



**European
Community**

PRESS RELEASE

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DAHRENDORF URGES U.S., U.K., JAPAN

TO JOIN COMMON MARKET'S FREE TRADE DRIVE

WASHINGTON, D.C., January 20, 1971 -- Ralf Dahrendorf, Common Market Commissioner responsible for external trade, yesterday urged the world's major trading powers -- the United States, the United Kingdom, and Japan -- to join the European Community in a new free-trade drive.

Now that the death of the U.S. trade bill in the last Congress has relieved protectionist pressures on both sides of the Atlantic, the moment has come to open a new drive towards trade liberalization, Mr. Dahrendorf said. He made these remarks before the European Parliament in Luxembourg during debate on the Community's relations with the United States and Japan.

Heavy Responsibility

Mr. Dahrendorf said that the four major international trading powers had a heavy responsibility to maintain free trade. Together they account for more than half of all international trade, he said.

He also spoke optimistically of relations with Japan, reporting "signs of cooperation."

U.S. Allegations Refuted by Facts

Mr. Dahrendorf used a wide range of figures to disprove the contention that the European Communities had damaged U.S. trade through its agricultural policy or preferential agreements. He said that American trade with the

Community had tripled since 1958, the year the Common Market began operating. American trade with the Community had thus risen faster than its trade with any other nation or group of nations in the world.

At the same time, the Community's trade balance with the United States has long run a deficit of more than \$1 billion a year (see Annex A), not to mention the imbalance in the investments column. Even American farm exports have resumed a rising trend since last year, he added.

American Outsells Europe in Products Given Preferences

America's trade record in the products covered by preferential agreements is also better than the Community's, Mr. Dahrendorf said. He contended that Europe's preference policy contributes to peaceful development, citing Mediterranean countries as a case in point.

He added that the Community's system of generalized preferences on non-agricultural imports from the developing countries, moreover, was a response to both American ideas and to the developing countries' desires to have access to industrial markets.

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ANNEX AU.S.-EC TRADE FIGURES1960 - 1970
(In Mio \$)

	EXPORT Dest. USA	IMPORT Orig. USA	EC Trade Deficit with the U.S.
1960	2.242	3.830	- 1.588
1961	2.232	4.053	- 1.821
1962	2.447	4.453	- 2.006
1963	2.563	5.051	- 2.489
1964	2.849	5.438	- 2.589
1965	3.425	5.683	- 2.268
1966	4.098	6.022	- 1.924
1967	4.424	5.898	- 1.474
1968	5.769	6.393	- 624
1969	5.958	7.326	- 1.368
1969 (1st 6 months)	2.840	3.470	- 630
1970 (" " ")	3.090	4.460	- 1.370