

European Community NEWS

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EBERLE BRIEFS EC ON FORD PROPOSALS

William D. Eberle, White House Special Representative for Trade Negotiations, met with EC Commission President Francois-Xavier Ortoli and other European Community officials to brief them on President Gerald R. Ford's new economic proposals to the U.S. Congress, in Brussels October 9. Eberle also met with Commissioners Christopher Soames, Wilhelm Haferkamp, Henri Simonet, Petrus Lardinois, and Finn Gundelach.

COMMISSION DEFENDS BRITISH EC MEMBERSHIP

Membership in the European Community has not caused Britain's balance-of-payments troubles, the Commission said September 25 answering a written question from the European Parliament. Britain's balance of payments had begun to deteriorate before enlargement, the Commission said, pointing out that the payments surplus had dropped from about \$2.5 billion in 1971 to \$262 million in 1972. Britain ran a deficit of nearly \$3 billion in 1973. The main reasons for the drop, the Commission said, were the sterling devaluation and rising world commodity prices.

British trade with the EC-Six outpaced trade with third countries during 1973, the Commission said. British exports to the Six rose 38 per cent while imports went up 54

per cent. Its exports to the rest of the world went up by only 25 per cent; imports rose 39 per cent.

EMERGENCY AID FOR DEVELOPING COUNTRIES

The European Community will contribute \$150 million in immediate aid to world rescue efforts to help the 27 developing countries worst hit by rising food and oil prices, the Council of Ministers decided October 3. The Community will hand over \$30 million to the UN Emergency Fund; the rest will be sent directly to the countries most affected.

On the same day, the Council agreed to send a total of 40,254 metric tons of cereals in EC food aid to Mauritius, Somalia, Peru, and the United Nations Relief and Works Agency.

ORTOLI TELLS BANKERS EUROPE MOVING AHEAD

Despite Europe's present difficulties, "a completely new reality is emerging, a reality which everybody in the world must take into account," EC Commission President Francois-Xavier Ortoli said in a New York address on September 26. Addressing the Inter-Alpha Group of Banks, Ortoli said that Europe today is "at once ambitious and troubled." Since the nine EC countries are engaged in "a revolutionary enterprise," Ortoli said current troubles should not be astonishing. "We are in a period of creation," he said, "but let us not only see problems and obstacles. We must also have to be aware of the progress, the move forward which certainly exists."

GREENWALD PRAISES EC COMPETITION POLICIES

Misunderstandings over foreign investment have created "unproductive adversary relationships" which have masked the true benefits of foreign investment, Ambassador Joseph A. Greenwald, head of the US Mission to the European Communities, said in Nice September 25. Addressing a symposium on multinational corporations, Greenwald criticized authors of the recent UN report on multinationals for failing to bridge the gap between proponents and critics. The EC competition principle of non-discrimination against non-EC firms and EC industrial and antitrust policies, he said, would help bolster and improve the international business climate.

COUNCIL SETS NEW EC FARM MEASURES

Emergency measures to help European Community farmers were finally approved by the Council of Ministers October 2. They include: raising farm prices by 5 per cent immediately, moving 1975 price setting negotiations up to February 1 instead of April 1; raising beef cattle subsidies by 5 per cent; fixing representative conversion rates in agriculture for currencies in the new member states, and calculating next year's farm prices so as to compensate for high inflation rates of the past two years.

KRAG STRESSES NEED FOR US-EC COOPERATION

"The basis on which world peace has been kept so far has been the US-European tandem and cooperation, and only in cooperation across the Atlantic will we be able to solve the free world's present problems," Jens Otto Krag said October 3 in a New York speech. Krag, head of the EC Commission's delegation to the United States, addressed a luncheon organized by the New York Chamber of Commerce and Industry and the International Study and Research Institute. Krag said the European Community favors Congressional adoption of "the most liberal version of the Trade Bill" and appealed to the US Administration, in its anti-inflation efforts, "to see further than its own economy, to see what repercussions the measures taken in this country will have in Europe."

EC-ISRAELI TRADE ACCORD TALKS ADVANCE

Israel and the European Community moved closer to a trade cooperation agreement during talks between Israeli and Commission officials in Brussels October 3-4. Sufficient agreement was reached on the basic elements of an accord for a joint committee to be assigned to draft a working text in time for the next round of talks, in November.

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