



EC Statement Condemns Soviet Union's Invasion of Afghanistan Seeks Immediate Withdrawal

The nine Member States of the European Community issued, in Brussels, on 15 January 1980, the following statement on the situation in Afghanistan:

"The Foreign Ministers of the nine countries of the European Community have focused their attention on the Afghan crisis, in the light of its dramatic developments, the debate in the Security Council, and the resolution adopted by the General Assembly of the United Nations.

"The nine Ministers have reaffirmed their grave concern with regard to the crisis created by the military intervention of the USSR in Afghanistan, which represents a serious violation of the principles of international relations enshrined in the Charter of the United Nations.

"They have emphasized that the explanations given by the Soviet Union to justify its intervention in Afghanistan are unacceptable. They take the view that the Soviet intervention constitutes a flagrant interference in the internal affairs of a non-aligned country belonging to the Islamic world, and constitutes—furthermore—a threat to peace, security and stability in the region, including the Indian subcontinent, the Middle East and the Arab world.

"It is with great concern that the Foreign Ministers of the nine countries of the European Community have noted that despite the almost universal protests against the Soviet military intervention, the Soviet Union has vetoed a resolution on the Afghan crisis sponsored by non-aligned countries and supported by a large majority of members of the Security Council.

"They urge the Soviet Union to act in conformity with the resolution on the Afghan crisis adopted by the General Assembly of the United Nations with an overwhelming majority, which calls for immediate and unconditional withdrawal of all foreign troops from Afghanistan.

"The nine countries of the European Community have devoted continuous efforts to the cause of détente, and they remain convinced that this process is in the interest of all members of the international community. They are, however, con-

ceded that détente is indivisible, and has a global dimension. They therefore urge the Soviet Union, in conformity with the standards and principles of the United Nations Charter, to allow the Afghan people to determine their own future without foreign interference.

"In formulating their position on this important question, the Foreign Ministers of the nine countries of the European Community have also been clearly aware of the sufferings borne by the Afghan people as a whole, as a result of the crisis, including those Afghans who are being forced to leave their country."

The Permanent Representative of Italy to the United Nations, Ambassador

Stop Press

The White House

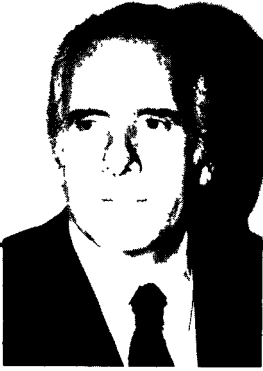
January 29, 1980

The President met with European Parliament President Simone Veil today. Madame Veil, who presides over the first directly elected European Parliament, is heading a 23-member delegation to the United States.

Madame Veil discussed the evolution of the European Parliament (EP) and the enlarged prospects it enjoys for becoming a significant social and political force in Europe now that its members are elected by universal suffrage. She pointed to the recent EP resolution on Iran in support of international efforts to secure the release of American hostages in Tehran who continue to be held in defiance of all accepted norms of international law. In addition, she discussed the recent EP resolution which condemned Soviet aggression in Afghanistan and which urged EP member countries to reconsider the sending of their national teams to compete in the Moscow Olympics.

The President stressed his admiration for the strength and vigor with which the European Parliament is addressing major issues of the day, and he reiterated U.S. interest in maintaining close contacts with this evolving institution. In that connection, the President and Madame Veil agreed on the desirability of intensifying transatlantic cooperation in the fields of trade and energy, a development which would accord with the Parliament's growing interest in international affairs.

Madame Veil expressed her personal appreciation for the forcefulness of the President's State of the Union message and felt that a great number of Europeans felt as she did.



Umberto La Rocca, the new Permanent Representative of Italy to the UN

Umberto La Rocca, acting for the Presidency-in-Office for the Community, transmitted this declaration to the Secretary-General of the UN asking that it be circulated as a document of the Security Council

The EC Response

As a result of the Soviet invasion of Afghanistan and the subsequent US embargo of grain sales to the USSR, the Commission and the foreign affairs ministers of the nine nations undertook a thorough review of the EC's commodity trading with the Eastern Bloc.

The Ministers did so in response to a series of proposals put forward by the Commission, which, on its own authority, has the responsibility for the management of trade in foodstuffs.

The Commission has taken several measures for immediate effect. First, it has ensured that the EC will not make up in its own food exports to the USSR—especially of grains—losses which have been created by the US embargo.

(On this, recent exports of EC grain to the Soviet Union have been small; also some quantities have been sold to other Eastern European nations.)

Second, the European Commission has suspended food aid to Afghanistan on the grounds of uncertainty about its proper delivery. This amounted to 3,000 tons of grain and 300 tons of milk powder.

Furthermore, the Commission does not envisage any new subsidized sales of sugar to the USSR in the near future and the same applies to butter and butter oil, of which the Soviet Union has been a beneficiary in the past.

For grain, the USSR will in future also be excluded from the EC export restitution system.

A second Commission decision concerns the reopening of the system through which exports under subsidy are possible to the Eastern European countries, though this excludes the USSR. It will come into effect within the next two weeks. Their participation in this scheme was suspended on 10th January.

Thereafter, Community exporters will be able to request restitutions for this group of countries. The decisions of the Commission aim at ensuring respect for traditional export levels: Eastern Europe has bought varying quantities of wheat and barley during the past few years (spread over a period of 6 years, about 1.3 million

tonnes of wheat and 3.5 million tonnes of barley).

The USSR will no longer be one of the destinations for which restitutions for export of wheat or barley can be requested. On wheat, this is consistent with the traditional export levels, because the USSR has not imported any wheat from the Community during the last six years

However, there have been exports of about 950,000 tonnes of barley from the Community to the Soviet Union during the same period.

These measures were endorsed by the EC Council of Ministers which also decided that the aid intended for Afghanistan should now be sent to Afghan refugees who have fled to Pakistan

The European Parliament Reaction

The European Parliament meeting in Strasbourg devoted a full debate to the Afghanistan issue in which members, representing most parts of the political spectrum, expressed their shock and indignation at the Soviet invasion of Afghanistan

As a result of this debate, the following resolutions were passed in which the Parliament:

- Condemns the armed intervention in Afghanistan which is contrary to the provisions of the UN Charter
- Calls for the immediate and unconditional withdrawal of all Soviet troops from Afghanistan in order to enable its people to determine their own form of government.
- Emphasizes the responsibility of the USSR for the grave consequences of its action on the policy of détente and affirms that the principles of détente are neither divisible nor limited to certain geographical regions and confirms the urgent need to ensure that they are applied everywhere
- Reaffirms its desire for détente and deplores the brutal intervention of the USSR which diminishes its future development
- Requests the Commission to review immediately all economic, commercial, credit and financial relations between the USSR and the European Community, specifically in the field of high technology, agricultural products and anti-dumping practices and to report to the Council of Ministers
- Calls upon the Council and the Ministers of Foreign Affairs of the Nine to bring in political cooperation to take effective measures in the light of the Commission's report in support of efforts to end the Soviet occupation of Afghanistan
- Welcomes the decision provisionally to suspend food aid to Afghanistan and

calls on the Commission to give full support to the programme of the United Nations High Commissioner for Refugees to supply food and medical aid to the Afghan refugees who have fled into neighbouring states

- Urges member governments to act in cooperation with all governments who condemn this flagrant act of aggression against an independent sovereign state.
- Calls upon the International Olympics Committee, as well as national committees of member states and the Federations of National Athletic Associations taking part in the Olympic Games with the representatives of participating athletes to reconsider whether the summer games should take place in Moscow if the occupation of Afghanistan continues
- Instructs its President to forward this Resolution to the UN Secretary General, to the Parliament and governments of the member states of the Community and to the Commission and Council with the request for the latter to report to the European Parliament.

EC — Gulf Cooperation Pacts

The EC Council of Ministers has decided to study proposing the conclusion of cooperation agreements to Gulf countries and other Arab countries with which the EC has hitherto not concluded agreements, without prejudice to continuance of the Euro-Arab dialogue and the North-South dialogue.

Agreements might be of the "ASEAN type", and it would be a first step toward total cooperation. The sectors covered initially would be energy, technology and science, with later extensions and without excluding any sector, including trade and industry. Investment incentives (two-way) and investment protection would be covered by general clauses. Energy cooperation would be limited initially to joint meetings to study the supply and demand situation, the supply situation, etc.

Those Arab countries which do not have agreements with the EC are. Iraq, Saudi Arabia, Kuwait, United Arab Emirates, Bahrain, Oman, Qatar.

The EC Commission was preparing a paper for the Ministers to discuss early February

EC Commission President Roy Jenkins at White House for Talks

EC Commission President Roy Jenkins visited New York and Washington January 18-24. In Washington he met President Carter and senior members of his administration.

Mr Jenkins met President Carter for half an hour, Mr. Brzezinski (National Security Advisor) for half an hour and Secretary of State Vance for two and a half hours including a working lunch. In the afternoon, he met the Secretary of Commerce, Mr Klutznik and the new Special Trade Negotiator, Governor Askew.

1. The following subjects were covered with Mr. Carter.

- *Trade:* Both agreed on the importance during 1980 of maintaining the good results of the multilateral trade negotiations and of resisting the protectionist pressures which are bound to threaten the industrialized world in the coming year
- *Afghanistan:* Mr. Carter expressed his satisfaction with the European response to Afghanistan, but hoped it might be possible for the Community to go further than its policy of non-substitution. Mr. Jenkins explained what the Community had so far done both politically and particularly in the agricultural field. The Community was currently considering what further steps might be possible. In the post-Afghanistan situation it was taking significant steps over Yugoslavia and Turkey
- *Yugoslavia:* The Community was making a great effort to accelerate the negotiations for a revised agreement and thereby create a new "contractual link". The aim was to complete the negotiations by the next EC Council of Ministers of Foreign Affairs on February 5. As a political gesture, Mr Jenkins proposed to go to Yugoslavia in late February to sign the agreement
- *Turkey:* Mr Jenkins explained the improved prospects for EC-Turkish relations since the change of Government, both in terms of unfreezing the Association agreement and new mechanisms for political cooperation. Mr Carter expressed his gratification at these developments.
- *Iran.* Mr. Jenkins explained that the Community's attitude was governed



Roy H. Jenkins, President of the European Common Market is greeted by President Carter at the White House at the beginning of a meeting between the President and the European economic leader.

by its wish to help release the hostages and to consider how far suggested measures such as economic sanctions by the Community would actually contribute to that aim. It was possible that Europeans might see things slightly differently from the Americans; for example, one had to consider whether sanctions might not be counterproductive in certain cases.

- *Energy.* President Carter and Mr. Jenkins agreed that it was necessary to strengthen the Tokyo agreements and to try harder before the next Western economic summit in Venice, in June, particularly on import targets. Mr. Jenkins explained, in general terms, the Commission's intention to propose an energy package early next month, which might include a tax on either oil consumption or oil imports
- *Science and Technology:* There was a brief review of progress since the last meeting in December 1978 on cooperation in these fields. Both sides expressed gratification at the intensification achieved.

2 With Mr. Vance and Mr. Brzezinski, basically the same topics were covered but in greater depth. In addition, with Mr. Vance, there was a review of prospects for a dialogue between the Community and the Gulf States, North South relations, INFCEP, the effects of Spanish entry into the Community and developments in Chinese relations with the US and the Community.

3. In the discussions with Secretary of Commerce Klutznik and the STR, (Governor Askew), the concentration was on maintaining cooperation and a common front against protectionist pressures which were likely to be encountered during 1980. Both sides agreed on the importance of not allowing one issue or another (especially steel) to lead to action which might have repercussions on other fields. In particular, Mr. Jenkins stressed the importance of the US Administration not taking any action in response to protectionist pressures especially over steel before Governor Askew's visit to Brussels in mid-February. The American side assured Mr. Jenkins of their understanding of an agreement with the importance of resisting such pressure.

4. President Jenkins met Mr. Duncan, the Energy Secretary. They reviewed the progress since the Tokyo summit on import targets. Mr. Jenkins explained what the Community had done. Mr. Duncan said that the US was about to announce a reduction in the oil import target they had committed themselves to in Tokyo, and might be able to go even further before Venice if America's industrial partners could do likewise. Mr. Jenkins explained the Commission's intentions regarding the proposed energy package.

5. Mr. Jenkins spent an hour with members of the Senate Foreign Relations Committee. During this meeting he explained what the Community had done about Afghanistan, and stressed the importance of our action in regard to Turkey and Yugoslavia. He told the senators that President Carter and Mr. Vance had expressed full satisfaction with the Community's political statement of January 15, and had no complaint about the Community's response so far in the agricultural/economic field. Over high technology the Community wished to be cooperative, but the US had not asked for a precise response. It was also clear that the administration itself needed to give further thought to its policy.

Mr. Jenkins also explained the Community's attitude to Iran, underlining that the Europeans would wish to consider whether economic sanctions might not do more damage to them than to the Iranians.

Asked about the EMS or European Monetary System, the President stressed its achievement in successfully surviving the turbulence of the last year and expressed the Community's interest in a strong dollar.

6. On January 24th, President Jenkins met members of the Foreign Affairs Committee of the House of Representatives. He gave a run down on current developments in the Community. Questioning was concentrated on Iran and Afghanistan particularly in the light of President Carter's State of the Union message. On Iran, there was a general hope that the Europeans could help in the release of the hostages, without any specific method being proposed. The question of economic sanctions was not pressed. Over the hostages, Mr. Jenkins thought the United States had acted remarkably coolly and calmly

Mr. Jenkins was pressed for his reaction to the State of the Union message, and for the Europeans to give a clear and stronger commitment of support to the United States. Mr. Jenkins said he had found Mr. Carter in his speech positive and impressive, with a clear message. Since Europeans had called for firmness and clear leadership from the United States, and now that that was being shown, he hoped and believed it would get a good response in Europe and that the lead would be supported. His impression was that European opinion was moving in that direction.

However, Mr. Jenkins said that the United States should appreciate that in the Community, we live very close to the Soviet Union and that just as the US wished to continue arms limitations talks, so the Community would wish to pursue detente on tolerable terms. There should be the right firmness of response to permit that to continue.

7. Mr. Jenkins then went on to see Mr. Volcker, Chairman of the Federal Reserve Board and Mr. Miller, Secretary of the Treasury. They briefed him on the current state of the US economy and its prospects.

Mr. Miller thought that the eighties would see a significant increase in investment as a result of the effects of higher oil prices and import restrictions.

There was a brief discussion with Mr. Volcker of the EMS, which, he said, had created no problems for the US. The dollar-EMS relationship was satisfactory. Mr. Jenkins, for his part, stressed that a strong and stable dollar was in the interests of the Community.

Jenkins in New York

President Jenkins addressed the Economic Club of New York on January 21 on relations between the EC and the United States. He said, in part:

"We share a heritage which determines the nature of our society, and indeed the character of the modern world. One of those bonds is a common respect for the rule of law, not only in our own society, but in the world as a whole. If the world is to be an orderly place in which the individual as well as the nation can flourish, in which there is a reliable framework for daily living and daily conduct of affairs, in which the weak and the small, the vulnerable and the valuable can be protected, then the rule of law must be not just our guide but our foundation.

"This has direct meaning in trade. We have just completed a tough and long drawn out negotiation to adapt, improve and extend the rules governing international trade which were invented after the war.

"We now have the reasonable prospect for further development of the free world system on lines beneficial to all in the new and difficult circumstances of the 1980s.

"But this happy result will not follow from the documents we have signed unless we give precise, unremitting and honorable effect to our undertakings to each other. This year will be one in which the texts and codes will be under severe test by those who wish to seek sectional advantage. There will certainly be crises in the future, and the United States and the Community will have to manage these crises together if our achievements are to hold.

"I give two examples from industries under threat. First steel. Throughout the old industrial world this industry is in trouble, as much in Europe as the United States. Happily we have been able to work out arrangements between us which may not be perfect but have now stood the test of time. To upset them now with beggar-my-neighbour policies would not only do us mutual hurt but carry grave risks of repercussion in other fields.

"Secondly, state subsidies. In the recent negotiations the United States gave great emphasis to what it believed to be the unfairness of state assistance to industry in the Community. We also have our views on the effects of state assistance to industry. For example the spin-off from United States Government investment in aviation and electronics for military or space purposes has been a major factor in giving the United States an enviable lead in these areas. But in Europe we have a particular concern about the way in which a government-imposed price structure, itself a form of subsidy, can give a trade advantage. I am thinking of that which is given to exports of American products derived from natural gas and petroleum whose prices are much lower here than in Europe. On this feelings are strong in the Community."

Energy

"We are much more dependent on foreign imports of energy of all kinds, and our domestic production is minute compared to yours. Moreover we consume a great deal less, both absolutely and in relation to our national incomes. Your consumption is still more than double ours. Furthermore our oil imports steadily declined between 1973 and 1978 when yours, as steadily, rose.

"Like you we would like oil prices to be as low and steady as possible. But in a market economy we should not complain too much if a commodity in increasingly scarce supply should become more expensive. Nor should we be surprised if

those who possess such a commodity, which cannot after all be renewed, should be less than keen to use it up at the increasing rate which might suit consumers. We have built our industrial society on the consumption of fossil fuels, in particular oil, and it is now as certain as night follows day that if we do not change our ways while there is time—and 1980 could be the last year—our society will risk dislocation and eventual collapse.

“There is no magic formula. With due regard to the environment and human safety, we have to consider a mixture of better use and saving of existing sources of energy, of the development of nuclear energy, greater exploitation of coal, and development of new or in some cases very old sources of energy. Equally we must take very seriously the problem of social adjustment to deal with a substantially higher cost of energy in all its forms.

“So here again we must work together on the basis of a set of rules. We shall be fortified if we can stick and act together.”

EC — Rhodesia

The EC Council of Ministers has unanimously agreed to grant Zimbabwe-Rhodesia the status of an overseas territory of a member state thus creating access for Rhodesian exports to the European Common Market. The European Parliament has endorsed the move.

The new régime will last until December 31, 1980, which would enable an independent Zimbabwe to negotiate, should that country wish, access to the Lomé Convention without any interruption of trade.

The Council reserved the right to take internal measures should imports of Rhodesian tobacco disrupt the market and special surveillance will be maintained on imports of steel

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Delegation of the Commission of the European Communities to the United Nations

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