

EUROPEAN BACKGROUND INFORMATION COMMUNITY

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BACKGROUND NOTE

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EC-US "HIGH LEVEL" CONSULTATIONS HELD "HELPFUL"

EC Commissioner Finn Olav Gundelach and US Under Secretary of State for Economic Affairs William D. Rogers held a joint news conference at the State Department on October 20 at the close of two days of consultations. These "high level" consultations take place twice a year, once in Washington and once in Brussels. The following is a summary of their remarks at the news conference.

Under Secretary of State Mr. William D. Rogers opened the briefing by stressing the importance of the consultations, which he described as "central to our international economic policy." He said there had been "unusually frank and forthright exchanges of views on a number of subjects of common interest." These ranged from general relations between the United States and the Community, to the specific of US-EC trade, North-South relations, East-West trade, law of the sea, fisheries, and a number of current political issues such as events in Southern Africa. Mr. Rogers finished by describing these consultations as "especially helpful."

For the Community, Commissioner Gundelach stressed that the first priority was that the United States and the European Community must work together in order to bring the world economy back to the path of stable, balanced, and sustained growth. He said that in an era of creeping economic uncertainty, "it is absolutely indispensable that we conclude the multilateral trade negotiations in the course of 1977" as a new foundation for international trade, and he added that the Community is equally convinced of the necessity of bringing the North-South Dialogue to a successful conclusion.

Mr. Gundelach referred to the dynamism of the Community despite its economic difficulties, and cited as evidence its fisheries policy and broad consultations with its partners on the law of the sea. More and more, he said, areas of policy previously regarded as the responsibility of the member states are becoming responsibilities of the Community.

In response to several questions about trade difficulties between the Community and the United States over such matters as cognac and turkeys, shoes, and steel, both Mr. Rogers and Mr. Gundelach were reluctant to deal with specifics. Mr. Gundelach said that the bulk of the consultations was concentrated on the medium of multilateral issues such as the Multilateral Trade Negotiations (MTN) and the Paris talks. Both men agreed that, given the enormous volume of US-EC trade, the bilateral trade issues were normal, even on the low side, and, as Special Trade Representative Frederick B. Dent said, "certainly within our capacity to come to grips with and handle in a sensible fashion." When asked whether any progress had been made over the conflict between the United States and the European Community on agriculture at the MTN, in particular over the US insistence that agriculture and industry be linked in any concessions made on trade, Mr. Gundelach replied that there was a "conceptual difference of approach" and that he hoped it was going to be overcome. He added that trade figures indicated it should not be impossible and that American trade is doing "pretty well" while the Community agricultural exports to the United States are not doing well. But the end-of-Administration mood of caution of the press conference was well summed up when Mr. Gundelach declared "This is not the time, due to political circumstances to go into details about how to resolve that issue."