

**European
community**

PRESS RELEASE

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No. 12/1977

June 7, 1977

JENKINS URGES EUROPEAN EMULATION OF MARSHALL PLAN COURAGE

"The Marshall Plan," said the Right Honorable Roy Jenkins in a speech in Bonn last week commemorating the 30th anniversary of the postwar European recovery plan, "...implanted in American foreign policy the idea of Europe as a possible and plausible political and economic unity."

Jenkins, President of the Commission of the European Communities, was paying tribute to the generous U.S. aid program named for then - U.S. Secretary of State George C. Marshall that made \$13 billion available to 16 European nations for the reconstruction of a prostrate continent. That plan, as Jenkins pointed out in his Marshall Memorial Lecture on June 3 in the German capital, also formed the backbone of the European Community.

"As a result of European determination and trans-Atlantic support, Europe, and in particular the European Community," said Jenkins, "today displays a picture sharply different from the 1947 landscape of penury and insecurity. Compared with that Europe whose trade and economy had been crushed by war and whose horizons could embrace little more than a survival of the next winter, it is now, in the form of the European Community, a single and relatively prosperous common market, the largest trading unit in the world,"

"The pattern of European relations with the United States," Jenkins continued, "has changed from one of dependence to one of interdependence. The political and economic cohesion of Europe has grown: not to the extent that the optimists of the previous generation would have wished, nor as far as some of us would desire; but it has grown, and the world outside, sometimes more than we ourselves, has come to take the European Community very seriously indeed."

The Marshall Plan, as developed by Dean Acheson, Will Clayton, Averell Harriman and other American thinkers, gave European leaders the vehicle many had sought to speed economic and political reconstruction. It was contingent upon the European nations setting aside historical enmities that for centuries had embroiled these countries in war. It demanded cooperation instead of conflict, a multilateral unity instead of nationalism.

As Marshall said at Harvard in his June 5, 1947, speech announcing the plan: "It is evident that before the U.S. government can proceed much further to alleviate the situation and help start the European world on the way to recovery, there must be some agreement among the countries of Europe as to the requirements of the situation, and the part those countries themselves will take in order to give proper effect to whatever action might be undertaken by this government."

The first step was the formation of the Organization for European Economic Cooperation, established in 1948 to carry out the European recovery program, to liberalize trade and to facilitate monetary exchange. Sixteen nations agreed to participate; the Soviet Union and its Eastern European allies, although invited to join in the reconstruction program, rejected the U.S. plan.

Those 16 nations were: Belgium, Denmark, France, Greece, Ireland, Norway, Austria, Portugal, Sweden, Switzerland, Turkey, Great Britain, Iceland, Italy, Luxembourg and the Netherlands.

The nations that were to become the Common Market of the Six -- Germany, France, Italy, Belgium, the Netherlands, Luxembourg -- received a total of about \$7.2 billion in Marshall Plan aid. Of that total, \$6.4 billion was in grants and \$756 million in loans. About 98 per cent of the loans have now been paid back, with payments still being made and interest accruing on the remainder.

The three countries that joined the Common Market in 1973 -- Britain, Denmark, and Ireland -- received \$3.1 billion in grants and \$546 million in loans, of which 59 per cent has been repaid.

As both American and European thinkers anticipated at the time, the Marshall Plan was a sound, economic venture for both giver and receivers.

The rapid rise in Europe's standard of living made possible the creation of an attractive export market for American consumer products and capital goods. The total EC trade deficit with the United States between 1958 and 1976 has exceeded by more than \$41 billion the total Marshall Plan aid to all the countries of Europe.

The diminished barriers to commerce inside Europe that were a result of the European Coal and Steel Community (1950) and the European Economic and Atomic Energy Communities (1958) also facilitated European political integration through the creation of supranational institutions -- the Commission of the European Communities, the European Parliament (to which direct elections will be held in 1978), the Council of Ministers of the European Communities, and the European Court of Justice.

Political progress in the Community has been made by fits and starts, but this was predicted by both the Father of Europe, Jean Monnet, and by the French foreign minister, Robert Schuman, who proposed the ECSC in 1950. "Europe will not be built all at once, or through a single comprehensive plan," said Schuman. "It will be built through concrete achievements, which will first create a de facto solidarity..."

In his Bonn speech, Commission President Jenkins last week echoed Schuman and pointed out the need for a continuing political commitment at a time when the Community faces the problems of distribution of economic strength within its borders and the question of enlargement.

"The process of seeing how the Community can grow is not instantaneous," said Jenkins. "Because it is not, there are moments when an apparent lack of speed is interpreted pessimistically. It is at such moments that our political commitment should not be forgotten.

"The anniversary of the Marshall Plan," Jenkins continued, "is... an appropriate moment for us to commit ourselves to that challenge. The courageous and imaginative statesmen of 30 years ago, both in America and in Europe, faced more daunting difficulties than we do today. We must not only commemorate them, but seek to emulate their courage. If we do so, we can turn the risks of enlargement into the catalysts of future progress. If Europe was ready enough to welcome Marshall aid 30 years ago, let it now turn the economic strength it has and its capacity to develop its existing policies in an equally constructive way to a similar vital purpose."

SCHEDULE OF EVENTS --- JUNE 1977

(All events are in Brussels unless otherwise noted)

June 6 - 7	EEC / ACP in Luxembourg
June 7	EEC / Austria
June 7	Foreign Affairs Council
June 9 - 10	President Roy Jenkins visits Copenhagen
June 13 - 17	European Parliament convenes in Strasbourg
June 14	Council on Energy
June 15	Council on the Environment
June 16	Council on Development
June 20	Council on Finance
June 20 - 21	Council on Agriculture
June 21	Foreign Affairs Council
June 22 - 23	Council on Transportation
June 27	Council on Agriculture (Fisheries)
June 27	Tripartite Conference
June 28	Social Affairs Council
June 28 -29	Council on Transportation
June 29 - 30	European Council : London