

The Hague Summit (1–2 December 1969): completion, enlargement, deepening

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The Hague Summit (1–2 December 1969): completion, enlargement, deepening

The Hague Summit, a decisive moment in the process of European integration, took place on 1 and 2 December 1969 under the auspices of the ‘completion, enlargement, deepening’ triptych. This meeting was convened on the initiative of French President Georges Pompidou.¹

Completion (of the Common Market) meant resolving the differences over the common agricultural policy.² A compromise was found which allowed for the adoption of the financial regulations relating to agriculture, as requested by France, and an increase in the European Parliament’s budgetary powers, which the other parties, especially Italy, wanted. The Six also agreed in principle to a financial regulation on the Community’s own resources.³

Under the heading of Community deepening, two aspects stood out: economic and monetary cooperation,⁴ and political cooperation.⁵

The first aspect recommended establishing an economic and monetary union, of which the preliminary outlines would be traced out in a plan by stages (the Werner Report) which the Council, working in close collaboration with the Commission, proposed drawing up in the course of 1970.⁶ The first Barre Plan (12 February 1969) served as preparatory work.⁷

The aim of the second aspect was to define the progress which could be made in the area of political unification. Thus, a committee began to take shape, consisting of the political directors of the six foreign ministries, chaired by Étienne Davignon⁸ of Belgium; its task was to hammer out proposals on foreign policy issues.

The Member States agreed to the enlargement of the Community through the accession of four candidate countries: Denmark, the United Kingdom, Ireland and Norway. Compulsory conditions for admission were attached to this principle: the candidates had to accept ‘the treaties and their political finality, the decisions taken since the entry into force of the treaties and the options made in the sphere of development’.

The link between deepening and enlargement was stated in the following terms: before any enlargement of the Community, integration must first be stepped up, to facilitate governance. The Commission thought of deepening in a broader way, looking ahead to the development of powers and the strengthening of the Community institutions. But ‘the Five were not keen to expand the areas of cooperation in the short term, in order not to place more difficulties in the way of British accession’.⁹

There is no doubt that two figures who came to power almost at the same time left their mark on moves to relaunch European integration at the end of 1969: Georges Pompidou in France and Willy Brandt¹⁰ in Germany. Georges Pompidou, who was close to the United Kingdom and to financial and industrial circles and had a much more flexible view of Atlantic questions than that of his predecessor, wanted to break France free out of its diplomatic isolation within the Community and thereby give a fresh impetus to European integration. The new German Chancellor Willy Brandt was keen to go down the path of active diplomacy, and punctilious cooperation with France was a vital element in his foreign policy. In a letter dated 27 November 1969, Brandt informed Pompidou of the objectives which he believed should take priority with a view to the forthcoming conference and which, it seemed, could perfectly well be attained [...]: agreement in principle on a final settlement of the question of financing the agricultural

policy, a common decision on the negotiations over British accession, and the setting up of a “European Reserve Fund”.’ Brandt was a staunch European federalist and very much in favour of economic and monetary union, just like Gaston Eyskens ¹¹ of Belgium and Pierre Werner of Luxembourg. He was a member of Jean Monnet’s ¹² Action Committee for the United States of Europe and consulted him before preparing for the Hague Summit, and Monnet called on Triffin, ¹³ who drew up the proposal for a European monetary fund.

President Pompidou, who was opposed to supranationalism, had expected the Hague Summit to be a purely intergovernmental affair. He had to give ground: the Commission was invited to the discussions on the second day of the meeting. At the end of the summit, Paris agreed to the Commission’s representing the Six at the negotiations on British accession. The securing of own resources for the EEC, too, was a step forward for the drive to supranationalism. However, the Commission’s voice at the summit did not carry the day, and it found itself sidelined by this intergovernmental way of proceeding which was institutionalised in 1974.

Before the [Hague Summit](#) opened, Pierre Werner, who saw the monetary aspect as a priority for European integration, set out the official position of Luxembourg. ¹⁴ Progress was expected on the completion of the Communities, on their geographical enlargement and their reinforcement, materially and institutionally. The central focus of his statement and of Luxembourg’s view was, however, monetary cooperation. ‘The conditions for economic union cannot be met unless economic planning and short-time economic policy planning are developed. The achievement of these goals is often seen as preceding monetary integration. [...] If we refuse to accept a measure of monetary discipline at the Community level, it is highly probable that coordinated short-term economic policy will never come about. [...] Economic and monetary union, far from attempting to impose uniformity and rules on all the practicalities of a defined policy, should essentially be based on an acceptance of fundamental forms of discipline which ensure that the interests which all partners share are taken into account.’

As far as Pierre Werner was concerned, making positive progress towards monetary union would not mean that the national sovereignty of the Community countries would have to be encroached on, since, as ‘the history of confederations and federations has amply demonstrated, the last bastion of national sovereignty is not the currency but tax, as the distributor of national income’. ¹⁵ Until the objective of a European reserve currency was attained, quasi-fixed exchange rates between the European currencies should be maintained. Changes could only be made by following the Community’s approval procedures, where prior consultation would be obligatory. At the same time, ‘the European unit of account enshrined in the Treaty must come into general use as a common denominator for transactions among the Six.’ ¹⁶ Werner went still further, suggesting a concerted Community stance at the international level. Thus, he proposed the setting up of a European monetary fund to manage mutual assistance operations and monetary credit granted to non-Community countries. A common stance and common management of Special Drawing Rights on the International Monetary Fund were also promised, as was the merging of quotas at the International Monetary Fund. Ten years seemed to the President of the Government in Luxembourg a long time for achieving these goals, but it felt premature to set an actual period. ‘However that may be, the Luxembourg delegation would be happy to see a reference made in our communiqué to our wish to establish monetary union within a period of time to be determined, by successively setting up the appropriate understandings, mechanisms and bodies, relying on coordination of the economic policies which it will be their task to stimulate.’ ¹⁷

The final outcome of the Hague Summit was positive and it opened up new prospects for the building of a united Europe which gave the forward march of the Community new momentum.

- 1 Pompidou, Georges Jean Raymond (1911–1974): French academic (graduate of the École Normale Supérieure with an agrégation in literature) and statesman. General Manager of the Rothschild Bank (1956–1962); head of the private office of General de Gaulle (1958–1959); Member of the French National Assembly (1968–1969); Member of the Constitutional Council (1959–1962); Prime Minister (1962–1968); President of the French Republic (1969–1974).
- 2 See points 5 to 7 of the [Final Communiqué from the conference](#):
 - *5. ‘As regards the completion of the Communities, the heads of State or Government reaffirmed the will of their governments to pass from the transitional period to the final stage of the European Community and accordingly to lay down a definitive financial arrangement for the common agricultural policy by the end of 1969. They agreed progressively to replace, within the framework of this financial arrangement, the contributions of member countries by their own resources, taking into account all the interests concerned with the object of achieving in due course the integral financing of the Communities’ budgets in accordance with the procedure provided for in Article 201 of the Treaty establishing the EEC and of strengthening the budgetary powers of the European Parliament. The problem of the method of direct elections is still being studied by the Council of Ministers.’
 - *6. ‘They asked the Governments to continue without delay within the Council the efforts already made to ensure a better control of the market by a policy of agricultural production making it possible to limit budgetary charges.’
 - *7. ‘The acceptance of a financial arrangement for the final stage does not exclude its adaptation by unanimous vote, in particular in the light of an enlarged Community and on condition that the principles of this arrangement are not infringed.’ In *Bulletin of the European Communities*, No 1/1970, pp. 12–17. (Document consulted on 11 December 2013.)
- 3 The Treaty signed on 21 April 1970 (and applied from 1 January 1971) provided for the gradual replacement, during the 1970s, of the Member States’ contributions by own resources including agricultural levies, customs duties on products imported into the Community and a share of VAT receipts, subject to a 1 % ceiling. It was not until 1 January 1978, following a seven-year transitional period, that the Communities had their own resources. See [Council Decision of 21 April 1970 on the replacement of financial contributions from Member States by the Communities’ own resources](#).
- 4 See Point 8 of the Final Communiqué from the conference: ‘[The Heads of State or Government and the Foreign Ministers of the Member States of the European Communities] reaffirmed their readiness to further the more rapid progress of the later development needed to strengthen the Community and promote its development into an economic union. They are of the opinion that the integration process should result in a Community of stability and growth. To this end they agreed that within the Council, on the basis of the Memorandum presented by the Commission on 12 February 1969 and in close collaboration with the latter, a plan in stages should be worked out during 1970 with a view to the creation of an economic and monetary union. The development of monetary co-operation should depend on the harmonisation of economic policies. They agreed to arrange for the investigation of the possibility of setting up a European reserve fund in which a joint economic and monetary policy would have to result.’ Ibid., *Bulletin*, No 1/1970, pp. 12–17
- 5 See Point 15 of the Final Communiqué from the conference: ‘[The Heads of State or Government and the Foreign Ministers of the Member States of the European Communities] agreed to instruct the Ministers for Foreign Affairs to study the best way of achieving progress in the matter of political unification, within the context of enlargement. The Ministers would be expected to report before the end of July 1970.’ Ibid., *Bulletin*, No 1/1970.
- 6 See section 3 entitled ‘The Werner Report — drafting and attempts at implementation (1970–1974)’.
- 7 Looking into the question of economic and monetary union, the memorandum indicated ways of preparing the ground for Community action on economic policies and monetary support. It called for consultation on medium-term economic policies, coordination of short-term policies and the establishment of a Community mechanism to provide automatic monetary support. See Maes, Ivo, ‘Projets d’intégration monétaire à la Commission européenne’, in Bussière, Eric; Dumoulin, Michel (Ed), *Milieus économiques et intégration européenne en Europe occidentale au XXe siècle*, Artois Presses Université, Arras, 1998, pp. 35–50.
- 8 Davignon, Étienne (born 1932): Belgian legal expert and diplomat. Cabinet attaché at the Ministry of Foreign Affairs (1961); head of the private office of Ministers Spaak and Harmel (1964–1966; 1966–1969); Director of Political Affairs at the Ministry of Foreign Affairs (1969–1976); chairman of a committee of experts that drafted a report on the problems of political unification in Europe (the Davignon Report, 1970); Chairman of the Executive Committee of the International Energy Agency (1974–1977); Member of the Commission of the European Communities (1977–1981); Vice-President of the European Commission (1981–1985); Chairman of the Association for the Monetary Union of Europe (1991–).
- 9 Bitsch, Marie-Thérèse, *Histoire de la construction européenne. De 1945 à nos jours*, Éditions Complexe, Brussels, 2008, p. 177
- 10 Brandt, Willy (1913–1992): German Social Democrat politician. Social Democrat Member of the Bundestag (1949–1957; 1961; 1969–1992); Mayor of Berlin (1957–1966); Chairman of the Social Democratic Party (SPD) (1964–1987); Foreign Minister of the Federal Republic of Germany (1966–1969); Chancellor of the Federal Republic of Germany (1969–1974); President of the Socialist International (1976–1992); President of the ‘North–South Commission’ (1977–1983); Member of the European Parliament (1979–1982). Laureate of the Nobel Peace Prize (1971).

- 11 Eyskens (Viscount), Gaston (1905–1988): Belgian academic and politician. Christian Democrat Member of Parliament for the Leuven constituency (1939); Minister for Finance (1945, 1947, 1965); Prime Minister (1949–1950; 1958–1960; 1960–1961; 1968–1972; 1972–1973); Minister of State (from 1963).
- 12 Monnet, Jean (1888–1979): French politician. Deputy Secretary-General of the League of Nations (1919–1923); member of the British Supply Council, Washington (provision of civil and military goods for the war effort) (1940–1943); Commissioner-General of the French National Planning Board (1947–1952); architect of the plan for a coal and steel pool (1950); President of the ECSC High Authority (1952–1955); founder of the Action Committee for the United States of Europe (1955–1975).
- 13 Triffin, Robert (1911–1993): Belgian–American academic and economist. Doctor of law and graduate in economics from the Université catholique de Louvain (Belgium). Appointed as an assistant at Harvard University, United States (1938). Member of the Board of the Federal Reserve System in Washington (1942), in charge of cooperation with the countries of Latin America. He was recruited by the International Monetary Fund in 1946 before moving to the European Cooperation Administration for the administration of the Marshall Plan in 1949, where he was one of the main architects and negotiators for the European Payments Union that was set up in 1950. In 1951, he joined the Department of Economics at Yale University. He then focused his attention on teaching and consultancy activities for various national and international organisations. His two major works were *Europe and the Money Muddle* (1957) and *Gold and the Dollar Crisis* (1960). His theory that would become known as the ‘Triffin dilemma’ confirmed his reputation as a leading expert. He was consulted at this time by both the US presidential administration and Jean Monnet’s Action Committee for the United States of Europe. Source: <https://www.uclouvain.be/122304.html> (consulted 10 December 2013).
- 14 Werner, Pierre, [Statement to the conference of Heads of State or Government](#), The Hague, 1 December 1969. In Documentation bulletin No 14 of 10 December 1969, Luxembourg: Information and Press Service, Ministry of State, Grand Duchy of Luxembourg, December 1969, pp. 3–7. (Document consulted on 10 December 2013.)
- 15 Ibid.
- 16 Ibid.
- 17 Ibid.