this lay both a realization as to the unsatisfactory nature of his earlier conception as well as efforts to take into account the intra-party and domestic political pressure to which he was exposed.

In fact, despite all prior difficulties, Erhard quickly undertook efforts to bring the Political Union of the Six into existence. On the issue of the Common Agricultural Market, the Federal Republic had recently stepped on the brakes once again: After the disappointment caused by the French veto of British entry into the EEC in April of 1963, Foreign Minister Gerhard Schröder had introduced an “Action Program” for European policy. This fundamentally called into question

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the system of market regulations and levies decided on in 1962. It also proposed that further steps on agricultural integration be made dependent on progress in political integration along with trade liberalization within the framework of GATT. The decision on the next step toward a common price level for grain had to be tabled due to West German obstruction. This was also the case with the decision on the market regulations for milk, other dairy products, beef, and rice.

At a session of the Council of Ministers from 9 to 23 December, Erhard—who was rather annoyed by the economically counterproductive “agrarian nonsense”4—succeeded in establishing at least the three markets for milk, beef, and rice. This was accomplished only after clear threats by the French that they would cancel the transition to the second stage of the Common Market if the Germans did not stick to the commitments regarding the plan for achieving the agricultural market. Some eighty-six percent of the agricultural production of the EEC was now subject to the market system. A way back from this, as Schröder had envisioned, was no longer possible. Only on the issue of common grain prices did Erhard advocate a further postponement. During his initial visit to de Gaulle on 21 November, he had asked for understanding because it had not been possible to organize the parliamentary majority necessary for a change of course within a few weeks. He left no doubt however as to his willingness to find a compromise that would be acceptable to France. De Gaulle therefore had to accept that the decision on grain prices would be postponed until 1 April 1964.

This arrangement was made easier by French signals that they would not seek to block a significant reduction in external tariffs at the upcoming round of GATT, the so-called “Kennedy Round.” The French delegation acceded to the West German demand for providing the Commission with directives for this round. The Council of Ministers agreed to orient itself fundamentally on the American demand for halving tariff rates, both in the manufacturing and agricultural sectors. The only thing to be excluded was the Kennedy administration’s demand for complete elimination of tariffs on goods traded at a level of more than eighty percent between the US and the EEC. Although many potential conflicts remained in the details, it was clear that the principle of “synchronization” between the realization of the agricultural market and general trade liberalization was acknowledged by the French.5

On the basis of these understandings, Erhard saw himself in a good position to restart negotiations on a Political Union. In a speech before the Bundestag

4 Note of State Secretary Rudolf Hüttebräucker, quoted in Patel, Europäisierung, pp. 180ff.
on 9 January 1964, he emphasized his belief in the necessity of a democratically-legitimized Political Authority of the European Community and the urgency of a new initiative for its realization. Discreetly encouraged by de Gaulle, he then began sounding out his partners as to the chances for such an initiative. The West German Foreign Office began internal work on a “Multi-Stage Plan for European Unity.” This plan envisioned the completion of the agricultural market and trade liberalization for 1964–65 along with the merger of the executives of the three European Communities and a strengthening of the rights of the European Parliament. In 1966, there were to be negotiations on the creation of a Political Union in the areas of foreign policy, defense, and culture as well as the possible extension of this to the countries of EFTA. The transition to direct election of the European Parliament was to go hand in hand with the realization of the Political Union in the period 1967–69. The existing treaties would then be replaced by one on European federation in 1974.⁶

De Gaulle drew the conclusion from Erhard’s efforts toward a re-launch of the Political Union that prospects for an independent Europe were perhaps not as dismal as he had feared after the Bundestag had supported the preamble to the Franco-German Treaty containing a disavowal. In any event, his resolve grew throughout the spring of 1964 for attempting a foray in this direction once again. The next Franco-German summit on 3 and 4 July would provide an opportunity. To maximize his chances of success, he mobilized the West German “Gaullists” in April. The most politically influential of these, Franz-Josef Strauss, was informed by representatives of the French secret service that the general would “for the final time pose the question as to whether the Germans were prepared to work together with the French, including on nuclear cooperation.” In order to underscore the urgent need for support, the emissaries added that “Franco-German friendship and cooperation” were “at stake.” If Bonn were to refuse, the general would “make a fundamental course change and go beyond Germany to seek contacts with the East, above all with Poland.”⁷

Given the prospect of strengthening the Franco-German alliance, de Gaulle was not any too concerned when Bonn once again postponed a decision on grain prices due to fears over domestic political consequences. In the very next session of the Council of Ministers after the agreement of 23 December, Agriculture Minister Werner Schwarz asserted that the April deadline applied only to prices for the year 1964–65; on 14 April, he declared that he would at present be unable to support a harmonization of prices without further intermediate steps, as the European Commission had proposed. In the face of renewed West German

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obstruction, the Commission was in sheer desperation. As Hallstein’s colleague
Klaus Meyer reported in a note to his superior, “A political duty to cooperate in the
construction of Europe no longer exists for most of the gentlemen in the cabinet
as a guiding principle for their political actions.”8 For their part, however, de
Gaulle and Couve de Murville reacted with marked understanding for the diffi-
culties of their West German partners. Given that the American government had
delayed the presentation of its proposals for agricultural trade in the GATT round
until the autumn, they themselves now found it better to wait until that time to
determine what tradeoffs there should be. In early June, it was decided that the
issue of common grain prices would be resolved by 15 December.

When news reached de Gaulle of Erhard’s visit to US President Lyndon B.
Johnson on 12 June, the Frenchman once again had severe doubts. With little
concern for the content of a common European foreign and security policy, the
chancellor had agreed with Johnson to strive for a treaty on a nuclear-armed Mul-
tilateral Force (MLF) by the end of the year. Beyond that, Erhard had promised
political and financial support for American engagement in the Vietnam War,
which de Gaulle had recently criticized sharply. Erhard had also pledged that he
would under no circumstances follow de Gaulle’s example of extending diplo-
matic recognition to the People’s Republic of China. All this was done without
consulting Paris beforehand. As de Gaulle complained to Peyrefitte, the West
Germans had made the Élysée Treaty into “a bad joke.”9

Disappointment over Erhard’s lack of principles led the French president
to confront him during the summit of 3 and 4 July. First off, he demonstratively
let Erhard wait while he had an extended conversation with Adenauer. Then,
de Gaulle explained to Erhard that the Federal Republic must decide whether it
wanted to pursue “a policy of subordination to the USA” or “a European policy
that is independent of the USA.” Now that France had its own nuclear weapons,
the time had come for an equal partnership between the US and Europe. In de
Gaulle’s view, the Franco-German Treaty had to “become the core, the founda-
tion, and the ferment of European unity, in economic as well as in political and
military matters.” If that did not succeed, then the document was “empty and
senseless.”10

De Gaulle expressed himself only vaguely regarding the path to political and
military unity. When asked by Erhard in a private conversation whether France

8 Meyer to Hallstein, 21 May 1964, quoted in Patel, Europäisierung, p. 269. Cf. ibid., pp. 265–
10 Meeting of 3 July 1964, French protocol, quoted in Schoenborn, Mésentente, p. 70. On this
was prepared to give the Federal Republic a right of control over French nuclear weapons, the president stressed only the priority of political unity: “Up to the point at which Europe can defend itself, and up to the point at which its political organization has thrived to the extent that a genuine European government would be possible, up to that time there will be the separate nuclear weapons of Great Britain and France.” Only in a conversation with Foreign Office State Secretary Karl Carstens did he hint at participatory rights in the less-distant future. When the West German official defended participation in the MLF with the argument that Bonn hoped by that means to be able to exercise a certain influence over nuclear planning and the decision to use nuclear weapons, de Gaulle suggested the possibility of West German influence over French planning: “Why not come along with us? We too have the Bomb. With us, you can have a much larger share (or can participate much more).”

The categorical call to reach an understanding with France on a common foreign and security policy only served to elicit defensive reactions from Erhard. As he told de Gaulle in their second meeting, it was simply the case that the Federal Republic was dependent on American protection; neither Franco-German cooperation nor the future Europe could replace that. The chancellor did not pose any questions as to the French president’s vision of the path to common defense. When Carstens reported to Erhard two days later on the content of his conversation with the general, it did not lead to any further sounding out. In the closing session of the two delegations, de Gaulle wrapped his disappointment over the lack of results from his initiative in a warm-hearted appeal to develop a “common policy.” Erhard remained silent. He saw no need to repeat what he had already said to his guest during bilateral meetings.

Erhard’s behavior embittered the West German “Gaullists” around Adenauer and Strauss, leading them to make severe accusations. In a speech at the state party congress of the CSU on 12 July, Erhard, for his part, emphasized that as long he was chancellor, foreign policy would be based on a close alliance with the US. In turn, during a press conference on 23 July, de Gaulle replied that Bonn had up to that point done nothing to realize a common policy and thus the Community of

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12 Note of 6 July 1964, AAPD 1964 II, pp. 766–768. There was no interpreter present at the meeting on the morning of 4 July 1964, conducted in French; the only source is a note prepared two days later by Carstens. Which of the two variants of the offer contained there comes closer to the actual words of de Gaulle is thus not known.
14 Cf. Geiger, Atlantiker, pp. 300–331. The enduring controversy over the substance of de Gaulle’s offer that has stemmed from this is resolved if one takes into account the factor of communication difficulties between the protagonists.
the Six threatened to crumble. Privately, he referred to the chancellor as a “political nitwit”: With him, “nothing could be done.”\footnote{Council of Ministers, 7 July 1964, Peyrefitte, \textit{De Gaulle II}, p. 263.}

In light of this public estrangement, the chances sank dramatically for Erhard’s attempt to revive the Fouchet Plans. It was not only the case that he had to leave the development of the proposal to Foreign Minister Gerhard Schröder, who fundamentally did not want to allow a new approach to French conceptions of Europe to harm his efforts to strengthen the alliance with the US. Erhard himself strengthened his option for the MLF and made it clear that he absolutely did not want a European nuclear deterrent based on the French \textit{force de frappe}. At a press conference in early October, he declared that if necessary, he would be prepared to go it alone in signing the MLF Treaty with the US if other NATO countries continued to oppose it. When after long delay by the West German Foreign Office the Europe Plan was presented to the EEC partners on 4 November, it contained a statement of support for “strengthening the Atlantic alliance” and a proposal to reach “fundamental agreement that other European states [beyond the Six] participate in a European political union.”\footnote{Siegler, \textit{Europäische politische Einigung 1949–1968}, pp. 280–287.}

The German draft also adopted a proposal that Paul-Henri Spaak had initially made in Bonn in July and had then presented to the WEU Council of Ministers on 9 September—distinguishing between a preparatory and a definitive phase of the Political Union. Initially, agreement was to be reached on regular consultations and a date set for a definitive state treaty. If that date could not be met, then consultations would continue. An advisory commission was to be established alongside the governments to work on proposals for the final treaty and participate in the meetings of the Council of Ministers. Other provisions of the plan contained proposals for strengthening the existing Communities: developing a common currency policy, coordinating national budgets, merging treaties, as well as incrementally strengthening the position of the European Parliament to the point at which it would have full legislative and budgetary responsibility. There were also measures for approaching the EFTA countries and for the worldwide dismantling of trade barriers. The proposal contained no chronology. What remained of the original incremental plan was only the vague statement that the Political Union and the existing Communities would be united in a federative Europe at a “later stage.”\footnote{On the Spaak Plan, Carine Germond, “Les projets d’Union politique de l’année 1964,” in Wilfried Loth (ed.), \textit{Crisis and Compromises. The European Project 1963–1969}, Baden-Baden: Nomos, 2001, pp. 109–130, here pp. 114–116; in general, Gabriele Clemens, “‘Zwischen allen Stühlen.’ Ludwig Erhards Europa-Initiative vom November 1964,” in Gabriele Clemens (ed.), \textit{Nation und Europa. Studien zum internationalen Staatsensystem im 19. und 20. Jahrhundert}, Stuttgart: Franz Steiner, 2001, pp. 171–193; Germond, “Partenaires,” pp. 323–336.}
With the nonbinding combination of intergovernmental and supranational as well as European and Atlantic perspectives, the West German government’s Europe Plan offered the partners an invitation to take up negotiations on Political Union once again despite the well-known divergences among the parties. At the same time, it reflected the alienation between Paris and Bonn. Couve de Murville quickly made it known to Carstens that there was no sense to the initiative if one were not prepared to reach agreement on common goals independent of the US. In order to avoid the danger of an exclusive agreement between Bonn and Washington, he then declared that the MLF was irreconcilable with the Franco-German Treaty.\(^\text{18}\)

Additionally, de Gaulle made use of the initiative as another means of press- ing for agreement on common agricultural prices at last. In fact, Erhard had in the meantime been forced to state that the December deadline could not be kept either; sheer terror of losing their seats drove numerous Bundestag deputies within the government coalition to set themselves against a reduction of grain prices. De Gaulle was no longer willing to take that into account—not only because the negotiations in GATT had now become unavoidable, but also because he no longer believed he could do business with Erhard. Moreover, growing criticism from French farmers and consumers made it seem a good idea to have responsibility for agricultural policy shoved off to “Brussels” as soon as possible. He thus had Peyrefitte threaten on 21 October that France would “no longer participate in the European Economic Community if the common agricultural market were not to come into existence as had been agreed upon.” Couve communicated to his German interlocutors that the agricultural market must be completed before there could be talk of anything further.”\(^\text{19}\)

This double threat had an effect. In short order, Hallstein made two trips to Bonn and sought to persuade the chancellor that now—in contrast to the previous crises of the Community—it was a question of all or nothing: “This time, it’s a matter of deciding on the continued existence of the Community.”\(^\text{20}\) In light of this and also the danger of the failure of the GATT negotiations, Erhard finally came to the point where he would accept the domestic political risk stemming from a breakthrough in talks on agriculture. In order to get around continuing opposition in the governing coalition and the Agriculture Ministry, he took up direct negotiations with the President of the German Farmers Association. By the

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\(^\text{20}\) State Secretary Neef to Minister Schmücker, 2 Nov. 1964, BA, WH 1114/1. Cf. Hallstein’s report to the Commission, AHCE, PV 293 Commission CEE, 9 and 13 Nov. 1964; ibid., 294, 18 Nov. 1964.
end of November, he had succeeded in reaching a deal with the group’s leader, Edmund Rehwinkel: The government would agree to the setting of common grain prices by 15 December. These would come into effect only on 1 July 1967, however. Starting then and running from the end of the transition phase to the completion of the Common Market on 1 January 1970, West German farmers would receive compensatory payments from both the Community and from the government. A future grain price of DM 440 per metric ton was agreed upon as a goal in negotiations, some DM 15 more than the Commission had proposed but DM 35 less than farmers were then seeking.

Agreement between the chancellor and the president of the association did not however mean that the agricultural crisis was over. When negotiations began in the Council of Ministers on 12 December, France and the Netherlands (both low-price countries) did per force accept the postponement to 1 July 1967 but rejected a price hike proposed by the Commission, which anyway lay above the average of national prices up to that point. Neither did these countries want anything to do with increased financing of compensatory payments by the Community. In the late evening of 14 December, Mansholt and his colleagues worked out a compromise proposal whereby the postponement of the deadline was combined with the original price and the stipulation that the farmers of the high-price countries would receive only the level of compensatory payments proposed by the Commission. As another high-price country, Italy was conceded the introduction of a market for fruit and vegetables. Under the threat that this was the final proposal the Commission would make, the exhausted ministers finally agreed to it in the early morning hours of 15 December.21

The German Farmers Association was not satisfied with the result, of course. Yet, given that there was still a possibility of winning higher compensatory payments in the national budget, they did not make any strong protests. There was general relief that the “long grain night” had not ended in a breakup. Erhard now believed that de Gaulle owed him something in regard to both the GATT negotiations and the initiative for a Political Union. Furthermore, he hoped that the sacrifice the West German government had made for the common agricultural policy would dissuade the French president from continuing to oppose the Federal Republic’s participation in the MLF.

Any basis for Erhard’s hopes regarding MLF was taken away only two days after the Brussels agreement had been reached. After the elections of 15 October in Britain, the Labour Party took over the government and spoke out decidedly against an MLF with West German participation. In light of this additional oppo-

sition and in order not to endanger the realization of a treaty with the Soviet Union on nuclear nonproliferation, President Johnson stipulated on 17 December that representatives of the US government and of the military exercise restraint in negotiations over nuclear forces. This course change was not immediately communicated to US allies, and so Erhard initially did not want to give up his hopes for a common nuclear force. Owing to the clear hesitancy of the American representative at the NATO Council meeting in the middle of December, the chancellor conceded to the “Gaullists” in his party leadership on 5 January 1965 that negotiations on MLF would resume only after the parliamentary elections that coming autumn.\(^{22}\)

Without knowing it, Erhard had thereby improved the chances of success for his Europe initiative. At the next Franco-German summit, held at Château Rambouillet on 19 and 20 January 1965, de Gaulle characterized the plan as generally “sensible.” The only portion he did not want to accept was the proposal for an Advisory Commission, which in his eyes threatened to behave like an international actor. He was all the more willing to lend his support \textit{vis-à-vis} the other partners when Erhard explicitly confirmed that government negotiations would address not only foreign policy but also military issues. De Gaulle agreed that in May or June of 1965, the foreign ministers of the Six should hold talks on the shape of the Political Union. The heads of state and of government would then come together in July to approve the results of negotiations and to discuss fundamental problems.\(^{23}\)

Inspired by the “spirit of Rambouillet,” the moderate-left Italian government under Christian Democrat Aldo Moro took charge of giving concrete form to the new chance for further developing the Community. At base, the Italian government was interested in avoiding Franco-German hegemony, and its left wing made itself into an advocate of strengthening the European Parliament. After responding in late November to the West German initiative with its own Europe Plan—yet more clearly atlanticist and federalist in orientation—the Italian government sent Foreign Ministry General Secretary Attilio Cattani in mid-February to the European capitals to sound out the matter of how the conferences on the Political Union should be prepared. On 15 March, Foreign Minister Amintore Fanfani invited his counterparts to an informal pre-conference in Venice set for the middle of May.\(^{24}\)

\(^{22}\) Geiger, \textit{Atlantiker}, pp. 331–338.
Hallstein’s Offensive

A few days after the Italian government’s invitation, Commission President Walter Hallstein surprised European public opinion in a speech he gave to the European Parliament on 24 March 1965: He made a proposal that the transition to the Economic Community’s having its own income—as was to follow after the decision of January 1962 with the implementation of common tariffs for agricultural products—be linked to strengthening the rights of the European Parliament.\(^{25}\) On 15 December 1964, the Council of Ministers had given the Commission the task of coming up with proposals not only for financing the agricultural market during the remaining transition period from 1 July 1965 to 1 January 1970 but also, in accordance with Article 201 of the EEC Treaty, to examine under what conditions the financial contributions of member states could be replaced by revenue under the Community’s own control. With his self-understanding as a leader of the integration process, Hallstein made use of the instructions given by the Council in order to press for accelerating completion of the Economic Community once again and to generate pressure for strengthening supranational institutions at the same time.\(^{26}\)

The proposals that the Commission officially gave to the Council of Ministers on 31 March 1965 initially envisioned that, with the establishment of common grain prices on 1 July 1967, guarantee prices for milk, rice, beef, and sugar would be introduced and that responsibility for all agricultural expenditures would be transferred to the Community. With this, the early completion of the agricultural market—which the Commission had sought in vain in 1960—would be de facto achieved. Likewise, the completion of the customs union would be brought forward to this date, which suggested itself in light of the tariff reductions that had in the meantime been accomplished. The Community was to receive not only the levies from the import of agricultural products but also the proceeds of external tariffs, the former immediately with the introduction of guaranteed prices and the latter in six stages up to 1 January 1972.

With the transition to independent sources of income, Article 203 of the EEC Treaty would be amended to the effect that the Council of Ministers could only

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\(^{25}\) Text of the speech in Die internationale Politik 1965, pp. D 300ff.

reject changes in the Parliament's proposed budget if it adopted the vote of the Commission with a simple, non-weighted majority. The Council could only prevail with its own position, independent of change proposals of Parliament and of the vote of the Commission, if at least five of the six member states agreed. Additionally, further proposals for receiving independent income would be adopted if they gained a two-thirds majority in Parliament and a qualified majority in the Council. As soon as the direct election of members was introduced (no date was specified), the decision about independent income would be wholly given over to the Community. In concrete terms, that meant the Commission would be able to push through any proposal that had won either a simple majority in the Council of Ministers or a majority in Parliament and two member states. Parliament would be able to pass any measure for which two member states offered support.27

For Hallstein, the synchronization of economic integration and the efforts to link it with a strengthening of the rights of Parliament and the Commission constituted a question of logic as well political opportunity. The proposal would make it possible to avoid distortions of completion during the transition period, would reduce the complexity of the Economic Community, and would be in accord with the principle of parliamentary control, which was specified in the EEC Treaty and which fit with Europeans' democratic self-understanding. The Commission would “cut a good figure” with the proposal, as Hallstein explained in the Commission session of 3 March; and this would ensure victory.28 Anyone who remained unconvinced would need to yield to the package deal. This was especially the case with the transition to independent sources of income: The governing majority in the Dutch parliament had already indicated that it would only allow that if the powers of the European Parliament were simultaneously strengthened, and the same was to be expected from the parliaments in Bonn and Rome. This offered the Commission an opportunity to strengthen Parliament and thereby also spark public discussion of European issues, an opportunity that would not soon come again.

The proposals would of course meet with opposition, and Hallstein himself was aware of this. No government would be eager to part with tariff income anytime soon or lose influence over the shaping of the budget. De Gaulle would be the least eager of all; his opposition to strengthening Parliament and the Commission was sufficiently well known. Yet, first of all, the impositions in the package were consciously limited in nature: The loss of tariff income would come in stages; this guaranteed that the Community would not suddenly find itself with more money than it could spend. In the complicated process of determining

27 Proposals of the Commission to the Council, 31 March 1965, COM (65) 150.
28 Protocol note by Emile Noël, 3 March 1965, HAEU, EN 780.
the budget, Parliament would by no means have the final say, and direct election of members was not part of the proposals. When the members of the European Parliament made demands on that very issue on 12 May, Hallstein declined to support them given the poor prospects for success. Secondly, the Commission president regarded the French interest in economic integration and the Common Agricultural Market as so strong that de Gaulle would simply be forced to pay the price demanded for them. As Karl-Heinz Narjes explained in an aide-memoire to his superior, measures to derail them would “even today be seen by the broad mass of French public opinion as being against the interest of France such that de Gaulle would not be able to take steps of that sort in an election year.”29 The Commission definitely had in mind the fact that before the end of the year, the French president would need to face the voters.

It seems that it was above all Mansholt who pushed for appealing to public opinion on strengthening Parliament. When the deputies in Strasbourg reported their agreement on grain prices, he announced that the entire agricultural market system should be introduced at a faster pace and that it should be combined with a strengthening of Parliament. After the Commission had approved the packet of proposals on 22 March, the contents immediately began seeping into the press; Hallstein presented the basics of the deal two days later in a speech before Parliament. De Gaulle and Couve de Murville were enraged by this, not completely without cause given that the Commission was supposed to present its proposals formally to the body that had given them the charge, that is, the Council of Ministers. By revealing the proposals to the public, the Commission was consciously putting the Council of Ministers under pressure. Privately, Hallstein repeatedly made clear to the president and the foreign minister “that the French would not avoid having to make a concession on this issue [parliamentary control of independent sources of income].”30

Initially, De Gaulle reacted to Hallstein’s challenge by seeking to isolate the Commission. On 27 March, Couve de Murville had to explain to his Italian counterpart that the Venice Conference would have to be postponed because the role of the Commission had not yet been clarified. Four days later, Peyrefitte announced the result of a meeting of the French Council of Ministers: France would agree to a summit meeting of the heads of state and of government only if an agreement were reached by 30 June (as scheduled) about the financing of the

29 Narjes to Hallstein, 19 May 1965, BA, WH 1119/1.
30 Report by Hallstein, 21 Oct. 1965, BA WH 1029. It may be the case that Mansholt helped Hallstein along a bit with putting out the news about the Commission decision. In any event, the Commission was not as innocent of the publication as portrayed in the subsequent explanation made to the French government.
Common Agricultural Market during the transition period. If the Germans and Italians were so eager for a new summit, they should then refrain from supporting the demands of the Commission. On 27 April, de Gaulle held a televised speech in which he once again highlighted his vision of an independent Europe that “rejects any foreign intrusion in the domestic affairs of a state.” He made it clear to the adherents of a “so-called integrated Europe” that limitations on national sovereignty would perforce lead to the submission of Europe to the hegemony of the United States.

This peremptory stance led in fact to the isolation of France. In a session of the Council of Ministers on 13 and 14 May, the representatives of the Netherlands and of the Federal Republic declared that financing during the transition period was linked to the principle of the transition to independent sources of income in the final phase of the agricultural market, and a decision therefore had to be made regarding the strengthening of control by the European Parliament. The Dutch government went so far as to criticize the Commission’s proposals as insufficient and called for complete legislative responsibility for Parliament as well as direct elections and the right to appoint the members of the executive organs. The Italian government praised the Commission’s proposal as logical and within the meaning of the Community. The Belgian government declared that it was in agreement “with almost all points.” Even the government of Luxembourg, which stated that it would be satisfied with a settlement regarding the transition period, did not raise any objections on principle to the proposals as a whole.

De Gaulle then concentrated on his West German partners. He suggested to the chancellor that the date of the next Franco-German summit be moved forward so that the two could synchronize their positions on the issues at hand before 30 June. Erhard, who regarded the rejection of the Venice Conference as a broken promise on the general’s part, agreed to this despite his disappointment. It was the case that he too was unwilling at this juncture to give up hope for a breakthrough leading to Political Union. When the two delegations met on 11 and 12 June in Bonn, it turned out that Erhard’s dependence on his party in parliament was greater than his ambition to achieve an agreement with de Gaulle on the issue of Political Union. After the French negotiators had made only vague intimations about strengthening the right of the European Parliament to participate in decision-making on budgetary matters, Foreign Minister Gerhard Schröder spoke with Erhard and succeeded in getting him to agree to accept a provisional regulation of agricultural financing for a year at most. This was much less than

33 AHCE SEC (65) 1541, 13 May 1965.
the chancellor had indicated in conversations with de Gaulle beforehand, and so the summit ended in a state of full confusion.34

Very angry that Schröder had tossed a wrench into the works,35 de Gaulle now found himself willing to dispense with a stepped-up completion of the Common Market and thus also the transfer of levies to the Community on 1 July 1967. For the moment, the question of control over independent sources of income by the European Parliament did not come up in that way; however, France as a net exporter of agricultural products could not yet stop its participation in the financing of export subsidies. De Gaulle was prepared to accept any domestic political difficulties that might arise from that. He was now concerned only that the financing for the whole transition period be agreed upon, given the transition to majority decision-making in the Council of Ministers beginning on 1 January 1966. Couve de Murville presented the new French position at the Council of Ministers meeting in Brussels on 15 June.

As had been agreed in Bonn, West German Foreign Office State Secretary Rolf Lahr and French Foreign Ministry Director Oliver Wormser, who was responsible for economic affairs, met on 22 June in Paris in order to take up the matter of coordinating their countries’ positions once again. A compromise presented itself: Bonn would agree to the postponement of the transition to independent sources of income if France would hold to the completion of the customs union on 1 July 1967. Furthermore, as had been discussed among the ministries in Bonn, Lahr went on to assure his counterpart that the West German government would now advocate a settlement for the whole transition period. In regard to the future budgetary rights of Parliament, Lahr emphasized that the Council of Ministers would still have the final word during at least an initial stage.

As can be seen when comparing the reports made by Lahr and by Wormser to their respective superiors,36 the two remained unclear as to how far French concessions in the Parliament question should go and whether a definitive settlement for the transition period should actually be found by 30 June. Wormser gave the impression that the West German government had fully accepted the positions Couve had presented in the Council of Ministers session of 15 June. There was no mention of Bonn having persisted in its position that there should be two further stages regarding participation by Parliament. The French foreign minister was all the more surprised when in the Council of Ministers on 30 June, Lahr—acting on instructions from Erhard—maintained the position that for the time being, there

35 Peyrefitte, De Gaulle II, pp. 287.
could be negotiations only on provisional financing for the next few months. That same evening, Schröder presented a resolution of the Bundestag (approved that day) calling for the West German government to advocate a strengthening of the rights of Parliament in accordance with the vote taken by that body on 12 May. At this, Couve had reached the point where he thought negotiations should be broken off.\textsuperscript{37}

Previously, Fanfani had categorically maintained that only short-term financing could be the subject of negotiations. As long as a market for fruit, vegetables, and olive oil had not been agreed upon, it was the poorest member states that were threatened with having to make hefty net payments. In accordance with a Dutch parliamentary resolution, Luns had stuck to the position that the Commission’s package could not be divided into its components. It was thus still the case that the financing of the agricultural market during the transition phase 1965–1970 could not be had if the rights of the European Parliament were not strengthened at the same time. De Gaulle was not prepared to agree to that, however. While the Quai d’Orsay saw the necessity of “doing something more substantial regarding the parliamentary assembly,”\textsuperscript{38} the French head of state would rather accept a crisis in the EEC than agree to a strengthening of its institutions. As he had said in the Council of Ministers in April, France would still be able to enjoy a fine existence “if the Treaty of Rome were sent into hibernation.”\textsuperscript{39}

There is no way to determine the extent to which that was meant in earnest. It was in any event the case that de Gaulle was not prepared to pay the price demanded by Hallstein for the transfer of the system of subsidies for agriculture to the Community. With the strengthening of the Commission that would result from that, along with the transition to majority voting in the Council of Ministers, there was the threat that control over the development of the EEC would be taken from de Gaulle. He thus resorted to a measure that Couve de Murville had been encouraging as early as the end of May in the event that pressure on Erhard did not succeed: “the establishment of a kind of general boycott by France until things arrange themselves.”\textsuperscript{40}

Couve thus rejected Hallstein’s offer to present in short order a new package of proposals that would take the various negotiating positions more fully into account.


\textsuperscript{38} MAE, CE-DE, 1111, Règlement financier. Situation au 24 juin 1965, without date, p. 2.

\textsuperscript{39} Council of Ministers session of 14 April 1965, Peyrefitte, De Gaulle II, p. 282.

\textsuperscript{40} According to the testimony of Couve de Murville during a hearing at the Institut Charles de Gaulle, 16 Dec. 1988, quoted in Maurice Vaïsse, “La politique européenne de la France en 1965: pourquoi ‘la chaise vide’?” in Loth, Crises, pp. 193–214. However, Couve suppresses the fact that before the crisis began, there had still been efforts to reach an understanding with Erhard.
He wanted nothing to do with the suggestion from the German delegation that the clocks simply be stopped and that talks continue, as had been done in January of 1962. Instead, he asserted that it was “obvious” that “some of our partners” lack the “will” to reach an agreement. Couve then used his position as chairman, which he held only through that very day, to adjourn the session. With the observation that there was “neither an agreement nor the possibility of an agreement,” he broke off the negotiations just before two o’clock in the morning.41

The next day, after a meeting of the French Council of Ministers Peyrefitte announced that the French government had drawn conclusions from the fact that the partners had not fulfilled their financial commitments: France would not participate in sessions of the EEC Council of Ministers in July. On 6 July, the Permanent Representative of France in the Commission was withdrawn. The French did no longer take part in sessions of the Permanent Representatives or the work groups that met under the chairmanship of the Commission. “Our chair will remain empty, and the meetings will be worthless,” commented de Gaulle in a conversation with Peyrefitte.42

It was clear that a certain portion of the blame for the outbreak of this crisis lay with Ludwig Erhard—in that he had suddenly yielded to political pressure from his smaller coalition partner, the FDP, by insisting that only provisional financing could be negotiated on 30 June. This had given Couve and de Gaulle the impression that the government of the FRG was among those that did not keep its word either. Decisive however was de Gaulle’s realization that the Parliament issue could not be taken off the table even with the offer of postponing Community financing of the agricultural market. The supposed failure to keep commitments regarding financing was only a pretext with which the blockade of Community institutions could be justified, an “unhoped-for pretext,” as de Gaulle said to Peyrefitte.43

The Crisis of the “Empty Chair”

With this blockade of Community institutions—something not foreseen in the treaty—de Gaulle wanted to bring about the emergence of differences among the

41 Protocol of Emile Noël, 1 July 1965, FJME, ARM G (65) 329.
partners so as to break the common front against the financing of agriculture without strengthening the European Parliament at the same time. It was especially the West German government that in his view was vulnerable to further pressure. “Because in the final instance the Germans cannot bear a situation in which there is no longer a Common Market,” as he said optimistically in mid-September, “in the end they’ll give in. […] The new chancellor will come to Paris soon after the election [on 19 September] in order to arrange things.” He did not even shy away from intensifying his Eastern policy so as to increase the pressure on the Germans. “They see,” as he stated after a visit by Polish Prime Minister Jósef Cyrankiewicz on 11 September in Paris, “that the East is coming closer to us. They’re encircled.”

In order for the pressure to work, however, it had to continue for a long time. The partners were to be left in the dark as to French goals and were to fear that the Common Market would break apart. “If they aren’t afraid, we won’t achieve our goal,” as de Gaulle said on 13 July. Therefore, the French representatives could not simply be absent for four weeks as Peyrefitte had already announced, and so the president made clear during the Council of Ministers session on 7 July that he was not of a mind to begin any negotiations at all before the end of the year.

It was not only the definitive financing of the Common Agricultural Market without any strengthening of the European Parliament that he was envisioning as the goal of negotiations. He also wanted to change the personnel of a Commission that had caused him so much trouble. He “never again wanted to have anything to do” with Hallstein, Marjolin, or Mansholt, as he said to Peyrefitte after the Council of Ministers meeting on 1 July. Furthermore, he was seeking to stop the transition to majority voting, which—as he now saw more clearly than before—threatened to call into question French successes in agricultural policy once again. “This crisis,” as he explained in the Council of Ministers on 7 July, “must be used to put an end to ulterior political motives. It can’t be the case that from 1 January 1966 our economy will be subjected to a settlement on majority voting by which our partners force us to accept their will. This opportunity must be used to revise the false concepts by which we have been subjected to the dictates of others. End this nonsense!” In order to prevent the transition to majority voting, he demanded a revision of the EEC Treaty or at least a supplemental protocol “that would restore the veto on fundamental issues.” Lastly, he also

44 Ibid., p. 300.
46 Ibid., pp. 290ff.
48 Thus on 15 Sept. 1965, ibid., p. 299.
considered a revision of the price system for the agricultural market that would banish the threat of overproduction as well as a slowdown in the dismantling of tariffs for the sake of French industry, but this was not essential to him.\footnote{Conversation with Hervé Alphand, 9 Nov. 1965, quoted in Bajon, Europapolitik, pp. 196ff.}

Initially, De Gaulle’s war of nerves did not have any effect. Hallstein remained convinced that France needed the EEC too, and that the president was therefore merely seeking to knock it into shape so that it did not limit his freedom of action. Hallstein let it be known that no one was “either to give in or to dramatize” the situation.\footnote{Horst Osterheld, Außenpolitik unter Ludwig Erhard 1963–1966. Ein dokumentarischer Bericht, Düsseldorf: Droste, 1992, p. 210.} Regarding the concessions that France would be expected to make for the completion of the agricultural market, he argued that the five partner governments ought to agree on a common line and not to give in on the aspiration for democratic control of the Community budget. Hallstein was supported in this view by Schröder; both saw the conflict as a test of power with a man who aspired to French hegemony over Europe. Even if he was not as decisively supranational in outlook regarding objectives as was the Commission president, Schröder thought it was important to adhere to agreements already made, which he saw as the best protection against such hegemony. Given that the Franco-German dialogue had been broken off for the time being and Erhard’s initiative for a Political Union was obviously no longer on the agenda, Schröder could now have a more significant influence on West German European policy than before.\footnote{Bajon, Europapolitik, pp. 149–153, 260–267.}

In bilateral conversations with his partners, Schröder made sure that the formulation of a new proposal for financing agriculture would be left to the Commission. It focused on the compromise offer that the French government had made on 15 June: Postponing the transition to independent sources of income and thereby also putting off the Parliament issue. The Agricultural Market and the Customs Union were to be completed by 1 July 1967, as the Commission had proposed in March. The financing of the Agricultural Market was however to be accomplished by member contributions until the end of the transition period, and tariff revenues were to be returned to the member states during this period. The funding of agricultural expenses was to occur in diminishing portions according to the general financial ratio of distribution and in a growing percentage according to the level of imports from third countries. If the market for fruit, vegetables, milk, and other commodities could not be passed by 1 July 1967, financing from levies was to be extended so that full financing from the agricultural account would begin only in 1970.
Controversially, the Commission discussed the question of the package deal together with that of parliamentary control. Mansholt initially protested this by stating that the Commission was carelessly dropping an essential portion of its proposals. Marjolin still wanted to hold explicitly to the principle of parliamentary control of independent revenues, combined with the recommendation that the role of the body in budget talks be strengthened “even now,” while Hallstein finally succeeded with a formulation to the effect that the Commission could not once again take a position in light of the fact that the Council of Ministers had not yet finished discussing the matter: “It does not believe that all possibilities for agreement have been exhausted.” In this way, he sought to avoid the possibility that the Commission could be attacked from any angle and yet at the same time preserve the chances of influencing the necessary compromise among the governments at any given moment along the lines of his own views.52

The memorandum of the Commission was formally passed on 22 July53 and was presented to the Council of Ministers on 26 and 27 July. In doing so, however, the foreign ministers in attendance did not go into detail; and there was most certainly no vote taken. The governments of the Five were not sure that they could make any decisions at all without French participation. Beyond this, they wanted to ease the French return to the table without any loss of face. It was rather clear even without a formal vote that the Five were willing to come to an agreement with France on the basis of the Commission memorandum. The French accusation of broken promises was thereby countered, and Paris was forced to show its hand.

There was nothing left for de Gaulle to do but go public with the demand for a revision of the treaty, which he had not yet presented. In a press conference of 9 September, he declared that negotiations in Brussels had been broken off not only because of the “permanent resistance of most of our partners to bringing agriculture into the Common Market” but also because of “certain errors in principle and ambiguities in the treaties on the Economic Community of the Six.” After he had denounced the “supranational ambitions” of the Commission and had conjured up the horrific image of the dominance of a “technocratic, unpatriotic, and unaccountable areopagus” over French democracy, he made the abandonment of such “pretentions” a precondition for France’s return to the negotiating table.54

53 Along with Rochereau, Marjolin voted against it; he specified in the protocols that he was opposed to leaving the Parliament question open. Amazingly, however, he completely concealed this view in his memoirs. See Marjolin, Le travail d’une vie, p. 348.
54 De Gaulle, Discours IV, pp. 377–381.
The partners’ shock at this demand was actually quite limited. They had long since perceived that the blockade of Community institutions by France was highly selective: French representatives continued to participate in numerous committee meetings and even in gatherings of the Council. On 21 September, the deputy of the permanent representative of the French government, Maurice Ulrich—who had remained in Brussels—bluntly informed his German colleague Eberhard Bömke “that very large portions of the French administration do not approve of the general’s policy toward the European Communities, even sharply reject” it and that no preparatory work was being undertaken in Paris on emendations to the EEC Treaty. Not only did Bömke inform his superiors in Bonn of this, he also told Hallstein.55 One could only conclude from all this that France did not actually want to leave the Community and especially that the intensification of the crisis was wholly the personal work of the general.

This meant too that de Gaulle was not in a position to push through any kind of treaty amendments. It was not only that the French administrative apparatus was hoping that its partners would maintain their hardline stance against the president: De Gaulle increasingly came under domestic pressure due to the worsening of the crisis. After the session of the EEC Council of Ministers in late July, the agricultural associations asked why the government had not accepted the offers of the Commission; and then the employers’ organization voiced its criticism too. In order to arrest the growing opposition in the run-up to the presidential election, representatives of the government as well as the Gaullist party newspaper La Nation felt themselves compelled to deny that the president had any intention of tearing up the EEC Treaty.56

The Five could thus increase their pressure on de Gaulle without any worries. When in the third week of September Belgian Foreign Minister Paul-Henri Spaak proposed that France be invited to an extraordinary session of the Council of Ministers without participation of the Commission, there was quick agreement that there must not be any decision regarding agricultural financing on that occasion. The return of France to the negotiating table was not to be purchased at the price of weakening the position of the Commission. In the Council session of 25 and 26 October, the five foreign ministers came to agreement that France was to be invited to such a special session in order to clear up institutional questions. At the same time, they emphasized in a declaration “that the solution to the problems facing the Communities must be found within the framework of the treaties and existing organs.” Among themselves, they were determined that they would

55 Bömke to Hallstein, 21 Sept. 1965, BA, WH 1187/2.
permit neither a treaty revision nor an interpretation of the treaty that limited the responsibilities of the Commission or the principle of the qualified majority.\textsuperscript{57}

The position of those who pushed for the president to yield due to economic concerns was strengthened when the Five expressed concern about the problems that de Gaulle had addressed in his press conference and also simultaneously demonstrated their resolve not to allow the supranational dimension of the treaty to be affected. Beyond this, the five foreign ministers composed a resolution on agriculture financing that made it clear that if France still wanted to have influence over the shaping of the Agricultural Market, it would do well to return to the table as soon as possible: Though in July the Commission had sought the postponement of the linked issues of independent sources of income and parliamentary control until 1970, the ministers now made reference to the original proposal from the Commission and observed regarding it “that this issue [must] be reviewed with the participation of all members of the Council.”\textsuperscript{58}

Schröder, who had played the key role in attaining the agreement of the Five,\textsuperscript{59} also let Couve de Murville know what the proposed clearing up of institutional questions would amount to: agreement over how cooperation between governments and the Commission could possibly be “further improved” and how “on issues of objectively clear life-and-death interests [an outvoting by the majority could] be avoided.” Formal arrangements were not necessary for this, however—tact and good will should suffice.\textsuperscript{60} Such a gentlemen’s agreement was actually a concession to de Gaulle’s conceptions and thus also a disappointment to all those who were eager for a rapid expansion of the supranational nature of the EEC. Yet, this was much less than de Gaulle had demanded; it corresponded to what was achievable under the circumstances. Not only was Schröder’s formulation approved by most of the other governments, with the exception of the Netherlands, but Hallstein too found it “encouraging” that there was to be discussion of “a reasonable application of the majority principle.”\textsuperscript{61}


\textsuperscript{58} AHCE, SEC (65) 3145, 26 Oct. 1965.


\textsuperscript{61} Sigrist to Noel, 8 Oct. 1965, HAEU, EN 1588. The usual picture of an understanding of the governments with de Gaulle at the cost of the Commission (for example, in Ludlow, \textit{European Community}, pp. 87ff.) springs from an exaggeration of Hallstein’s ambitions, which de Gaulle had successfully propagated.
Naturally, the president was not immediately prepared to accept Schröder’s offer. First, he wanted to test whether the unity of the Five—which he had not at all anticipated—could last or whether by persisting in his demands there was the possibility of achieving more. Secondly and above all, giving up on the blockade without a supplementary agreement on institutional questions would now amount to a defeat; this was to be avoided if at all possible, as long as his re-election was assured. Couve de Murville then quickly let Council President Emilio Colombo know that he was not prepared to take part in a meeting of the Council in Brussels. At the same time, he demanded abolition of the majority principle, the “return” of the Commission “to its rights and duties according to the treaty” and a “review” of its composition.62 He followed up by making efforts to break the unity of the Five by means of bilateral conversations.

After this had proven unsuccessful, the French Council of Ministers decided on 17 November that it would in principle accept an invitation to an extraordinary meeting of the foreign ministers. This concession was not to be revealed to the wider world yet, however. In order to prevent the Five from increasing the pressure on de Gaulle still further, it was merely the case that the Belgian foreign minister, who was still seeking to negotiate, was told on 22 November that Paris was prepared to accept the recent compromise proposal: a meeting in early January of 1966 in Luxembourg.63

After de Gaulle had surprisingly failed by a significant margin to gain an absolute majority in the first round of the presidential elections on 5 December and thus had to contend with François Mitterrand in a runoff, the willingness to compromise was signaled still more clearly: In an encounter with Colombo on 8 December in Rome (on the occasion of the concluding festivities of the Second Vatican Council), Couve proposed leaving the issue open as to whether the meeting in Luxembourg would be a gathering of the Council or a summit. The Frenchman was also less rigid regarding a treaty stipulation on the desired turn away from the majority principle. After this encounter, Couve let it be known that “the main hindrances to resumption of European talks have been eliminated.”64

Immediately after the re-election of de Gaulle on 19 December, the French government approved a meeting of the six foreign ministers on 17 and 18 January 1966 in Luxembourg. Despite recommendations to the contrary, however, de Gaulle was not willing to agree to the 1966 budget for the EEC or EURATOM; both

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communities thus had to operate with emergency budgets for the time being. The reduction of tariffs within the Community by ten percent as of 1 January 1966, which had been moved up by agreement, was put into effect; but tariff reduction within the framework of the Dillon round of GATT was postponed.

When the extraordinary Council—which was in French eyes only a summit of the foreign ministers—gathered on 17 January 1966 in Luxembourg, Couve in fact no longer called for an official revision of the Treaties of Rome. Instead, he presented a list of demands that amounted to a circumvention of critical treaty stipulations. In this “Decalogue,” there was a call for the Commission to present its proposals initially to the member governments before they were submitted to the Council of Ministers. Also, the Commission was no longer to make any public declarations without prior consultation with the Council of Ministers. The representation of the Community to the outside world was to be left to the Council of Ministers. Majority voting in the Council was to be de facto eliminated via agreement on an advance veto: “If a member state declares that a decision touches upon one of its vital interests, the Council cannot vote on this issue until the consent of the affected state has been given.”

When it came to appointing a new Commission (whose mandate had expired on 9 January 1966), Couve no longer demanded a completely new slate of members. He did however want the introduction of a rotating presidency; every two years, a Commission member from a different country was to take over the position. After this, a second renewal of Hallstein’s mandate was no longer possible. The new regulations would come into force in conjunction with the merger of the executives of ECSC, EEC, and EURATOM—a move that had been decided upon by the Six in March of 1965 before the outbreak of the crisis. Couve demanded that the Merger Treaty of 8 April 1965 be ratified without delay so that the new Commission could take up its work at once.

The partners showed a certain measure of willingness to take the “Decalogue” as the starting point for a dialogue between the Commission and the Council. Schröder and Luns were not however prepared to put any kind of voting-system modification in writing, not even in the significantly weakened forms proposed by Spaak and Columbo as a compromise. Likewise, they did not want to ratify the

treaty on the merger of the executives of the three Communities until an understanding had been reached on the reappointment of Hallstein. An altercation almost broke out when on the second day of the meeting the French delegation put forward a timeline which did call for agreement on agricultural financing by the end of March but remained silent on the development of common positions in the Kennedy Round. After Couve had declared that a mandate for that round could only be decided after the settlement of the agricultural financing issue, Schröder and Luns rejected the French proposals lock, stock, and barrel. Luxembourg head of government and Foreign Minister Pierre Werner, serving as Council president, had no recourse but to adjourn the session.67

Before the next gathering of the six foreign ministers on 28 January, the Permanent Representatives, with the discreet cooperation of the Commission, worked out a milder version of the “Decalogue,” now in seven points; the Commission then “invited” the Council to work on harmonization. The document expressed the desire that the Commission consult the Council before passing “important” proposals. Furthermore, proposals were to be submitted to the Council before being made public. The letters of accreditation of ambassadors to the Communities were to be accepted jointly by the president of the Commission and the president of the Council of Ministers. The Commission and the Council were to share information on their contacts with third states, should consult on the nature of their representation in international organizations, should “cooperate” in the realm of information, and coordinate with each other as to the control of Communities’ expenditures. In this form, the rules of conduct — no longer containing any restrictions on the authority of the Commission or criticism of its prior actions — were now accepted by all foreign ministers.68

Regarding majority voting, Schröder made a concession to the French with a proposal for a declaration of intent that envisioned striving for a consensual solution “where very important interests of one or more partners are at stake.” The partners still opposed the French demand that in such a case “the discussion must be continued until unanimous agreement is reached.” Given the danger of another conference failure, Couve was prepared—at 0:45 a.m. on 30 January—to end the blockade without having succeeded in this demand. In a joint declaration, the partners stated “that there is a divergence of views on what should be done in the event of a failure to reach complete agreement.”69

68 Cf. the comparison of the “Decalogue” und the “Heptalogue” in Palayret, Visions, pp. 246–249.
Earlier, when establishing a written work program for the coming weeks and months, Couve had had to concede that parallel to a quick resolution to agricultural financing, the working out of common tariffs and a common position for GATT negotiations had to be dealt with as well. The issue of replacing Hallstein was postponed: Couve had to accept that the Five declared an understanding on the composition of the new Commission would be a prerequisite for the merger treaty to take effect.70

With his seven-month absence from the Council of Ministers and the meetings of the Permanent Representatives, de Gaulle had achieved nothing more than sowing uncertainty among his partners as to how France would react to the next difference of opinion that would be declared “vital”—whether the French government would then comply with a majority vote or would unleash another crisis. That might well protect one from being outvoted, but it was not a guarantee that the Community would develop in the direction desired by de Gaulle.71 That the president gave up his opposition at this juncture can only be explained in that he had come to the conclusion that he had played out his hand. In fact, the president of the Permanent Representatives, Albert Borschette, had on 7 January warned the French in the name of the Five that Luxembourg was their “last chance.” The Permanent Representatives had agreed upon a Council session for 31 January or 1 February at which the passage of the regular budget for 1966 would be on the agenda.72 De Gaulle could no longer exclude the possibility that the integration of the Community would continue in a completely normal manner and that France would later have to submit to decisions that had been made without its input.

The Time of the Arrangements

De Gaulle sought to mask his defeat by immediately developing a new initiative for Political Union. After Couve returned from Luxembourg, he stated soothingly in the Council of Ministers on 2 February that they had after all achieved “that which we wanted to a significant degree,” and the president insisted that the supranational trap could only be evaded “if we achieve political cooperation among the

71 There is no evidence for the oft-repeated claim that the Luxembourg “compromise” had led to dispensing with majority voting. See Jonathan Golub, “Did the Luxembourg Compromise Have Any Consequences?” in Palayret, Wallace, Winand (eds.), *Visions*, pp. 279–299.
Six.” After the session, he let it be known that “organizing European political cooperation would greatly ease the development of economic cooperation.” At the next Franco-German summit in Paris on 7 and 8 February, he came to agreement with Erhard on an appeal for political Europe, to which the chancellor was to respond with new efforts to bring about a meeting of the foreign ministers. At a press conference on 21 February, de Gaulle characterized the organizing of political consultations among the Six as “more urgent than ever before” and once again conjured up the vision of a “mighty and independent” European Union that would ultimately also play a decisive role in overcoming the two blocs.

Erhard hesitated to make the case for the Political Union once again, however. After the brutal extortion attempt by de Gaulle, the chancellor had become more than skeptical that it would still be possible to reach a workable arrangement with him. Erhard therefore maintained the position at the Paris negotiations that he would become active again only after de Gaulle had publicly spoken in favor of a new initiative. When the agreed-upon press conference took place, he saw his skepticism confirmed: De Gaulle announced at the same time that France would withdraw from the integrated defense structure of NATO at an unspecified time before the expiration of the Atlantic pact on 4 April 1969. That was not anything fundamentally new—de Gaulle had informed the US government of his intentions in this regard as early as the end of November 1964 and had told Erhard of it in the Franco-German summit, which had been brought forward to June of 1965. Yet, the unilateral declaration without prior consultations served to make clear that de Gaulle was determined to force his conception of European security on his partners. This was not conducive to an understanding on the Political Union.

In the announcement of unilateral withdrawal from NATO, Erhard correctly regarded de Gaulle’s Europe appeal as “completely void.” The West German Foreign Office did obligatorily sound out the partners as to the chances for a new foreign ministers’ conference. After Luns had urgently counseled Bonn not to pursue a new initiative if it wanted to avoid endangering relations with the Netherlands, the chancellor made a public appeal only for the resumption of regular consultations of the foreign ministers; he did not issue an invitation to a new meeting. At the national party congress of the CDU from 21 to 23 March

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73 Peyrefitte, *De Gaulle III*, pp. 183ff.
1966 in Bonn, Schröder—the professed “Atlanticist” and victorious adversary of de Gaulle—received tremendous ovations.\footnote{Geiger, Atlantiker, p. 404.}

For his part, de Gaulle decided to carry through with the withdrawal from NATO integration in short order. Without prior consultation with the responsible staff of the foreign ministry, the defense ministry, or the government, he sent a handwritten announcement to President Johnson on 7 March indicating that France was pulling out of NATO’s integrated command and that it would be withdrawing its troops from integrated military units. At the same time, he called for the removal of the integrated general staffs and allied forces from French territory. Two days later, letters to this effect were sent to Erhard as well as British Prime Minister Harold Wilson and Italian Prime Minister Giuseppe Saragat. In a memorandum of 29 March, he specified that the withdrawal of NATO forces and institutions was to take place within one year, that is, by 1 April 1967.\footnote{Vaïsse, Maurice, La grandeur. Politique étrangère du général de Gaulle 1958–1969, Paris: Fayard, 1998, pp. 385ff.; the letters in De Gaulle, Lettres 1964–1966, pp. 261–267.}

With de Gaulle’s decision to withdraw unilaterally from NATO military integration, a politically-independent Europe slid definitively beyond reach. This action, widely perceived as exhibiting a lack of solidarity, did finally spur an overdue discussion of reforming NATO. Contrary to the French president’s wishes, this did not however lead to an autonomous European pillar within the alliance but instead strengthened American leadership. On 25 September 1966, the fourteen remaining NATO members reached agreement on the creation of a nuclear planning group and the development of a joint strategy. The negotiations stemming from this led in December of 1967 to official adoption of the strategy of “flexible response” (which de Gaulle had fought as lacking in credibility) and to the issuing of the Harmel Report, named for Belgian Foreign Minister Pierre Harmel, which established defense and détente as tasks of equal priority for NATO. This meant for a strong impulse within the Western alliance to coordinate efforts toward détente with the Soviet Bloc and not, as de Gaulle had envisioned it, emancipation from American leadership.\footnote{Helga Haffendorn, “The Adaption of the NATO Alliance to a Period of Détente: The 1967 Harmel Report,” in Loth (ed.), Crises, pp. 285–322; Vincent Dujardin, Pierre Harmel, Brussels: Éditions Le Cri, 2004, pp. 627–657.}

Erhard was just able to prevent Schröder from pushing through a withdrawal of French forces (heretofore under NATO’s supreme command for Europe) from the Federal Republic. Bonn initially declared itself “provisionally” in agreement with having the troops remain and then got negotiations going between the chief of staff of the French land forces, General Charles Ailleret, and NATO
Supreme Commander for Europe Lyman Lemnitzer on the issue of command over the French forces in wartime. In an official exchange of correspondence on the matter with Paris on 21 December 1966, Bonn held firm in its position that French forces would remain as long as the West German government desired them to. Lastly, in an exchange of correspondence on 22 August 1967, it was agreed that in the event of war, French troops would fall under the command of Allied Forces Central Europe; the French government did however reserve the right to determine whether they would participate militarily at all.

Erhard saw no occasion or opportunity for further steps toward Franco-German cooperation in the defense realm, as de Gaulle had offered in his explanation of the withdrawal from NATO integration. Instead, the chancellor let it be known during a trip to Norway and Sweden in early September of 1966 that the economic integration of the EEC and EFTA had once again taken priority in his eyes.\textsuperscript{80} For his part, de Gaulle responded to the lack of any agreement on a common strategy among the Europeans with a demonstration of the claim to complete national independence: In December of 1967, just before the Harmel Report was issued, the French president had General Ailleret publish an essay with a call for France to be in a position “to intervene everywhere” and to defend itself “in all directions.”\textsuperscript{81}

In Luxembourg, the negotiations on issues that remained open thus took place in an atmosphere of growing alienation between France and its partners in regard to defense policy. For exactly that reason, however, there was pressure for talks on economic issues to succeed: No one involved believed that it would be possible to withstand another crisis calling into question the existence and further development of the Common Market. France did persist in its position that regulation of agriculture financing in the transition period had priority. In the end, however, the French government had to accept the Federal Republic’s insistence that agreements made here would only take effect if accord were reached on establishing additional markets as well as the completion of the Customs Union and common positions for GATT negotiations.

In a series of Council sessions from late February to late July 1966, agreement was first of all reached that the transition to free traffic in agricultural products, which the Commission had envisioned for 1 July 1967, would instead be stretched out over a period of twelve months, that is, to 1 July 1968. The Customs Union for industrial products would also be completed by 1 July 1968 in two stages. As to the financing of the agricultural funds, agreement was essentially reached


\textsuperscript{81} Ibid., p. 394.
on a compromise proposal made by the Commission for the transition period: financing from member contributions and levies. The West German government was able to push through a provision specifying that its portion of the financing in the second half of the transition period, that is, from 1 July 1967, would be .8 percent lower than that of the French (31.2 percent versus 32 percent) and that agricultural exports into the GDR would no longer be treated as exports into third countries. The percentage of the agricultural budget available for improving the agricultural infrastructure was limited to a set amount.

After energetic preparatory work by the Commission, the Council agreed on 14 June 1966 on a negotiating position for the Kennedy Round of GATT. True, it did contain some concessions to France regarding the tariff levels to be put forth; but altogether it included the overwhelming portion of the foreign trade of the Community in worldwide tariff reductions, as both the Federal Republic and the Netherlands had especially desired. This agreement was made easier by the fact that in the meantime, French business was likewise becoming increasingly interested in a reduction of industrial tariffs. Lastly, there followed on 27 July 1966 an agreement on the agricultural portion of the negotiating position for the Kennedy Round; the Commission had done preparatory work on this too. Simultaneously, after long and to an extent very difficult negotiations, markets for sugar and fat were passed as well as important additions to those for fruit and vegetables and common prices for milk, beef, sugar, oil seeds, olive oil, and rice. The demands made on the Common Market by Italian and German producers were thus largely acceded to, which was disadvantageous for the budgets of not only those who up to that point had been net payers.

After the Commission had received a comprehensive mandate for negotiations, the Kennedy Round of GATT could finally enter its decisive phase. This led to the signing of a comprehensive agreement on 15 June 1967. The terms on reducing tariffs in agriculture were modest: Instead of dropping them by as much as fifty percent as the US had demanded, the reduction was twenty-two percent on average; this resulted not least of all from the fact that the US government refused to include export subsidies in the calculation. The high level of agricultural protectionism among the industrial nations thus remained essentially intact, which worked against the chances for modernization in the so-called developing nations. Conversely, there was a genuine breakthrough in the realm of industrial goods: For more than two thirds of the products involved in negotiations, tariff reductions of fifty percent were agreed upon. The average reduction on all products was thirty-five percent, to be introduced in stages over a period of five years.

up to 1 January 1972. Thanks to its unified stance, the EEC was able to develop great negotiating strength. This enabled the Europeans to convince the Americans to accept the mutual opening of industrial markets while denying the unilateral opening of the agricultural market, as American farmers were forcefully demanding.\(^83\)

Regarding the merger of the executives and the appointment of a new common Commission, Schröder continued his adamant resistance to French pressure. For him, sticking with Hallstein was an integral component of the as-yet unfinished test of strength with de Gaulle. For reasons having to do with party politics, Erhard could not tolerate a rejection of Hallstein, and in his resentment over the lack of solidarity from the French president, he saw no reason to risk his own position on account of French demands. In the Council of Ministers session of 5 April 1966, the West German delegation did accede to the French call for introducing a two-year rotating presidency of the common Commission. Yet, they also persisted in their position that would allow mandates to be extended for an additional two years and also proposed that the common Commission be entrusted to Hallstein for the first two years.\(^84\)

A Belgian compromise proposal limiting Hallstein’s mandate to one year was rejected by Schröder, as was de Gaulle’s concession that after the merger Hallstein could remain in office for “several months,” as the president had said at the Franco-German summit of 21 July 1966.\(^85\) Instead, Schröder proposed that the current Commission, which had been so helpful in decision-making on the Common Agricultural Market and on GATT negotiations be allowed to remain in office until the Customs Union took effect on 1 July 1968. The merger of the executives was to be postponed until that time. The Federal Republic kept Hallstein \textit{de facto} in office by refusing to agree to a date for filing ratification documents.

A resolution to the mutual blockade came only after the fall of Erhard in November of 1966 and after a grand coalition of the CDU and SPD had taken the reins in Bonn on 1 December. The new chancellor, Kurt-Georg Kiesinger, was a CDU politician who regarded \textit{rapprochement} with France as a high priority. Kiesinger himself was a South German member of the \textit{Bildungsbürgertum} who valued France, its language, and its culture very highly. As longtime chairman of the Foreign Policy Committee of the Bundestag (before he had taken over as prime


\(^{85}\) AAPD 1966, pp. 966–973, here p. 971.
minister of Baden-Württemberg in late 1958), he had developed a conception of Europe that was significantly closer to de Gaulle’s than to those of Schröder or Hallstein. Without emphasizing a front against the US as strongly as the French president did, Kiesinger placed his hopes on a European core that was capable of taking action, one that possessed real weight vis-à-vis the US. With skeptical pragmatism, he assumed that the nation-states would remain the central actors in the European unification process for the foreseeable future.86

The new foreign minister, SPD chairman Willy Brandt, was also committed to a united Europe’s increased capacity to act. Moreover, he was under pressure from his party colleague Karl Schiller, who as economy minister was pushing for a rapid merger of the executives. Only if this were no longer blocked could a common energy policy be developed, a move the Federal Republic was seeking in light of the crisis in the coal mining industry. In order to overcome the blockade without doing damage to Hallstein, Brandt had State Secretary Lahr propose during a foreign ministers’ conference of the Six on 22 December that the Merger Treaty take effect on 1 July 1967 and that, as Schröder had suggested, Hallstein serve as president of the common Commission until completion of the Customs Union on 1 July 1968.

De Gaulle greeted this initiative with the demand that the proposal not be discussed in the Council of Ministers of the Six but rather at the next Franco-German summit on 12 and 13 January 1967 in Bonn. At that meeting, Kiesinger showed himself to be “somewhat more modest”87 than his foreign minister: He would be satisfied if Hallstein could remain as Commission president “for a period of time” after the merger was carried out. When de Gaulle replied that this period should expire before the end of the year, an agreement was reached that at the summit conference of the Six planned for June, the West German government would support the immediate merger and Hallstein would then be called upon to serve as president of the common Commission for half a year. Fanfani had issued the invitations to that summit, officially in order to celebrate the tenth anniversary of the signing of the Treaties of Rome, but actually in order to take up work on political cooperation once again.

With pressure coming from the ranks of the CDU/CSU and opposition from his Foreign Office, Kiesinger then called this arrangement into question: He now wanted an earlier merger and also an extension of Hallstein’s term to 31 December 1967. De Gaulle was unwilling to accept that. After the chancellor had already

86 Cf. Philipp Gassert, “‘Wir müssen bewahren, was wir geschaffen haben, auch über eine kritische Zeit hinweg’ – Kurt Georg Kiesinger, Frankreich und das europäische Projekt,” in König and Schulz (eds.), Bundesrepublik, pp. 147–166.
87 Conversation notes, 13 Jan. 1967, AAPD 1967, Doc. 17, pp. 94–102, the quote on p. 100.
committed himself to the merger in the coming months, the French president saw no reason to make further concessions. On the contrary, in light of the West German demands to change the arrangement, the French government made clear that along with the appointment of Hallstein, it also wanted to determine right then who would follow him in the post. That threatened to diminish Hallstein’s influence over the shaping of the common Commission further.

Thus, the test of strength over Hallstein continued. In the end, there was nothing left for Bonn to do but give in if it did not want to endanger the recent beginnings of an understanding regarding the political Community, which Fanfani had initiated with his invitation to a summit in Rome. As the date for the gathering approached, Brandt sought to have Couve de Murville agree to extend Hallstein’s term to 31 March 1968. The West German foreign minister made this request at a dinner on the occasion of the Franco-German foreign ministers conference on 27 and 28 April, however; the meal ended with reconfirmation of the French positions on all essential points: The merger should take place on 1 July; Hallstein’s term should end on 31 December 1967; along with his appointment, decisions were to be made as to his successor and the future composition of the Commission. Couve conceded only that Hallstein could remain a member of the Commission, perhaps in the post of vice president.

This was a solution no longer acceptable to Hallstein. He had acceded to the shortening of his term as president of the common Commission to a half year under the condition that all the governments accepted it (and in the hope that at least the Dutch would call for a longer term). Given that his successor was now to be appointed right at the beginning, he no longer saw any sense in further engagement. Hallstein correctly viewed that having him continue in the office of vice president would weaken the political weight of the Commission. He wrote to the chancellor on 3 May requesting that he not be re-nominated. In explaining his request, he argued not only that the proposed term would not be sufficient to move him to offer his experience for integrating the three executives but also asserted that an agreement between the governments and the candidate on limiting the term would endanger the independence of the Commission.88

With Hallstein concerning himself so much with damage control, it seemed all the clearer that Kiesinger was the loser in this test of strength. The chancellor’s actions became the subject of much criticism not only in the West German press but also among the governments of the member states. In fact, however, de Gaulle’s victory was not nearly as great as it seemed: Firstly, it had taken him almost two years to get rid of Hallstein. Secondly, the general had to accept Jean Rey as the next president of the Commission; and Rey had an understanding of

88 Hallstein to Kiesinger, 3 May 1966, BA, WH 1126.
the office that was no less political than Hallstein’s; moreover, as leader of GATT negotiations, Rey had already gained great prestige. Mansholt, whom de Gaulle had also been targeting, remained vice president. It proved possible to replace only Marjolin, who was succeeded by the economics professor Raymond Barre. Thus, de Gaulle had not succeeded in completely changing the composition of the Commission, as he had initially demanded, nor had he been able to weaken it. For their part, Kiesinger and Brandt could say that they had opened a path for further development of the Community. From that perspective, Schröder’s blockade strategy was unrewarding over the long term.

With the implementation of the Merger Treaty on 1 July 1967, the number of Commission members grew temporarily from nine to fourteen. The Committee of the Permanent Representatives, which had not even been envisioned in the Treaties of Rome, was now institutionalized. Luxembourg, having now lost the High Authority of the ECSC, was compensated with a group of new agencies, notably the European Investment Bank, the Office of Official Publications of the European Communities, and the Statistical Office. Beyond this, it was decided that the Council would hold its sessions in Luxembourg for three months per year. The country also remained the seat of the Court of Justice of the European Communities and of the Secretariat of the Parliamentary Assembly. Yet, to a more significant extent than previously, the center of gravity of Community institutions now lay in Brussels. This was expressed symbolically with the completion of the new headquarters of the Commission, the Berlaymont Building, in late 1969. After all the moves from Luxembourg had taken place during the summer of 1968, there were now some five thousand officials of the various directorates of the Commission working in Brussels.89

The Return of the British Question

The option of further developing the Community seemed all the more attractive because in the meantime the question of the entry of Great Britain and the neighboring EFTA states was once again on the agenda. In Britain, de Gaulle’s harsh rejection had initially given new impetus to the opponents of entry. The parliamentary elections of October 1964 had been won by the Labour Party, which had earlier spoken out against Macmillan’s application for membership. In Harold Wilson, Britain now had a prime minister from the left wing of the party, one who regarded EEC membership as incompatible with a socialist planned economy

and who sought an independent role for Britain in world politics, supported by a reformed Commonwealth.

The failure of an ambitious national economic plan along with an increasing independence of mind among Commonwealth countries, especially the painfully-felt exodus of Rhodesia in November of 1965, gradually led Wilson to rethink matters, however. In January of 1966, he had a cabinet committee secretly examine the economic implications of British accession to the EEC; in August, he appointed George Brown as foreign secretary, who along with Roy Jenkins and Michael Stewart was among the few dedicated Labourite supporters of EEC membership. On 22 October, Wilson convinced an overwhelmingly-skeptical and to an extent even hostile cabinet to agree to “exploration” with the governments of the Six as to whether British entry was possible and, if so, under what conditions. On 10 November, he announced this intention in the House of Commons, with a statement that while lacking binding force did signal resolve: “I want this House to know that the Government are approaching discussions with the clear intention and determination to enter the EEC if essential British and Commonwealth interests are safeguarded.”

In fact, Wilson was now more or less convinced that there was no longer any alternative to British membership. True, it would initially lead to a rise in food prices and thus household expenses; but ultimately new industrial growth would only be possible via free access to the Common Market and participation in its modernization programs. Wilson advocated a “new technological Community” to counter the American challenge and lay the foundations for a strong position for Europe in the world. It is possible that he also hoped this would usher in a leadership role for Britain in Europe and that the Continent could serve as a new basis for British greatness, in place of the declining Commonwealth; it was at least the case that Brown repeatedly expressed these sorts of sentiments. One way or another, Wilson had Europeanized his dreams of modernization. Given that this wholly corresponded with the evolution of French thinking, he saw realistic chances of winning de Gaulle’s support—after some defensive reactions—for expansion of the Community.

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As his subsequent course of action made clear, Wilson pinned his hopes above all on the Federal Republic. With the SPD’s entry into the government, he saw a strengthening of pro-British elements in Bonn. In the common interest of the Socialists, Foreign Minister Brandt was to put pressure on the French government: “Willy, you must get us in, so that we can take the lead,” said Brown to his counterpart at a meeting of the Socialist International on 5 January 1967 in Rome.92 During a visit to Paris on 25 and 26 January, Wilson and Brown were not exactly welcomed with open arms. Yet, De Gaulle did exhibit a certain satisfaction that Britain “now really wished to moor itself alongside the continent,” but then went on to emphasize the problems that would face the Community if the country were to join. He suggested his guests consider alternatives to membership: association with the Community or “something entirely new.”93 Brown responded by pressing Brandt to support full membership for Britain during meetings between France and the Federal Republic. In the Briton’s view, if everyone were to form a strong front against de Gaulle, the general would ultimately acquiesce.

Brandt was little affected by the informal methods that Brown employed. As much as he favored British membership—for political reasons as well as in the interest of German exports—a break with France, which Brown was suggesting as an alternative, was something that he could not and would not risk. Kiesinger did not want to put any special emphasis at all on engagement for British entry. He had great doubts as to whether the British were actually prepared to participate in building a political Europe; at a summit meeting with de Gaulle on 13 January, he therefore raised for the first time the idea of a separation between an expanded economic Community and a closer political Community of the Six. During a visit by the two Britons to sound things out on 15 and 16 February, the chancellor opposed the strong push by Wilson to put pressure on de Gaulle. The West German ambassador in London, Herbert Blankenhorn, who supported British entry, wrote in his diary: “The most negative thing was the extremely reserved coolness, even the almost fearful attitude of the government, which always kept an ear to the ground to determine if negative voices from Paris were becoming perceptible.”94

Wilson did not allow the cool reception in Bonn to dissuade him from pushing for British accession. As Brown noted, “gradually, our line got firmer and firmer” during the tour, and “by the time we finished we had virtually decided to make our application.” Wilson reported to his cabinet that he had achieved much during his visits to the capitals of the Six. This gave many ministers the impression that it was now necessary to consider an attempt to join under acceptable conditions. On 2 May, Wilson informed the House of Commons that his government wanted to submit a new application. After a large majority of all three major parties had agreed to the idea on 10 May, the application was filed in Brussels the next day. Applications from the Irish and Danish governments went in the same day. For Ireland, economic necessity provided the motive for joining the British initiative. For Denmark it was a long-awaited opportunity. Danish Prime Minister Jens Otto Krag—like Brandt a Social Democrat—had done everything in his power to support the British application. An application from Norway followed a little later, on 24 July. As in 1961, Prime Minister Per Borten had needed more time to rally reluctant forces in the governing coalition for the initiative.

De Gaulle hastened to make known, publicly too, that he continued to oppose British accession. In a press conference on 16 May, he warned that such a development would divert the Community, steering it into becoming an Atlantic-oriented free-trade zone. He offered the British the alternative of either being content with association or waiting “until this great people has itself completed the far-reaching economic and political transformation it is seeking.” In contrast, the governments of the Five wanted to make use of this new chance to expand the Community. In their view, this was all the more attractive because Wilson and Brown had given assurances that they were now willing to accept the regulations of the Common Market without modifications and had voiced their commitment to a political Europe at the same time. Unlike in 1961, the Commission now engaged itself by supporting the applications. On the other hand, the governments of the Five were also concerned to avoid another Community crisis like the one they had

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just experienced. The result of the conflicting impulses was a call for the Commission to produce a report on the applications, a move that was decided in a session of the Council of Ministers on 26 June. Until the report had been completed, it was the West Germans especially who were to work to dispel de Gaulle’s doubts.

Initially, however, Kiesinger did not try to convince de Gaulle of the seriousness of the British change. Himself filled with concerns about watering down the Community, the chancellor instead sought to delay the clearly unavoidable accession of Britain as long as possible, until the political Union had assumed concrete form. So he only made the case with the French president “to buy time with the process [now] begun.” Public opinion in the Federal Republic would not forgive de Gaulle for the shock of a second harsh rejection. When on 29 September the Brussels Commission, as expected, made the recommendation to begin negotiations with the candidates for entry, Kiesinger proposed that first of all, the difficulties cited in the report be examined more closely.

De Gaulle was not at all willing to engage in that form of foot-dragging. As he explained to a close circle of his ministers on 16 October, the Community “has some things to do: Merger of the Communities, review of the financial order, and God knows what other problems we’ll have. As long as those issues haven’t been resolved, the Community can’t negotiate. It’ll take time for England to be capable of joining and until the Community is in a position for it. One can say that we’ll take another look at all that in 1970.” De Gaulle was aware that his refusal to begin negotiations on entry now would unleash another crisis in the Community; he was confident however that this crisis would also be of a limited nature because all the partners had a vital interest in a functioning Community.

On 18 November, Wilson’s government responded to the demand to eliminate its budget deficit by implementing a spectacular devaluation of the British pound by 13.4 percent. The general countered with another press conference on 27 November in which he characterized the reorganization of the British economy as a mammoth task that would excessively burden the Community and lead to its breakup. More clearly than on 16 May, he rejected negotiations at that point as a rash determination to “destroy the European edifice.” The only thing he conceded to Kiesinger was a willingness to leave the applications on the agenda

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of the Council. In the session of that body on 18 and 19 December, the foreign ministers of the Five, having agreed among themselves beforehand, urged that entry negotiations be started. Couve opposed it, and given that no one called for a vote, the question remained open.

In the following months, the Five sought repeatedly to convince the clearly obstinate general to give in. First off, on 19 January 1968, the governments of the Benelux states called for the establishment of a consultative process between the Community and the applicants as well as agreement on common actions by interested states in areas that had not yet been taken up by the Community, such as arms production and technological development. Bonn agreed to this idea for a linking organization but proposed in place of cooperation among interested states (possibly without France) the creation of a trade policy preference zone including applicants with the prospect of entry. In late September, after de Gaulle had found himself in serious trouble due to the crisis of May 1968, Brandt presented an “action program” that expanded upon the concept of a trade arrangement by adding the idea of a work group of member states and applicants, a body that would concern itself with issues of cooperation and entry. As soon as there was sufficient agreement within the work group, the foreign ministers of the Six and of the applicants would gather at a conference.

Kiesinger was especially unwilling to support the sort of pressure that the Benelux representatives and the Italian government had in mind. West German attempts to convince the French only led to growing frustration between the two states. De Gaulle stuck with his “no” to any proposal that implied a transition to entry negotiations. Michel Debré, serving as de Gaulle’s foreign minister since the government shakeup in the wake of the May crisis, responded to Brandt’s “action program” not only with a new warning about the profound transformations the Community would experience if it were expanded. In a conversation with journalists, he also dramatized the situation by speaking of a “last chance” for Bonn to embrace the French viewpoint. Otherwise—so his threat went—there could well be a “freezing up of the Common Market.”

The crisis resulting from the French refusal to negotiate on the British application took on a more dramatic intensity when first the Dutch government and then the governments of Belgium and Italy refused to agree to further development of the Community in various fields if the issue of British entry were not decided simultaneously. The Dutch boycotted an initiative to revive plans for a

Political Union that Kiesinger, acting on a final impulse from Adenauer,\textsuperscript{103} had made during the anniversary summit on 29 and 30 May 1967 in Rome. The Italians supported it in their package deal when the West German government sought to initiate the merger of the three Communities in the interest of a common energy policy. In early 1968, the two governments blocked the issuing of a report on technological cooperation with the stipulation that the Council of Ministers must first decide on incorporating the applicants into the negotiations. In a memorandum of 23 February 1968, the Italian government demanded that nothing be undertaken in the realms of common policy on agricultural, trade, competitiveness, taxes, energy, or industry that would amount to increasing the difficulty of the entry of the four candidates.\textsuperscript{104}

The West German government embraced the package deal of the Four by including in its “action program” of 27 September a list of measures for the internal development of the Community, which involved not only those projects already under discussion but also closer coordination of economic and currency policy; moreover, emphasis was placed on “evaluating [the proposals] as a whole.”\textsuperscript{105} This was not only an attempt to hold together the centrifugal forces in the Community but also signaled to the French government that the development of the Community, which Paris also desired in many regards, would ultimately be possible only if it finally agreed to expansion.

Given the failure of Bonn’s attempt at mediation, Belgian Foreign Minister Harmel forced the idea of acting without France: In a speech to the Organization of European Journalists on 3 October, he proposed examining the possibility of close cooperation with Britain in the realms of foreign policy, defense, technology, and currency. This was to occur within the framework of the WEU, whose members were to commit themselves to regular consultations on these areas. If a member were not prepared to cooperate in one area or another, that would not be allowed “to function as permanent brake. If one always waited until all the travelers were ready to leave, no train would ever depart.”\textsuperscript{106}

For his part, de Gaulle knew how to demolish this bridge being constructed to EEC membership for Britain. When at the next Council of Ministers meeting of the WEU on 21 October in Rome the representatives of the Benelux states made a

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\textsuperscript{103} Adenauer to Kiesinger, 22 March 1967, quoted in Kramer, “Europäisches oder atlantisches Europa,” pp. 224.


motion to create a study group on the Harmel proposals, Debré’s state secretary, Jean de Lipkowski, vetoed it. Renewed negotiations on Harmel’s concept at the WEU Council meeting of 6 and 7 February 1969 resulted in “a terrible shambles once again,” as Brandt had predicted in a letter to Kiesinger.\footnote{Brandt to Kiesinger, 4 Feb. 1969, quoted in Türk, \textit{Europapolitik}, p. 185.} In order to force the establishment of regular foreign policy consultations, the British government, which happened to hold the WEU Council chairmanship at the time, invited the other states on short notice to a special session to discuss Middle East policy. While the governments of the Four and of the Federal Republic too accepted the invitation, France stayed away from this gathering, which was held on 14 February. Five days later, the French government announced that it would participate in WEU Council sessions only if the partners returned to the rule of unanimity in calling meetings.

Meanwhile, public pressure on the French government was increasing. Demonstratively, Jean Monnet brought not only Wilson into his Action Committee but also Edward Heath, who had led negotiations during the first British application and who was now leader of the Conservative opposition in the House of Commons. Interest groups and parliaments called for accession negotiations to begin soon; Commission President Rey warned publicly of a crisis threatening the achievements of the Community. A European Parliamentary Congress met on 8 and 9 November 1968 in The Hague, demanding rapid development of the Community, including its expansion, as an answer to the crisis of political leadership revealed by May 1968 and the Europeans’ shock over the suppression of the Prague Spring.\footnote{Europa-Archiv 23 (1968), pp. D616ff.}

**France on the Way to Turning**

Two things were decisive for the end of the crisis that had developed over the second British application for entry into the Community: Firstly, Wilson did not let de Gaulle’s negative stance dissuade him from further efforts. Not only did he forbid any discussion of the French refusal in his cabinet, he also intensified his commitment to the Economic Community in its current form and to the development toward a political Community. The necessity of a stronger role for Europe in world affairs, supported by the ability to compete in technological terms with the US, became the centerpiece of his argumentation. He thereby reduced lingering doubts among the Five as to Britain’s suitability for participation in Europe and strengthened their engagement for British accession. He developed lively
exchanges with Joseph Luns and his Italian colleague Pietro Nenni, the two most engaged proponents of British entry among the Five. He simultaneously promoted a large number of bilateral projects between Britain and continental countries, efforts that promised to get the technological Community underway: for example, the Concorde, Airbus, and the construction of a gas centrifuge for uranium enrichment in partnership with the Federal Republic and the Netherlands.

Behind Wilson’s push for quickly gaining full membership was the conviction that Britain’s weight within the Community would continually dwindle the longer entry was dragged out. A memorandum from the Foreign Office, received by the cabinet on 23 February 1968, expressed this clearly:

> If we can join them while we still have a substantial lead in various aspects of modern life and industry we should be able to play a major part in shaping the future of Europe and of European relations with the United States. But we have to acknowledge that time is not on our side. Our position in the world league is steadily slipping. The EEC is enormously much more powerful than we are and even the individual countries of the Six, e.g. Germany and France, are in some respects stronger than we are. In some aspects of the race Japan has already passed us. We must therefore bend every effort to join the European Communities at the earliest possible moment.\(^{109}\)

Efforts to gain a leading role in the Community did not diminish Wilson’s willingness to accept everything in the way of supranational elements that the continental partners saw as necessary for effectively constructing the Community. In early 1969, he accepted the view of Foreign Secretary Michael Stewart that foreign policy and conventional defence would in the end need to be subordinated to “some sort of majority vote.”\(^{110}\) In a joint declaration of the British and Italian governments on 28 April 1969, both committed themselves to support the direct election of the European Parliament as well as a common foreign policy that included a common “European identity,” along with further integration in areas such as currency cooperation, technological cooperation, the peaceful use of nuclear energy, and cultural cooperation.

Secondly, in light of the continuing refusal of the Four to allow development of the Community without British accession, there grew within the French govern-

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ment the realization that entry was ultimately also in the French interest or, more exactly, that British membership and hence the giving up of French ambitions to lead the Community constituted the price that had to be paid for strengthening Europe vis-à-vis the US. It seems that Michel Debré had made this realization after Brandt linked development and expansion in his mediation proposal of 27 September. In any event, the counterproposals that the Frenchman gave his West German colleague on 24 October revealed a certain willingness to compromise: Paris was now proposing a trade arrangement to which all interested European states would have access, not only the candidates for entry to the Community. Debré simultaneously declared that he was very interested in the resumption of negotiations on technological cooperation and offered to speak about such cooperation with non-member states as well. Moreover, at a meeting of the Council of Ministers on 4 and 5 November, he urged rapid measures to develop the Economic Community further.\footnote{111 Türk, Europapolitik, p. 171; Ludlow, European Community, pp. 152ff.; Germond, “Partenaires,” pp. 625–628.}

Debré’s willingness to change course was intensified after having experienced West German toughness during the currency crisis that struck France in November of 1968. The social unrest of the previous May and the economic problems that followed upon it had unleashed a capital flight from France to the Federal Republic; the French budget deficit grew rapidly, and the value of the franc fell. In order to prevent the economic weight of the Federal Republic from growing disproportionately, not only the French government but also the British and American governments demanded that the D-mark be allowed to appreciate. For its part, Bonn was not prepared to engage in such an act of solidarity. Economy Minister Karl Schiller and Finance Minister Franz-Josef Strauss agreed to only temporary import relief and export duties (at a level of four percent); investing in the Federal Republic and taking out loans in foreign countries were made subject to approval. At a hastily called currency conference from 20 to 22 November in Bonn, the two held firm against the pressure from their partners. The discussion therefore shifted toward the idea of devaluing the franc by around ten percent. To the surprise of all, this did not occur. Due to fears of more social unrest and more inflation, de Gaulle opted to limit himself to foreign-exchange controls, budget cuts, and a hike in consumption taxes on 23 November.\footnote{112 Schoenborn, Mésentente, pp. 129–138; Türk, Europapolitik, pp. 194–196; Germond, “Partenaires,” pp. 658–663.}

For Debré, who had spoken out in favour of devaluing the franc, the West German stance was the expression of a new self-confidence—one that without hesitation sought to transform the economic muscle of the Federal Republic into
political strength. British accession therefore seemed to be not only a necessary prerequisite for the sought-after development of the Community but also was needed to take steps to prevent German dominance of the Community. Thus, Debré developed a plan to begin private bilateral talks with the British government so as to determine the possibilities for an entry that would take French interests sufficiently into account. “I thought this over and shared my thoughts with the general,” as he described the genesis of the plan in his memoirs. “I had no doubt that France would be subject to extortion: either accept the entry of Great Britain or a settlement regarding the agricultural market would be denied.” In fact, the expiration of the transition period at the end of 1969 did offer the Four a new lever, and in the West German government a sentiment grew against opposing its use. Debré also summoned the French ambassadors in the partner states to a consultation. All but the ambassador in Rome confirmed to him that a change of course on the British question was advisable.

It took several weeks for de Gaulle to become convinced of the necessity of an approach to Britain. He accepted it only after Richard Graf Coudenhove-Kalergi, the founder of the Pan-European movement, who was still active, had showed him a way in which the goal of an independent Europe could perhaps still be maintained despite the now clearly unavoidable entry of Britain. Coudenhove-Kalergi, a close associate of State Secretary Jean de Lipkowski, had a conversation with the general in which he advocated a new initiative for creating the Political Union, this time however in the form of a political Community of the four “big ones”: Britain, France, the Federal Republic, and Italy. If the British government could be won over for that, thought de Gaulle, then the potential political damage of expanding the EEC could be contained.

In the second week of January, de Gaulle therefore accepted the request of the new British ambassador, Christopher Soames, for a private conversation. As a Conservative politician, the son-in-law of Winston Churchill, and someone who was intimately familiar with the pro-European milieu on the Continent, Soames wanted to sound out the possibilities for a political understanding with the general; he did so at the behest of Wilson. In the conversation, which had to be delayed until 4 February due to the ambassador’s earlier indisposition, the president began by raising his well-known complaint that the accession of the

114 Vaïsse, Grandeur, p. 607.
115 Coudenhove-Kalergi reported for the first time about this conversation in a letter to Franz-Josef Strauss of 13 Feb. 1969, that is, before the contents of the subsequent conversation between de Gaulle and the British ambassador became known. Cf. Schoenborn, Mésentente, pp. 239ff.
four applicants would profoundly change the character of the EEC. He then called for the British government to express itself privately on the idea of a reformulation of the European Community: “It would de facto be a matter of both governments giving their views as to what a European economic entente could be if the Common Market would disappear in the future to give way to a new regime.” On the relationship between economic and political integration, he observed: “There should be a large European economic association, but with a small inner council of a European political association consisting of France and Britain, Germany and Italy.” Regarding the political Community, he emphasized—here too latching onto well-known conceptions—that it must be independent of the US. This was to include nuclear cooperation between France and Britain, and would, as he underscored, render the current NATO structure obsolete.116

De Gaulle’s offer was substantiated in a conversation that de Lipkowski—who had immediately been informed by Soames of the content of his talk with the president—had on the same day on the fringes of the WEU Council of Ministers meeting in Luxembourg with the British Foreign Office State Secretary Lord Chalfont. De Lipkowski explained that it was his conviction that de Gaulle was now willing to accept a trade arrangement “as a form of pre-entry,” albeit under the condition that the British government carry out serious negotiations with France, especially regarding the political structure of Europe and defense. He then emphasized that the time was ripe for nuclear cooperation between France and Britain and encouraged an exchange of technical knowledge as well as the formation of a mixed nuclear planning group. In conclusion, de Lipkowski stressed once again that the general was in the process of fundamentally rethinking his foreign policy and also hinted that he—de Lipkowski—had great influence over him. Four days later, Soames was invited to have a conversation with Debré during which the request for a private exchange of ideas about the economic and political structure of Europe was repeated. The French foreign minister explained that de Gaulle wanted to speak directly with Wilson or at least with Foreign Secretary Stewart.117

Once again, de Gaulle was too cautious to be successful. He did not offer the British entry into the EEC or even negotiations on entry as a concession for the commitment to the independent Europe that he was seeking; he declared that he was only agreeable in principle to the “economic entente” that in his mind would replace the Common Market in the event the Community were expanded. Soames

116 Neither an interpreter nor a minute-taker took part in the conversation before lunch with the two wives. There thus exist only the two differing sets of notes made afterward, a shorter set by de Gaulle and a much longer one by Soames. The first quote is taken from de Gaulle’s version, the second from Soames’ version. Cf. Schoenborn, Mésentente, pp. 236–238.
however understood him as wanting the transformation of the EEC “into a looser form of free trade association with arrangements by each country to exchange agricultural produce”\textsuperscript{118} and that the British government was to take a position on this. For Stewart, this was anything but an attractive offer; as a result, he saw the invitation to private conversations as only a maneuver by which Britain was to be isolated from the Five. A 7 February analysis by the Foreign Office reinforced this impression in his mind: John Robinson and Patrick Hancock of the Integration Department wrote that the Five would not permit a reconstruction of Europe outside the Treaties of Rome and that talks on the issue would take many years. If the government were to negotiate privately on it, the British application for entry would be completely discredited. Instead, the analysts recommended informing the governments of the Five about de Gaulle’s initiative.\textsuperscript{119}

Wilson followed this advice. At a long-planned state visit to Bonn on 12 February, he told Kiesinger that de Gaulle was likely seeking “to achieve the disso-
lution of NATO as soon as possible,” to establish “a loose organization along the lines of a free trade zone” in place of the EEC, and to have “the political and eco-
nomic fate of Europe” determined “by a leadership group consisting of France, Germany, Italy, and Great Britain.” Wilson distanced himself from all that and thereby achieved a strengthening of West German support for British entry, which was embodied in a joint declaration. The governments of the other EEC members and of the US were informed in a similar manner. Soames had to tell the French that Britain regarded it as appropriate to inform the partners of de Gaulle’s pro-
posals and that “one rejects the French conceptions of the future of NATO and that it continued to be the wish of the British to join the Common Market.”\textsuperscript{120}

If de Gaulle had up to this point achieved exactly the opposite of what he intended, the public revelation of his initiative led to an outright poisoning of Franco-British relations. After the Foreign Office had on 14 February informed the ambassadors in most Commonwealth nations as well as NATO and EFTA states about the course of events, there appeared on 18 February a lead article in the French business newspaper \textit{Les Échos} in which it was claimed that de Gaulle wanted to replace the Common Market with a larger free-trade zone to be led by a quadruple “directorate.” Three days later, \textit{Le Figaro} accused the British gov-
ernment of having spread a “sensational version misrepresenting Mr. Soames’ audience”; an official announcement from the French government declared that the president had said nothing new in his conversation with Soames. In order to

\textsuperscript{118} Notes by Soames, \textit{ibid.}, p. 107.


counter the accusations, the British government then released the complete notes by Soames. They appeared in *The Times* on 22 February, not without the comment that the text had been approved by the French. That was in turn immediately denied by the Quai d'Orsay.\textsuperscript{121}

The “Soames Affair” had thus developed out of a misunderstanding of de Gaulle’s message by his British addressee: Paris and London were now accusing one another of having lied. It must in fact remain an open question as to how substantial the desire for change was that Debré described to Soames on 8 February and to what extent the published version incorporated these desires for change. It is possible that it was merely a misunderstanding at this point too.\textsuperscript{122}

This did not however prevent de Gaulle from drawing the conclusion from the spreading of statements that distorted his intentions that Britain had purposely sought to torpedo the development of an independent Europe and that he had been poorly advised to approach the British. As he noted in his diary, “Perhaps it is indeed better that all uncertainty one may have had regarding the actual intentions of the British has been eliminated in this way.” He told Kiesinger during the chancellor’s next visit to Paris, on 13 and 14 March, “It is not possible to work seriously with Great Britain.”\textsuperscript{123} When on 11 April Stewart sought to initiate a conversation with Debré once again, the French foreign minister reacted with indignation: “You have regarded a serious offer as a maneuver and acted accordingly”; now, “the bonds are broken” and one must let time pass before dialogue can be resumed.”\textsuperscript{124} For the time being, he saw no more possibilities of convincing de Gaulle to approach Britain.

It was advantageous for de Gaulle’s disposition that Kiesinger during his visit seemed more “Gaullist” than ever regarding the general’s visions of the future. The chancellor assured the French president “that he himself had never seen Europe’s salvation in a European Commission” and that “the whole policy could only succeed when one day NATO had become superfluous.” He did not share de Gaulle’s doubts about expansion regarding Britain but did so in regard to the applications of Ireland, Denmark, and Norway as well as further possible applications from Sweden, Spain, and Portugal. In the following weeks, he did develop a plan for a closer Community that would also be political, one that would be surrounded by a larger Community integrated solely in terms of economics. At the conclusion of the meeting, de Gaulle was more relaxed than he almost ever was,

\textsuperscript{121} Ibid., pp. 72ff.; Schoenborn, *Mésentente*, pp. 244–246.

\textsuperscript{122} Cf. Vaïsse, *Grandeur*, pp. 609.


and he was full of praise for his German guest: “The reflections on the current situation by the chancellor and his far-reaching vision had affected him very deeply.”

The French president intentionally ignored the fact that the British application for entry was still on the agenda. After the failure of a referendum on the reform of the Senate and of the regions, de Gaulle resigned from office. From that point on, he only engaged in Europe policy in the world of visions, no longer in that of actual politics. In that realm, de Gaulle’s failed attempt to turn had only delayed the resolution of the British issue. After his departure from the political stage, it became more pressing than ever.

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