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## EC VICE PRESIDENT SOAMES CALLS FOR EARLY PASSAGE OF TRADE REFORM BILL

*Washington D.C.*

EC Commission Vice President for External Affairs Christopher Soames today emphasized Europe's interest in early passage by the US Congress of the Trade Reform Bill, which he said was an essential prerequisite for the upcoming Multilateral Trade Negotiations (MTN).

Soames spoke at a joint State Department press briefing with Deputy Secretary Robert S. Ingersoll. The briefing followed the ninth round of "high level" US-EC consultations.

High level talks, at six monthly intervals, began in 1970. The last round was in Brussels, Belgium, in June.

Deputy Secretary Ingersoll, who led the US team at the consultations, said these had covered the US economic situation, EC affairs, energy, relations with third countries, the agricultural outlook and MTN.

Soames noted that he had also met or would be meeting with Secretary of State Henry A. Kissinger, Treasury Secretary William E. Simon, Agriculture Secretary Earl Butz, White House chief of staff Donald Rumsfeld, and White House Economic Adviser William Seidman. He told a questioner he had also had a working breakfast with Congressmen yesterday at the invitation of Rep. Al Ullman (D. Ore.)

Soames called the regular talks a valuable "early warning system" to ease differences between the US and the EC. He stressed the importance which the EC attached to getting the MTN started "as soon as possible". The EC Commission had proposed an EC mandate for the negotiations to its Council of Ministers. Now Europe awaits enactment of the Trade Reform Bill.

Soames added: "It was always understood that these negotiations would not get off the ground unless all the participating countries had the authority to negotiate." It was "absolutely essential for the US Government to have the necessary power and authority." He told a questioner he "couldn't believe" that the Trade Reform Bill would not pass but that it was a "cliffhanger in terms of time".

Asked if he expected the MTN to last two years, he said: "The last round took much longer but I would hope these won't."

He went on: "The negotiations have substantive importance, to update our trading system to meet the needs of the 70's and 80's, and to continue movement toward liberalization of world trade, on which so much prosperity and growth in recent decades has been founded."

Soames emphasized the need for a common energy policy among the major consuming nations, especially in three areas: conservation of resources, development of new energy sources, and measures to deal with emergencies. Closer cooperation was needed between industrialized countries which did not produce oil.

Soames told a questioner that the French view of the energy problem was not as different as was often thought from that of the sixteen other major importing countries (including the US and eight of the nine EC nations), adding: "All of us share the French view that a dialogue with the producer countries is essential."

Ingersoll said this dialogue might start in 1975 and would probably take the form of a series of conferences rather than one major meeting.

Soames spoke of the need for a "triangular recycling" of petrodollars, with absorption by industrialized countries, developing countries, and the producer nations themselves. The problem, he noted, would have been greatly different if oil had been produced in large quantities in areas of great population--such as the Indian subcontinent--with a considerable local capacity for spending the money on development and imports.

The US and EC teams had discussed food in the light of the recent Rome conference. Soames said that "the US and the European Community have many common interests in preserving food supplies, in providing food aid to developing countries, and in helping them grow more food." The talks had covered stockpiling in the MTN context, and current shortages of cereals, dairy products and sugar.

Other subjects of discussion had been US and EC policies toward Eastern Europe, toward developing countries, toward Mediterranean and Arab countries, and toward other industrialized countries, including Canada and Japan.

Soames told a questioner that Europe would abide by its August agreement to cut imports of US feedgrains by 10 to 15 per cent, but that there had been difficulties because of their year's poor corn harvests in Europe, caused by rain.