

EUROPEAN PARLIAMENT

DELEGATION FROM THE EUROPEAN PARLIAMENT

for the relations with the

UNITED STATES CONGRESS

SUMMARY OF THE WORKING SESSIONS

during the Eleventh Interparliamentary Meeting
with a Delegation from the United States Congress

Luxembourg and London

5 - 13 July 1977

DIRECTORATE-GENERAL FOR COMMITTEES
AND INTERPARLIAMENTARY DELEGATIONS

21 September 1977

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C O N T E N T S

	<u>Page</u>
LIST OF MEMBERS NOMINATED TO THE DELEGATIONS	3
PROGRAMME OF THE VISIT	5
FIRST WORKING SESSION : MONDAY 11 JULY 1977	13
<u>Introduction</u>	13
<u>Question Time</u>	13
US President CARTER's energy programme and its likely effects	13
Protectionism in Europe	16
Arab boycott	18
Conference on Security and Cooperation in Europe	21
<u>Working Group on Human Rights</u>	24
<u>Working Group on Nuclear Non-Proliferation</u>	28
SECOND WORKING SESSION : TUESDAY 12 JULY 1977	37
<u>Draft code of principles for multinational undertakings and governments</u>	37
THIRD WORKING SESSION : WEDNESDAY 13 JULY 1977	40
<u>Exchange of views with Mr Frank JUDD, UK Minister of State for Foreign and Commonwealth Affairs</u>	40
<u>Exchange of views on International Political Issues</u>	44
<u>Press Conference</u>	46
 <u>Annex</u> : Documentation for the Joint Working Sessions of delegations from the United States Congress and the European Parliament	

LIST OF MEMBERS

European Parliament Delegation:

Mr Mario ZAGARI, Chairman	Vice-President of the European Parliament
Mr Rudolf ADAMS	Socialist Germany
Mr Jan BAAS	Liberal Netherlands
Mr Cornelis BERKHOUWER	Liberal Netherlands
Mr Erik BLUMENFELD	Christian Democrat Germany
Mr Gérard BORDU	Communist France
Lord BRUCE of Donington	Socialist United Kingdom
Mr Pierre-Bernard COUSTE	European Progressive Democrats France
Mr Maurice FAURE	Socialist France
Mr Ernest GLINNE	Socialist Belgium
Mr Michael HERBERT	European Progressive Democrats Ireland
Mr Hans Edgar JAHN	Christian Democrat Germany
Mr Russell JOHNSTON	Liberal United Kingdom
Mr Erwin LANGE	Socialist Germany
Mr Silvio LEONARDI	Communist Italy
Mr Charles B. McDONALD	Christian Democrat Ireland
Mr Mario MARTINELLI	Christian Democrat Italy
Mr John PRESCOTT	Socialist United Kingdom
Mr Geoffrey RIPPON	European Conservative United Kingdom
Mr Jacques SANTER	Christian Democrat Luxembourg
Mr James SCOTT-HOPKINS	European Conservative United Kingdom

United States Congress Delegation:

Mr Donald M. FRASER, Co-Chairman	Democrat Minnesota
Mr Sam M. GIBBONS, Co-Chairman	Democrat Florida
Mr James C. CORMAN	Democrat California
Mr Christopher J. DODD	Democrat Connecticut
Mr Floyd J. FITHIAN	Democrat Indiana
Mr Bill FRENZEL	Republican Minnesota
Mr James P. JOHNSON	Republican Colorado
Mr Edward R. MADIGAN	Republican Illinois
Mr James Robert MANN	Democrat South Carolina
Mr James G. MARTIN	Republican North Carolina
Mr Richard M. NOLAN	Democrat Minnesota
Mr Leo J. RYAN	Democrat California
Mr John William STANTON	Republican Ohio

PROGRAMME OF THE VISIT OF A DELEGATION FROM THE UNITED STATES CONGRESS
WITH A DELEGATION FROM THE EUROPEAN PARLIAMENT

Eleventh Meeting

(A) Luxembourg and (B) London

5-13 July 1977

PROGRAMME

(A) Visit to Luxembourg

Tuesday, 5 July 1977

- 21.00 Arrival of United States Congress delegation
in Luxembourg by special flight, and transfer
by coach to:
- Hotel Holiday Inn,
Centre Européen,
Plateau du Kirchberg,
Tel: 43 50 51
Telex: 751 L.
- 21.30 Welcome drinks given by Mr ZAGARI, Chairman
of the European Parliament delegation, in
honour of the United States Congress delega-
tion at the Hotel Holiday Inn.

Wednesday, 6 July 1977

09.00-10.15 United States Congress delegation has Working Breakfast with Mr Hans NORD, Secretary-General of the European Parliament (Hotel Holiday Inn, Salle Guillaume).

10.30 European Parliament, Robert Schuman Building
United States Congress delegation attends European Parliament plenary debate (possibly Question Time) and is officially recognized by the Chair.

12.30 Luncheon given by the President of the Government of Luxembourg and Minister of State Mr Gaston THORN at:

Château de Senningen,

Luxembourg.

Afternoon Special programme

Visit to ARBED Steelworks.

18.30-19.30 Reception given by the United States Ambassador to Luxembourg, The Honourable James LOWENSTEIN at:

United States Embassy,
22 Boulevard Emmanuel-Servais,
Luxembourg,
Tel: 4 01 23.

21.00

Official Dinner given by Mr Emilio COLOMBO,
President of the European Parliament, in
honour of the United States Congress dele-
gation at:

President's Suite,
6th floor, Schuman Building,
Centre Européen,
Luxembourg,
Tel: 4 77 11.

Thursday, 7 July 1977

a.m.

United States Congress delegation departs by
coach for Brussels for meetings with the
European Community Institutions and has lunch
en route.

Friday, 8 July 1977

(B) Visit to London

Saturday, 9 July 1977

Evening

Arrival of United States Congress delegation
by coach at:

Britannia Hotel,
Grosvenor Square,
London, W1,
Tel: 629 9400,
Telex: 23941.

Sunday, 10 July 1977

12.00

Luncheon at Britannia Hotel.

Afternoon

Optional tour to Windsor by coach.

19.00-21.00

Cocktails and buffet offered to the delegations by the United States Ambassador to London, Dr Kingman BREWSTER, given at the:

United States' Ambassador's Residence,
Winfield House,
Regent's Park,
London, NW1,

Monday, 11 July 1977

09.00

United States Congress delegation leaves hotel by coach for Church House, Dean's Yard, London, SW1.

09.15

United States Congress delegation arrives at Church House, Dean's Yard entrance, and is met by Mr Mario ZAGARI, Vice-President of the European Parliament, Chairman of the European Parliament delegation.

09.30

First Working Session in plenary:

Hoare Memorial Hall,
Church House,
First Floor.

Question Time - two questions put by each delegation:

Questions from the United States Congress delegation:

1. What effects are the Belgrade meetings following up the Helsinki Conference on Security and Cooperation in Europe likely to have on East-West relations and on European-United States cooperation?
2. Is there a new trend towards protectionism in European trade patterns? Is this protectionism the answer to industrial trade problems? What revisions are needed in US-EC agricultural trade?

Questions from the European Parliament delegation:

1. What are the expected results of the CARTER administration's energy programme and what effects are expected internationally and in particular in Europe? Could this programme limit the uranium supplies required over the next decade for the European Community's nuclear power stations, both those in operation and those that are planned?
2. In EC relations with the Near and Middle East the Arab Boycott against European enterprises trading with Israel is considered clearly unacceptable. Could the UN Congress delegation tell us of legislative or other measures, that have been taken or are being considered in the United States, at the Federal or State level, against such discrimination? Could the delegation tell us what are the results of these measures so far?

10.45-11.00

Coffee break in Bishop Partridge Hall, Church House.

11.00-12.30

Continuation of Question Time.

12.45-14.45

Working luncheon offered by the Chairman of the European Parliament delegation in honour of the United States Congress delegation at:

National Theatre Restaurant,

Upper Ground,

Waterloo Road,

London, SE1 9PX,

Tel: 928 2033.

15.00-17.00

Concurrent meetings of two joint working groups:

Hoare Memorial Hall and Meeting Room No. 429, Church House.

(1) Joint Working Group on Human Rights;

(2) Joint Working Group on Nuclear Non-Proliferation.

18.30-20.00

Reception offered by Mr Frank JUDD, M.P.,
U.K. Minister of State for Foreign and
Commonwealth Affairs at:

U.K. Foreign and Commonwealth Office,
1 Carlton Gardens,
London, SW1,
Tel: 233 3000.

Tuesday, 12 July 1977

09.00

United States Congress delegation leaves hotel
by coach for Church House.

09.30-12.15

Second Working Session in plenary:

Hoare Memorial Hall.

- Reports from the two joint working groups:

(1) on Human Rights;

(2) on Nuclear Non-Proliferation;

- Exchange of views and adoption of Draft
Code for Governments and Multinational
Enterprises (LANGE/GIBBONS Report).

12.30-14.30

Delegations depart by coach and embark on
M.V. VALULLA at Westminster Pier for boat trip
to Greenwich, during which luncheon will be
served.

14.45-16.15

Delegations visit:

Royal Naval College, Greenwich,
Naval Museum.

16.20

Delegations embark on M.V. VALULLA for return
journey.

17.00. Delegations are met by coach at Westminster Pier and return to hotel.

18.30-20.00 Reception offered by the Right Honourable George THOMAS, M.P., Speaker of the House of Commons, at:

State Dining Room,
Speakers House,
Speakers Court,
Houses of Parliament,
London, SW1.

After reception Return to hotel by coach.

Dinner Own arrangements.

Wednesday, 13 July 1977

09.00 United States Congress delegation leaves hotel by coach for Church House.

09.30-10.30 Hoare Memorial Hall.

Exchange of views with Mr Frank JUDD, MP, UK Minister of State for Foreign and Commonwealth Affairs on current international political issues.

10.30-12.00 Third Working Session in plenary:

- Continuation of agenda of second plenary working session;
- General exchange of views on international political issues;
- Preparation for press conference.

12.00-12.30 Press Conference.

13.00

Farewell luncheon given by the European Parliament delegation in honour of the United States Congress delegation at:

Connaught Rooms,
Great Queen's Street,
London,
WC2.

p.m.

Members of the European Parliament delegation leave.

15.00

Optional visit to the Houses of Parliament and attendance in House of Commons Gallery for Question Time/ Dr David OWEN, UK Foreign Secretary, answering questions on EC affairs.

Thursday, 14 July 1977

Own arrangements.

Friday, 15 July 1977

a.m.

Members of the United States Congress delegation leave.

FIRST WORKING SESSION : MONDAY MORNING 11 JULY 1977

Introduction

Mr ZAGARI opened the session at 09.40 by heartily welcoming the United States Congress Delegation and by stressing the great importance of these meetings.

The members of the European Parliament Delegation were introduced individually. Mr FRASER thanked Mr ZAGARI for his welcome. He paid tribute to the late Sir Peter KIRK, who had played a key role in the relations between the European Parliament and the United States Congress.

He introduced the members of the Delegation from the United States Congress individually.

Question Time

US President Carter's energy programme and its likely effects

Mr ADAMS asked the first question on behalf of the European Parliament Delegation:

'What are the expected results of the CARTER administration's energy programme and what effects are expected internationally and in particular in Europe? Could this programme limit the uranium supplies required over the next decade for the European Community's nuclear power stations, both those in operation and those that are planned?'

Mr ADAMS stressed Europe's serious shortage of raw materials, including sources of energy, contrasting this with the position of the United States. Mr Adams then referred to Europe's uranium requirements and spoke briefly about Europe's plans to set up its own enrichment capacity.

As a supplementary question Mr Adams asked if the American administration favoured a more stringent application of the Non-Proliferation Treaty.

Mr FITHIAN (Democrat, Indiana), confirmed that the United States administration was seriously worried about the risks of nuclear proliferation, and believed that a strengthening of the Non-proliferation Treaty (NPT) would be necessary.

He reminded the meeting that some nuclear suppliers were not signatories to the Non-proliferation Treaty, and said that both President Carter and Mr Brzezinski would like to see a strengthening of this treaty.

Mr FITHIAN analysed the development of American attitudes to non-proliferation since October 1976, and said that he would prefer to discuss the problem of fast breeder reactors during the Working Session on nuclear non-proliferation.

Mr JOHNSON (Republican, Colorado), believed that President Carter's energy programme would be adopted in a modified form. He emphasised the need for developing a comprehensive energy policy and said that, on the whole, President Carter's energy proposals had been fairly well received.

Mr JOHNSON referred to the problem of breeder reactors.

Mr ZAGARI, chairman of the European Parliament delegation, spoke about the importance for Europe of President Carter's energy programme, pointing out that the non-proliferation treaty could be discussed in the appropriate working group.

Mr BLUMENFELD said that the non-proliferation treaty was of only indirect importance to President Carter's energy programme. He stressed the need for mutual trust between Europe and the United States, while not ignoring the difference in their internal energy resources. While the United States had enormous reserves of coal and might aim at near self-sufficiency in energy, in Europe only the United Kingdom could hope to become self-sufficient in the near future. This meant that Europe was more vulnerable than the United States to changes in the world energy market, or to halts in supplies.

Mr BLUMENFELD spoke about the nuclear fuel cycle and the need for international guarantees. He felt that the technical problems of reprocessing and waste disposal could be solved more easily than the political problems. He felt that political pressure was being brought to bear on the EC on this matter and this was unacceptable.

Mr CORMAN (Dem., California), considered that President Carter's proposals were aimed primarily at energy conservation. He deplored the energy inefficiency of motor transport and favoured increased use of coal in industry and for domestic use. He believed that energy would inevitably become more expensive in the coming years.

Mr BORDU said that nuclear energy would have a vital role to play in the immediate future and pleaded for increased research and development into energy sources and conservation.

He mentioned the unequal distribution of energy resources between the countries of the world, and in particular the energy scarcity in poorer countries of the third world. International cooperation in energy would be a crucial part of a new world economic order.

Mr ELLIS, a member of the European Parliament attending the meeting, felt that non-proliferation should constitute a vital part of Europe's energy strategy, having enormous political consequences. However he believed that Europe could not afford to abandon fast breeder reactors and stressed the need for secure supplies of highly enriched and natural uranium.

Turning to the international safeguards and inspection systems of both Euratom and the International Atomic Energy Agency, he said that any attempt by supplier countries to restrict inter-Community trade of nuclear materials would have profound consequences for the European Atomic Energy Community.

Lord BRUCE of Donington pointed out that oil supplies were exhaustible and then discussed the principles behind President Carter's energy proposals. He asked what the United States administration's fall-back position would be if these proposals failed to reduce energy consumption sufficiently.

Mr MARTIN (Rep., North Carolina) said that non-proliferation was not part of the legislation currently being examined by the United States Congress. He criticised certain aspects of President Carter's proposals, particularly those concerning coal exploitation and supply. He considered that nuclear power requirements, and the capital necessary for it, had been underestimated.

He concluded by saying that insufficient emphasis had been given to boosting energy production in the United States Administration's proposals.

Mr CORMAN (Dem., California) felt that by using tax incentives and regulations a great deal could be done to conserve energy.

Mr RYAN (Dem., California) said that the President of the United States had proposed that uranium supply contracts should stipulate that the uranium would not be used outside the recipient country, commenting that this would pose problems for the non-EC European nation that currently wished to sign a contract with an EC Member State for reprocessing uranium of United States origin.

The Chairman, Mr ZAGARI, brought discussion on this question to a close.

Protectionism in Europe

Mr FRENZEL (Rep., Minnesota) asked the first question on behalf of the US Congress delegation:

'Is there a new trend towards protectionism in European trade patterns? Is this protectionism the answer to industrial trade problems? What revisions are needed in US-EEC agricultural trade?'

Mr BAAS, speaking on behalf of the European Parliament delegation, stressed that these questions on the subject of protectionism raised important issues and were closely related. As to whether there was a new trend towards protectionism, he felt that this was not the case, even though the recent changes in the economic structures of countries such as Japan, and even certain developing countries, might well lead the Community countries to readjust efforts in some industrial sectors, despite the limited opportunities for the sort of mobility that this implied. A pragmatic approach should therefore be adopted to the concept of free trade, bearing in mind that protectionist measures, if they had to be taken should be applied with the utmost circumspection.

Frequent references had recently been made to dumping, but this was an extremely difficult concept to define. Could it be said that developing countries engaged in dumping when some of them owed their favourable position on the market to efficient production rather than to non-authorized practices? It should also be remembered that the industrialized countries themselves had often helped the developing countries to industrialize.

Turning to the agricultural sector and relations between the United States and the European Community, Mr BAAS said that the Community had taken 25% of all US farm exports in 1973 and 28% in 1976.

The actual figures were US\$ 4.4 million and US\$ 6.4 million respectively, representing an increase of almost 50% over this period alone. In 1968, US agricultural exports (to the nine Member States) were worth only US\$ 1.8 million. Community exports, on the other hand, were on an extremely small scale, totalling \$ 1.1 and 1.2 million for 1973 and 1976 respectively. Finally, the agricultural trade balance for 1976 showed a surplus of \$ 5.2 million in favour of the United States.

The Community, therefore, was the USA's main trading partner, despite the common agricultural policy and the well-known structural problems with which it was faced. Approximately 9 million people were employed in agriculture within the Community, as against 4 million in the USA. The Community's farm population had almost halved over the last twenty years and its room for manoeuvre was consequently very limited, particularly in the present economic situation.

Mr BAAS pointed out that the two basic principles of the common agricultural policy were first security of supply and, secondly, guaranteed reasonable prices for consumers and fair prices for producers.

On the question of security of supply, a point to remember was the soya bean crisis of 1973: this was precisely one of the sectors in which the Community had agreed to complete liberalization although at the time, soya had admittedly not become the vital animal feed it is today.

Mr NOLAN (Dem., Minnesota), taking up the point made by Mr BAAS concerning quantitative restrictions on imports of EEC cheese into the United States, felt that a new trend was discernible in the United States, reflected mainly in the proposals made at Geneva for an agreement on wheat with maximum and minimum prices coupled with arrangements for storage and removal from storage. The CARTER Administration was committed to improving the organization of the market and the Minister for Agriculture, Mr BERGLAND, was clearly in favour of this approach.

The US delegation was aware of the social difficulties facing the EEC. The EEC representatives had no reason to apologize on this score. Up to now American agriculture had been considered the most efficient, but it might be necessary to modify this view, as American agriculture was a major energy consumer. The energy crisis might force the United States to expand its agricultural labour force. The United States too had introduced a farm support policy with a programme of aid and loans for farmers, but this had apparently not had such an adverse effect on trade as the system adopted by the EEC.

Mr PRESCOTT considered that, in general terms, Europe's growth rate would fall off and this would cut back its production capacity. Japan was one of its most dangerous competitors and might eventually be joined by Brazil. There was a need for negotiated trade agreements and, possibly, the introduction of quotas.

Mr BORDU felt that protectionism was bound up with the crisis in that each country was trying to shift its own crisis onto the others. Everything depended, therefore, on the balance of forces involved. Hence the need for a new balance based on some measure of control over the various economies allied with efforts to prevent continued squandering of resources on the present substantial scale. Mr BORDU also believed that multinational companies were to some extent to blame for the difficulties encountered in certain sectors such as textiles. He supported an agricultural storage system under international control. A system of cooperation should be established to ensure that trade was based on reciprocity, which was not the case at present.

Mr SCOTT-HOPKINS, referring to the speech by Mr NOLAN, asked whether direct payments could be made to farmers in the USA, and whether they operated a system of control through quotas. If so, caution was called for, as such systems often acted as an encouragement to the least efficient. On the subject of access to the American market for Community products, he said he was aware that the Community policy of export refunds was the target of some criticism. But if these were offset, as had already been done to some extent, would the Americans be prepared to continue importing cheese?

Mr NOLAN (Dem, Minnesota) pointed out that the deficiency payments scheme introduced in 1973 had never been implemented as the market price of wheat had held its own. The situation might be quite different this year. Attempts were now under way to build up stocks of soya beans to preclude the necessity of imposing an embargo at a later stage, although the final decision on this matter would lie with the President of the United States.

Mr BAAS expressed interest in the American storage proposals as they would make it possible to hold down price movements. There was an undoubted need to seek new methods in the agricultural policy sector, possible alternatives, perhaps being direct aid to producers, channeling of production, or price modulation.

At a more general level, he considered it extremely important that the Ministers for Economic Affairs should be looking into the question of protectionism, as they were doing at that moment.

Mr FRENZEL (Rep., Minnesota) said that all countries had certain leanings towards protectionism, and he was well aware that the Trade Act had caused some concern within the EEC. But the United States did not fully understand the nature of the agreements signed by the Community, such as the Lomé Convention or the agreements with the countries of the Mediterranean basin.

Mr GIBBONS (Dem., Florida) said he could not go along with the views expressed by Mr PRESCOTT. The protagonists were not the same as at the time of the 1930 crisis, but the danger of protectionism remained the same, and it should not be forgotten that inward-looking economic policies had undoubtedly been one of the contributory factors in the outbreak of the Second World War.

Lord BRUCE of DONINGTON did not wish to give the impression that the USA's agricultural policy was the sole target of criticism. In his view, the common agricultural policy too had to be reorganized to take fuller account of the interests of marginal producers. The Community had a growing agricultural trade deficit with the United States, and it was therefore up to the USA to take action.

Arab boycott

Mr BLUMENFELD introduced the second question from the European Parliament delegation:

'In EC relations with the Near and Middle East the Arab Boycott against European enterprises trading with Israel is considered clearly unacceptable. Could the US Congress delegation tell us of legislative or other measures, that have been taken or are being considered in the United States, at the Federal or State level, against such discrimination? Could the delegation tell us what are the results of these measures so far?'

Mr STANTON (Rep., Ohio) replied. He expressed Mr ROSENTHAL's personal regrets that he was unable to be at the meeting for this was an issue in which he was most interested. The problem of the boycott had existed since 1965 when the Administration had declared that participation in foreign or restrictive trade practices was against US policy. 1976 analysis by the US Commerce Department showed, however, that compliance with the boycott conditions had actually increased. The Californian State Legislature had taken legal steps to outlaw such compliance - an action in which Mr RYAN had played a major part.

Mr RYAN (Dem., California) continued by regretting the lack of time to examine the background and legal details fully. He described the boycott as an attempt by the Arab world to impose its rigid attitude towards contacts with Israel on other nations. But US trade with the Arab world - in common with the European trade with it - had increased many times, particularly trade in oil. The western nations were very vulnerable to restrictions on this.

At the same time, the US was hostile to, opposed to and resentful of any discrimination based on race or religious belief.

During the Congressional hearings on the Rosenthal Anti-boycott bill business witnesses appeared reluctant to testify; while very keen not to appear anti-semitic, they were unprepared to jeopardise their commercial opportunities. The hearings took three weeks to arouse public awareness of the secondary and tertiary boycotts in the US, Arab and European nations, and to restructure the bill, so that it would not dissuade business from dealing with the Arabs. Thus, the California, New York and Federal Laws could differ. One had to recognise that the building of a modern Saudi Arabian state, for instance, with its demands for the skills and technology that it lacked, presented a major business opportunity in the last third of the 20th century. To give business the moral protection, legislation was prepared and had been enacted.

Mr PRESCOTT noting there was without doubt a boycott, and that this was being condemned, pointed out however that if legislation included clauses prohibiting trade with countries denying human rights, and that if recent allegations of torture by Israel on Palestinians were

substantiated, then what would the US view of trade with Israel
If the Arab countries claimed that they were boycotting Israel because
of Israel's denial of human rights, what would the US position towards
such a boycott be?

Mr COUSTÉ explained that the Anti-boycott legislation in the United
States would protect US Companies from the damaging consequences of an
indirect boycott (i.e. secondary or tertiary). But what would happen
to US Companies currently on the blacklists under such legislation?

As the European reaction differed from state to state and as the
US would like the European Community as such to take initiatives,
what initiatives did the US have in mind?

In reply to Mr Cousté's questions, Mr STANTON (Rep., Ohio),
explained that the legislation was aimed at indirect boycotts, that is
secondary and tertiary ones. He felt the EC support would depend
on the extent of Arab demands on EC Member States and Companies.
Turning to Mr PRESCOTT's questions he commented that the press reports on
Israeli torture of Palestinians had been more numerous than in the US, but
that the issues he raised should be dealt with during the working group
meeting on human rights.

Mr RYAN (Dem., California), added that so far the United States had
taken the more significant and more aggressive action against the boycott.
But only within the last decade had the world's nations recognised the
vital nature of their interdependence. Such activities as this boycott
could lead to military or economic disaster. He concluded by voicing
his concern about the US President's current emphasis on human rights,
for the United States had a somewhat blemished past. He felt more
should be known about the current claims of Israeli torture before drawing
any conclusions.

Mr BLUMENFELD summarized the discussion by outlining three common themes:

1. It was important for both the US and the EC to enact anti-boycott legislation, so that US and EC companies were able to compete on an equal footing;
2. The indirect boycott affected many small and medium sized companies;
3. The anti-Israel measures were a political weapon only effectively used since the 1973 oil price rises. This 'oil weapon' should be fought both legislatively and politically.

He concluded by suggesting that the human rights issue should not prevent discussion of issues of trade discrimination.

Conference on Security and Cooperation in Europe

Mr FRASER (Dem., Minnesota) introduced the second US Congress question:

'What effects are the Belgrade meetings following up the Helsinki Conference on Security and Cooperation in Europe likely to have on East-West relations and on European-United States cooperation?'

Mr FRASER introduced the question. He was aware of the misgivings caused in Europe by President CARTER's determination to emphasize the human rights issue, particularly in relations with the Soviet Union. What the question amounted to, then, was whether the European considered this to be an over-zealous application of the principles of human rights to East-West relations.

Mr Maurice FAURE replied on behalf of the European delegation. He pointed out that it was difficult to give a single reply to the question under discussion. Helsinki represented a spectacular rather than a substantial attempt to codify the rules of détente. Détente signified both the desire for a closer alignment of economic, social and political systems, and an agreement to disagree in the pursuit of peace and cooperation. There was no point in placing exaggerated hopes on the Helsinki Conference. The two concepts of national sovereignty and non-interference in other countries' internal affairs were interpreted differently by the Communist and Western countries. The Western countries were thinking in terms of preventing the Soviet Union from engineering a repetition of the events of Budapest or Prague. The Soviet Union, however, was thinking in terms of halting the West's attempts at ideological infiltration, which jeopardized the very bases of Communist régimes. Two further misunderstandings compounded the mixture. The Eastern countries considered that all information transmitted from a given country was the responsibility of that country. The Eastern countries had agreed to the dissemination of ideas, but on condition that these ideas were 'good ideas' promoting peace and friendship between peoples.

What had happened over the last two years as regards the three baskets?

The first basket (the principles on which our security was based) of the Final Act of the Helsinki Conference went no further than previously existing texts. The inviolability of frontiers had already been recognized under the policy pursued by Chancellor Brandt. The only innovation, of relatively minor importance, was the undertaking to give prior notice of military exercises. The problems of disarmament were dealt with elsewhere.

The second basket, dealing with economic, technical and scientific cooperation, contained nothing very original or new. Trade was developing satisfactorily between the Eastern and Western countries. It should be pointed out that this was the first time that the Eastern countries recognized the European Community as such.

As regards the third basket on human rights, Americans and Europeans were entirely at one on the essential issue, namely the concept of and respect for human rights. The only possible difference of opinion concerned the European and American assessments of what could be achieved by the Helsinki Agreement. It was clearly unreasonable for the Western countries to expect the Eastern countries to come round to the West's position on human rights as the result of a diplomatic act. Nevertheless, contacts between individuals, particularly in the case of married couples, had been facilitated, and there had been some improvement in working conditions for journalists. Progress had clearly been limited.

Détente called for great patience. We should continue on this course, as no reasonable alternative existed. The Europeans supported President Carter's moral stance. Even if there existed certain differences of interpretation and opinion as to the tactics to be employed, this should in no circumstances impair relations between Western Europe and the United States, although such tactics should not jeopardize the process of détente with the Eastern countries.

Mr DODD, supporting Mr FAURE's views, noted the existence of varying shades of opinion in both Europe and the United States, although everyone agreed on the importance of a human rights policy.

Mr JAHN cited the European Parliament resolution which called for compliance with the Helsinki Final Act and emphasized that détente was inseparable from the human rights issue.

Mr BORDU shared many of the views put forward by Mr FAURE. Helsinki marked a turning-point in relations between European countries, grouped together three inter-dependent baskets and should be seen in the wider context of all negotiations which aimed at securing cooperation and arms limitation. Analyzing Euro-communism, Mr Bordu considered that this phenomenon raised the question of whether states and Communist parties should enjoy political and economic independence with a view to resolving their problems at national level. The European Communist parties, like other parties, were capable of evolving and changing.

This was the remarkable evolution which was evident in a number of these parties. They were particularly concerned by all aspects of the human rights issue. No country could consider itself 'innocent' in this field. For this reason, it was necessary to examine the human rights situation in all countries and, above all, to prevent this issue from becoming a new ideological weapon.

Mr GLINNE endorsed Mr FAURE's conclusions. He stressed that some progress had been achieved in the areas covered by the first two baskets of the Helsinki Act. He warned governments that they would lose credibility among all young Europeans if they failed to achieve discernable and verifiable progress in the field of human rights. All governments were aware of the importance attached to this issue by public opinion. It was vital for the Western countries to put their own house in order before condemning the flouting of human rights in other countries.

WORKING GROUP ON HUMAN RIGHTS

Monday, 11 July 1977 - 4.00 p.m. to 5.45 p.m.

With Mr COUSTE and Mr FRASER acting as co-chairmen, the delegates considered the comments made by the American delegation on the initial list of 12 proposals drawn up in the spring of 1977 by the European members of the working group.

Following an extensive exchange of views, the joint working group decided to introduce the necessary procedures and instruments for exchanging information and holding rapid consultations between the two delegations on certain violations of human rights or certain problems connected with the respect of human rights. This would make it possible to decide on and carry out joint action, in particular:

- tabling of parallel resolutions in the two Parliaments condemning systematic violations of human rights;
- urgent action of a humanitarian nature (direct threats to the lives of certain persons);
- joint on-the-spot investigations;
- hearings before Congress and the European Parliament on problems connected with human rights.

It was decided that each delegation within the group would report to the next meeting on work undertaken in this connection, each according to the procedures at its disposal.

The European Parliament delegation, for its part, would submit to the responsible authorities the proposals summarized in this document.

In addition to this general decision, and with a view to taking joint action the Working Group on Human Rights decided to examine the following proposals concerning:

- an international information bulletin on human rights for parliamentarians;

- the extension of the right, of political exile and the reception of exiles and refugees;
- consultation between the United States and the European Community on questions of human rights considered by the United Nations and other organizations;
- possible economic or trade sanctions against oppressive regimes.

The Working Group on Human Rights considered it an established principle that the question of human rights would be regularly examined within the framework of inter-parliamentary meetings and relations, and that the group's function was to make specific recommendations on this subject.

The working group requested that consideration be given to violations of human rights examined within the framework of the United Nations Commission on Human Rights, in particular at the Belgrade Conference. It hoped that certain work by the Trilateral Commission would also be examined.

The working group held a meeting with Mr Martin ENNALS, Secretary-General of Amnesty International¹. The Group expressed its unanimous support for this organization, which today fulfilled a vital role throughout the world in the field of human rights, and whose information based on proof, represented a particularly valuable source for all those who sought to ensure compliance with international undertakings in this field.

On a proposal from Mr FRASER, the group instructed Mr Cousté to report to the plenary session the next day on the joint working group's conclusions.

¹The members of the Joint Working Group on Human Rights met Mr Martin ENNALS, Secretary-General of Amnesty International, over a working lunch. Mr Ennals replied to questions concerning the objectives, organization and financing of Amnesty International, whose headquarters was in London. Mr Ennals expressed reservations on the use of the human rights argument for political or ideological ends. He pointed out the advantages, in many circumstances, of action at a political level by a non-governmental organization. He asked whether the European Community, which already recognized non-governmental organizations under its development cooperation policy, could not extend to other non-governmental organizations, including Amnesty International, the reciprocal advantages of official cooperation, possibly by granting consultative or observer status, following the practice of the Council of Europe and the United Nations.

Tuesday, 12 July 1977 - morning

Report to the plenary session by the Working Group on Human Rights

Mr COUSTE, spokesman for the working group, explained the decisions taken and the recommendations made by the working group at its meeting the previous day (see above, meeting of Monday, 11 July (afternoon) and PE 49.404).

The following spoke: Mr BERKHOUWER, Mr DODD, Mr PRESCOTT, Mr LANGE, Mr FRASER, Mr JAHN, Mr FAURE and Mr GLINNE. The following points were raised:

- the delegates emphasized the hopes raised by the Helsinki Final Act in this field, and the need to obtain more tangible results;
- action should not be taken in isolation but should be concentrated on clearly defined objectives, particularly as regards the external relations of both the United States and the European Community;
- concern for human rights should not be limited to studies of the situation in certain countries as opposed to others, but should effectively include all countries, wherever they may be, whenever alarming information and strong evidence came to hand. Reference was made to the work of the United Nations Commission on Human Rights and the Belgrade Conference;
- it was agreed to request the Secretary-General of Amnesty International to follow up his declarations to the working group by submitting a report on the form of relations which Amnesty International wished to establish with the European Community and certain practical proposals in this connection (consultative status as a non-governmental organization).

Mr FRASER pointed out that, 28 years after the signing of the Universal Declaration on Human Rights, most countries were in breach of their own undertakings in one way or another. Human rights today encompassed civil rights as well as political, social and economic rights. Defenders of human rights in the United States concentrated their efforts on the violation of personal integrity, and in particular on clear violations of established international rights, especially in the form of torture, lengthy detention without charge or trial, or any other cruel or inhuman treatment. The American Executive was now pledged to suspend military aid to countries which systematically violated human rights, and would also suspend economic aid unless it was shown that such action would worsen the situation for the least-favoured categories of the people concerned. Mr Fraser stressed the importance of international support on

as wide a basis as possible for the achievement of the desired objectives. This action for the protection of human rights could only be undertaken progressively, and should not give rise to ideological confrontation over separate issues or to excessive expectations.

Mr Cousté agreed with the additional points made in the exchange of views. The two delegations noted their agreement with the conclusions of the Working Group on Human Rights, which would continue its work in preparation for the next meeting.

WORKING GROUP ON NUCLEAR NON-PROLIFERATION

Monday 11 July 1977 - 15.00 p.m. to 18.00 p.m.

Mr FITHIAN, (Dem., Indiana), rapporteur for the United States delegation (PE 49.353), opened his remarks by stating that he did not speak for the U.S. administration, though he had consulted members of that administration on the subject of nuclear non-proliferation. Neither could he speak on behalf of the United States Congress as a whole.

He was not an environmentalist, he said, and he came from a diplomatic and academic background.

Mr Fithian was deeply worried by the lack of safeguards at world level against the spread of nuclear facilities which could lead to the proliferation of nuclear weapons. He spoke about the problems of energy demand and supply and why nations might wish to acquire nuclear reprocessing facilities.

He expressed his fears about the spread of terrorism and the possible attraction which the nuclear industry might have for extra-constitutional groups.

He believed that the development of what he referred to as the "plutonium society" could lead to much greater risks for humanity, as knowledge of nuclear technology was now relatively widely available.

In reply to a question from Mr GIBBONS, Mr Fithian said that plutonium could easily be carried without adverse effects, though it could cause cancer and death through inhalation of dust.

Mr Fithian discussed the question of radio active waste removal and storage, and the problem of fast breeder reactors which generate more plutonium than they consume. He enumerated areas in which he was in agreement with Mr Scott-Hopkins' paper (PE 49.574), namely on:

- (i) the need for further controls on the spread of nuclear weapons;
- (ii) the need to develop non-proliferation technology (for instance, plutonium might be stored in a "dirty" form so that though still suitable for use in a reactor, it could not easily be transported);
- (iii) the difficulty of restricting the availability of nuclear fuels to nations short of energy resources.

Mr Fithian next elaborated on other options mentioned in his paper, particularly the possibility of regional nuclear fuel repositories and his idea of leasing nuclear fuels so as to restrict the spread of re-processing plants. He mentioned arguments in favour of the internationalization of certain aspects of the nuclear fuel cycle, and referred to the possibility of an international security force or a strengthened International Atomic Energy Agency or Euratom inspectorate. He believed that the non-proliferation treaty should be strengthened and advocated a moratorium on the spread of reprocessing and enrichment plants.

Mr Fithian concluded by saying that American industrialists had opposed President Carter's decision to stop development of the Clinch River breeder reactor. Though environmentalists favoured this move, American industry, as well as certain elements in the U.S. Congress, opposed it vigorously.

Mr SCOTT-HOPKINS, rapporteur for the European Parliament (PE 49.574), said that the basic problem was how to fill the energy gap. He stressed the European Community's need for uranium and the inadequacy of its indigenous sources. He referred briefly to the Canadians' requirements with regard to uranium supplies to the EC. Fusion might be able to offer an alternative source of energy, and Mr Scott-Hopkins felt that more research was needed in this field.

Mr Scott-Hopkins pointed out that the breeder reactor used uranium some 50-60 times more efficiently than did light water reactors and for this reason he felt that Europe could not afford to abandon the development of breeder technology.

He spoke about the need to control international terrorism and the role the International Atomic Energy Agency and Euratom could play in this. He felt that an internationalization of the nuclear fuel system could lead to the growth of a vast and corruptible bureaucracy. Nevertheless, he recognised the need for international policing.

Finally, Mr Scott-Hopkins proposed the establishment of a working group in the context of these meetings which would discuss this problem, and the problem of uranium supply.

Mr ELLIS said that American and European attitudes differed because of differences in the structure of their energy supplies. He commended President Carter's consistency in halting the breeder programme but felt that European countries could not possibly consider taking such a step, because of Europe's shortage of natural uranium.

He mentioned the problem of uranium supplies from Canada and stressed the need for an effective non-proliferation treaty.

He reminded the meeting that fusion research was still at the speculative stage and might not prove to be successful.

Mr Ellis concluded by pointing out that it might be easier to steal an atomic bomb than to steal plutonium in order to make such a bomb and added that, in terms of toxicity, plutonium was less poisonous than other more readily available substances.

Mr LEONARDI said that the industrialised countries of the world were emerging from one energy system and had not yet entered a new system. In this transitional period he felt that the citizens of both Europe and the United States would have to make sacrifices.

Mr BLUMENFELD drew the meeting's attention to Europe's lack of raw materials including energy resources, and added that the United States was less worried by such considerations. For that reason Europe would not afford to abandon the fast breeder.

He believed that the problem of nuclear weapons should be dealt with in a different forum, and that non-proliferation and the examination of all parts of the nuclear fuel cycle was more a political than a scientific or technical problem. He emphasised the need for stronger international control. Finally, he felt that international norms for the use of nuclear energy would have to be worked out.

In reply to a question from Mr GIBBONS, Mr BLUMENFELD, Mr LANGE and Mr SCOTT-HOPKINS each confirmed that Europe had inadequate indigenous uranium reserves.

Mr MARTIN (Rep., N. Carolina), agreed with Mr Fithian that U.S. industry favoured the development of the fast breeder. He felt that in the United States the energy crisis was caused by shortage of supply, even though there were abundant energy resources. However, exploration was not being carried out on as large a scale as he believed to be necessary.

Mr Martin said that the United States could not unilaterally halt the spread of nuclear technology, nor could the spread of nuclear weapons be controlled by any one country. He felt that President Carter was not indulging in technological imperialism but was trying to draw world attention to the issues involved in the spread of nuclear technology. He hoped that in the next five years it would be possible to see whether or not hydrogen fusion could be developed successfully. If fusion proved impractical, he agreed, the fast breeder might be required.

Mr LANGE asked if there had been a commercial conspiracy against fast breeder reactors.

Mr GIBBONS (Dem., Florida) and Mr MARTIN (Rep. N.Carolina) both denied this and Mr ELLIS said that on several occasions the present U.S. administration had acted independently of U.S. commercial interests.

Mr LANGE emphasised the need to close the energy gap and reduce oil consumption in the 1980s and 1990s. He considered secure supplies of enriched and natural uranium to be of the utmost importance.

He informed the meeting about the Euratom inspection system and said that it was more comprehensive than that of the IAEA. Furthermore, all Member States of the European Communities were subject to Euratom inspection.

Mr Lange concluded with an appeal to Europe and the United States to work together on the development of fusion.

Mr MADIGAN (Rep. Illinois) felt that in the long run breeder technology would continue to be developed in the United States, and that there would be pressure to reprocess and store the nuclear waste that had accumulated over the past two decades.

In conclusion, Mr FITHIAN (Dem., Indiana), said he was pleased with the controversy provoked by his paper, which was to be revised.

Mr Fithian pointed out that the United States at present imported 40% of its oil or 30% of its energy, as oil accounted for some 70% of American BTU use.

He emphasised once again the importance of developing machinery whereby weapons-grade fissile material could be controlled, and felt that there would be real risks if large amounts of plutonium became commercially available.

Mr GIBBONS brought the meeting to a close at 18.00

Tuesday, 12 July 1977 : morning

Report to the plenary session of the proceedings of the
working group on nuclear non-proliferation

The CHAIRMAN then asked Mr Fithian to report on the results of the working party dealing with nuclear non-proliferation.

Mr FITHIAN (Dem, Indiana) then read out a short paper summarizing the areas of common agreement, the areas of disagreement and recommendations of the Joint Working Group. He was keen that a joint working group on nuclear energy should be established in the context of relations between the United States Congress and the European Parliament to continue the study of common problems in the field of nuclear non-proliferation, as well as access to the supply of nuclear materials (see summary page 34).

Mr Fithian felt that such a joint working group should study, inter alia,

- the political problems involved in the storage of nuclear waste;
- the uranium supply situation; and
- the impact of American decisions on the energy situation in Europe.

Mr Fithian said that he believed that research and development in the field of fast breeder technology would continue in the United States, even though work on the Clinch River project had been halted. He regretted that many questions of substance and of detail had not been treated owing to lack of time.

Mr GIBBONS congratulated Mr Fithian on his Summary.

Mr RYAN (Dem., California) expressed his disappointment at the results of the working group. He felt that too much emphasis had been given to nuclear energy as an alternative to oil. Mr Ryan then spoke about the danger involved in reprocessing and the difficulty of disposing of nuclear waste, as well as the cost of decommissioning nuclear power stations. He felt that alternatives to nuclear power had not been investigated sufficiently, neither had enough consideration been given to conservation.

Mr FRASER (Dem., Minnesota) asked that paragraph 11 of the Summary of results of the Working Group be amended by the addition of the following sentence to the end of the paragraph: "but other U.S. delegates believe that commercial development of the fast breeder would not go ahead at this time".

Mr FAURE said that it would be necessary to go into the problem of nuclear non-proliferation in greater detail during the next European Parliament/U.S. Congress meeting in Washington.

He spoke about the energy gap and the need for more research and development into alternative sources of energy.

Mr Faure was in agreement with all President Carter's proposals in the field of energy conservation, and pointed out that Europe, as well as the United States, wasted energy. He felt that Europe's two objectives should be:

- (i) the non-proliferation of nuclear weapons, and
- (ii) the independence of energy supplies.

Mr Faure spoke of the problems involved in nuclear inspection, particularly where civil and military utilisation might overlap.

Mr LEONARDI felt that there was a considerable degree of consensus and expressed the belief that industrially developed societies were at present emerging from one form of energy economy without having yet entered a new system. Technical solutions would have to be found during this period of transition.

Mr NORMANTON congratulated President Carter on his energy proposals and pointed out that energy saved is the cheapest form of energy.

Finally he asked that a reference to joint research be made in the third area of the common agreement as outlined below.

Mr GLINNE stated that the Belgium government, influenced by French ecologists and President Carter's decision on fast breeder development, had decided to impose a moratorium on nuclear development until safeguards for workers in nuclear plants and persons living near such installations had been improved.

Mr Glinne then asked for documentation on the subject of nuclear safety and, in particular, for a report which had been prepared for the U.S. Congressional Research Services.

Mr ELLIS said that he was worried by the differences between the American and European points of view. He believed that demand for energy was following a superexponential path which must be stopped as energy reserves were finite.

Mr ELLIS expressed his disagreement with Mr Ryan's opinions and believed that it would be vital to set up a working group to continue discussion on this theme.

Mr LANGE congratulated Mr Fithian on his summary and asked about the costs of alternative sources of energy.

Mr FITHIAN said that he accepted the changes that had been proposed, and suggested that the cost of waste storage be put on the agenda of a future meeting of the Joint Working Group.

Mr NOLAN then suggested that the addendum to the summary be revised, so that future discussions could take a broader view of the whole energy spectrum.

Mr GIBBONS pointed out that the Summary below was neither a report nor an agreed document, and served only to remind delegates of what had been decided at the meeting.

Mr RYAN regretted again that the working group had not dealt with conservation.

Mr FITHIAN pointed out that the previous day's discussion had been restricted to the subject of nuclear non-proliferation and had not set out to be a general discussion on energy.

Mr GIBBONS then brought the meeting to a close.

SUMMARY OF THE WORKING SESSION OF THE JOINT WORKING GROUP ON NUCLEAR NON-PROLIFERATION, LONDON, 12 JULY 1977

During the 11th Meeting of delegations from the European Parliament and the United States Congress in London, 11-13 July 1977, a joint working group on nuclear non-proliferation met and held a useful initial exchange of views concerning problems of nuclear energy and the nuclear fuel cycle.

A number of areas of common agreement emerged:

1. Both delegations agreed that demand for energy would continue to grow in both the EC and the US in the near future and that nuclear and other new technologies would be an important source of energy in the future;
2. The delegations agreed that the supply situation in the US in terms of both fossil fuels and uranium differed markedly from that in the EC.
3. The delegations emphasized the importance of putting more resources into research and development of energy from fusion and certain other energy sources;
4. The delegation underlined the continuing and vital need for energy conservation;

5. The delegations agreed that an examination should be made of a number of international initiatives for the regularization of supplies of nuclear fuels;
6. It was accepted that inspection procedures for the nuclear fuel cycle should be improved to an agreed standard, and that the present agencies should be strengthened;
7. It was felt that international control of the use of nuclear materials should be examined with the aim of improving the present agreements on nuclear non-proliferation and safeguards;
8. The delegations felt that the risks of terrorist intervention within the nuclear fuel cycle should be broadly evaluated, and that the vulnerability of the fuels in the later stages of the nuclear cycle should be investigated.

Areas of disagreement remained: sharp and differing views were expressed concerning the export of reprocessing technology and breeder reactors. Some stated that the breeder technology could be kept alive without construction at the present time.

Some felt that given the EC energy supply shortages it was unlikely that the advance toward breeder technology would be reversed. A number of US delegates believed that the US breeder programme would also be developed.

All felt that the joint working group on nuclear energy should be established in the context of relations between the US Congress and the European Parliament to continue the study of the common problems of nuclear non-proliferation and access to supply of nuclear materials.

An addendum sets out a list of subjects, arising from the discussions, which should be studied in the joint working group.

A D D E N D U M

to the note on the meeting of the Joint Working Group on
Nuclear Non-Proliferation, Monday, 11 July 1977, London

The draft agenda for the proposed joint working group on nuclear energy should include the following items:

1. Review of comparative advantages and disadvantages of nuclear energy compared with other energy sources;
2. Problems related to storage of nuclear waste (cost, safety, environmental impact, etc.);
3. Review of technical developments concerning nuclear energy;
4. Review of estimates of uranium supplies world wide and assessment;
5. Evaluation of legislative and executive decisions concerning nuclear energy made between this meeting and the forthcoming Twelfth Meeting between the delegations.

TUESDAY 12 JULY 1977

The draft code of principles for multinational undertakings and governments
(PE 44.229/rev.)

Mr LANGE regretted the fact that at the previous meeting the delegations had not managed to conclude their discussion of the working document. They must now do so as quickly as possible. In Dublin in April 1976 it had been agreed that the members of both delegations should, if they so wished, indicate their views on the working document to the rapporteurs. Only Mr Archer and Mr Hougardy had availed themselves of this opportunity: Mr Archer had submitted written comments, Mr Hougardy had outlined his views in an oral statement in the European Parliament.

Mr Lange pointed out that both delegations had organised hearings on the American pattern, on the understanding that there was no obligation on the experts invited to attend. It emerged from the hearings that a number of undertakings were prepared to accept a code only on a voluntary basis; Mr Lange felt that this was more or less tantamount to a declaration that they wished to continue with the fairly 'ruthless' methods currently employed in industry. Other undertakings seemed prepared to accept a binding code.

In the meantime the European Parliament had gone one step further; it had declared itself in favour of binding regulations. Mr Lange now proposed the following procedure: the discussions that the delegations had had to date seemed to point to the need for international regulations on the activities of undertakings operating internationally. Any proposals that the delegations had to make need not go into detail. The delegations should now consider the relevant documents in the European Parliament and the United States Congress - i.e. the Lange/Gibbons working document, the contributions by Mr Archer and Mr Hougardy and the OECD directives already in force.

Mr Lange felt that the European Parliament's Committee on Economic and Monetary Affairs should consider the aspects of the question which were of particular relevance to its sphere in the autumn and submit a second report at the November part-session. Parliament would then have to urge the Council and Commission to take action.

It was up to the United States Congress to decide what further steps be taken.

In Mr Lange's view there was no point in discussing the matter any further. The object of this meeting was simply to make some progress by drawing up a procedural proposal.

Mr GIBBONS (Dem., Florida), said that he proposed to put the document that he had drawn up in conjunction with Mr Lange into the form of draft

legislation and then to submit it to the appropriate Committees of the American Congress.

Lord BRUCE of Donington considered Mr Gibbon's proposal very encouraging. There were likely to be difficulties in the European Communities, and Lord Bruce did not have much confidence in the Commission in this area.

Mr MARTINELLI felt that in any case an international body should be set up to ensure that the rules were observed. He did not anticipate much inter-governmental cooperation in this field.

Mr MARTIN (Rep., N. Carolina), pointed out that his colleague Mr Archer was certainly not alone in having serious objections to the proposals by Mr Lange and Mr Gibbons. Mr Martin also felt that for the time being the OECD directives were quite adequate. He had considerable reservations about the setting up of international bodies operating more or less independently and having extensive powers.

Mr Martin also wondered how one could prevent the wrongful use of confidential industrial data that the multinationals would be required to give to an international organization. He regretted the fact that the Lange/Gibbons working document contained no specific provisions on this point. It was really a question of safeguarding the rights of the individual.

Mr Martin would prefer the two delegations to content themselves with the existing OECD code which depended on voluntary cooperation; the application of this code was to be reviewed in two years. Alternatively, audit committees could be set up with authority to watch over the activities of the multinational undertakings.

Mr COUSTE also drew attention to the danger of having too many codes of conduct for multinationals. His personal view was that the OECD's approach was the right one and that it would be preferable to monitor the OECD code's effectiveness before any further proposals were made.

Mr NORMANTON stressed that the working document by Mr Lange and Mr Gibbons had not, as such, been adopted by the European Parliament. Parliament's resolution of 19 April 1977 merely concerned the question of whether, if a code were adopted, it should be binding or not.

Unethical conduct by undertakings was certainly not a monopoly of the multinationals, and there was therefore, in Mr Normanton's view, no justification for drawing up regulations solely for these undertakings. He did not consider it likely that a code like the one outlined in the Lange/Gibbons document could be properly implemented in the Community in the short term since it contained many provisions that were not at present operative in any of the Member States. Mr Normanton also

feared that the Lange/Gibbons draft code could place United States and European undertakings at a disadvantage as compared with enterprises in other countries.

Mr GLINNE asked the United States delegation two questions: for some time the Study Centre for Transnational Corporations had been trying to collect as much objective data as possible on the multinational undertakings. Why did the United States have reservations about the Centre's activities? Secondly, Mr Glinne wanted to know what were the views of the United States trade unions on an international code.

Mr FRENZEL (Rep., Minnesota) regretted that Mr Gibbons intended to table a draft law. In his view the American multinationals needed rules to protect them more than the governments needed rules enabling them to keep the activities of the multinationals under observation.

WEDNESDAY 13 JULY 1977: MORNING

Exchange of views with Mr Frank JUDD, U.K. Minister of State for Foreign and Commonwealth Affairs

Mr ZAGARI opened the session at 09.45 by welcoming the Minister and offering him the floor.

Mr JUDD began by noting the recent recognition of international interdependence, and the realignment of views among developed and developing countries. At recent international conferences such as UNCTAD IV at Nairobi, the Conference on International Economic Cooperation, (or the North-South Dialogue) in Paris, the unity of less developed countries (LDCs) views had not been fragmented.

The second fundamental change in world relations had been OPEC's new role: no countries had suffered more from the oil price rises than the energy deficient LDCs. Yet they saw this new role of OPEC states in world politics as a change for the better.

Industrialised countries should recognise these important shifts and make basic decisions concerning their relations with LDCs accordingly.

As a passionate believer in open democracy, Mr JUDD welcomed current preoccupations with the protection of human rights. LDCs however said that without basic economic rights - enough food to live - there could be no human rights. Furthermore we should not be concerned only with the living, but also with the rights of those as yet unborn. We must consider our current bequests - nuclear energy and radioactive waste, for example - and what steps we should take to help the future generations.

In thanking Mr JUDD for his opening words Mr ZAGARI reflected upon the vital importance of more frequent consultation between nations.

Mr PRESCOTT raised the issue of US aid to Bolivia, which he saw as a test case for the Human Rights oriented policy of the present US administration.

Mr GLINNE asked about US and UK policies concerning majority rule in South Africa.

Mr GIBBONS (Dem., Florida) commented that the United States influence in Latin America had waned. A major problem in that part of the world was the paucity of resources in face of the population explosion. Wealth distribution had hardly changed. Education policies had not succeeded. Governments had been ineffective. What could be done?

Mr FITHIAN (Dem., Indiana) questioned the current US and Canada uranium supply situation.

Mr JOHNSTON felt that human and economic rights were linked, but that the protection of human rights and authoritarianism were irreconcilable. The less developed countries needed an authoritarian structure, some argued, so that economic development could take place. Human rights were restricted. What could be done?

Mr BERKHOUWER asked a question concerning direct elections legislation in the UK. He felt that the UK would suffer general approbrium if the elections were delayed by the UK. He raised the matter of electoral systems for the first directly elected parliament and the dangers of the first-past-the-post system. He hoped for a fairer electoral system. He drew the meeting's attentions to the positive speech UK Foreign Secretary Dr David OWEN had made on the previous Monday, and he welcomed his remarks on CAP. He was impatient that the truth be told to the British public on the benefits they enjoyed from the CAP. Mr JOHNSTON was concerned that in the debate on human rights and détente the human rights situations in allies' countries were not as carefully examined as those in other countries.

Mr LANGE suggested that the US and the EC should press for a world-wide energy policy, including the less developed countries. But poverty would not be eliminated by distributing the industrialised world's wealth. This would merely make everyone poor. Public opinion was less in favour now of giving aid to the poorer nations. But opportunities existed to ensure all countries of the world were able to claim equal and just distribution of the wealth from the Sea in the Law of the Sea Conference.

The United States should avoid committing the error of the European colonisers; if economic existence was not guaranteed then there could be no guarantees on the protection of human rights.

Mr NORMANTON commented that there had been three significant omissions from Mr JUDD's opening remarks.

1. There had been no reference to the recent growth of Soviet imperialism, of Soviet military might, which had been financed by loans and trade with the West.
2. No mention was made of the divisions which rent the industrialised Western world.
3. No support was specifically tendered to the liberalisation of world trade.

Mr JUDD then replied to these questions. He began by remarking that human rights must always be a factor to be considered in development aid programmes. But in deciding which countries merited most aid, pragmatic judgments had to be made according to its likely effect on the population and so on. Decisions could not be decided in principle without regard to the possible recipient country's situations.

An active positive diplomatic dialogue was necessary if any aid programme was to be effective. This was no rationalization for inaction. Some projects were so important that in countries where there was a move back to the 'dark ages', some economic reaction was necessary, to make the point that human rights were crucial.

Regarding South Africa Mr JUDD asked whether it was cynical to sit back and do little. We wished to avoid provoking the spread of Communist influence in South Africa. To Mr Gibbons' comments he said that there was a need for an effective international strategy on population to avoid counter-productive reactions. He commented that Latin America had suffered benign neglect and the first keys to the puzzle were those who lived there. The United Kingdom was unable to decide for those living in Northern Ireland for instance. Those concerned had to do it themselves.

He added that there were problems of defining human rights and discussing them at the European Summits, but the EC had some success in their political cooperation with the less developed countries.

In answer to Mr Fithian's query about Canadian uranium supplies Mr JUDD said that it was a critical time for the EC. An active discussion was taking place on the use of radio active materials for peaceful purposes. It was vital to strike the right balance.

Answering Mr BERKHOUWER's comments he said that the United Kingdom was not the only Member State with representational problems. Proportional representation also had disadvantages.

The common agricultural policy was as yet imperfect and it was essential that the rights of the consumer were given greater emphasis.

Finally he returned to the question of human rights, saying that there was a need for a clear statement by President Carter on the substance of human rights protection, and the results of his policy would judge its appropriateness.

He concluded by suggesting that the enlargement of the Community with the accession of Greece and Portugal would have a major impact on the Community and also on NATO.

Mr JUDD thanked Mr ZAGARI for the opportunity of taking part in the meeting.

WEDNESDAY 13 JULY 1977: morning

Exchange of Views on International Political Issues

Lord BRUCE began by saying that the most important problem they had to discuss at present was the relationship between the industrialised countries and the developing world. The economic crisis was affecting the developing world so seriously that what was really needed now was a programme comparable to "lend-lease" and Marshall aid.

Mr BAAS agreed that this question was of the utmost importance and said that he felt that the EEC did not succeed in properly directing its development aid policy. He saw certain technological developments as potential threats to humanity, for example, increased radiation could lead to cell mutation. The US and Europe together had to reflect ~~where~~ to direct their development aid; it had to have a sound economic basis. Marshall aid after all had affected countries where undoubted potential already existed. He considered that the next agenda should include further discussion of this whole matter.

Mr GLINNE noted that during the North/South dialogue a spokesman for President Carter had said that the US wanted to double the money it made available to third world countries. At the moment, US official Development Aid amounted to only 0.3% of its GNP, which was far less than that given by the EEC countries and, of course, much less than the UN target. Doubts had been expressed about the implementation of President Carter's intentions in this matter and he asked specifically whether Congress would accept the executive's proposal.

Mr LANGE, recalling that economic problems had recently been discussed by Heads of State and Government at the Downing Street Summit, said that it was vital that the industrialised countries should examine these problems and find solutions for them. Only then would they have a chance of solving problems in the third world. There could then be a new world economic order but this new order must not be established at the cost of liberty.

Mr ZAGARI felt that it was important for the members of the European delegation to give their US colleagues an image of Europe. At the next meeting they should try to explain what enlargement of the EEC could mean. Mediterranean problems could also be discussed and he stressed the need to make progress with direct elections.

Mr RYAN (Dem., California) sounded a note of alarm, pointing out that the industrialised countries were faced with exhaustion of certain natural

resources and that they seemed unconcerned about this: they did not save energy, they continued to spend vast sums on arms, etc. The battle was now one for human existence and global solutions should be worked out.

Mr FRASER (Dem., Minnesota), referring to Mr GLINNE's question, remarked that if the US administration was seeking to double economic assistance, that assistance would then be approximately equivalent to that of the European nations. As to whether President Carter's intentions would be implemented, he thought that would depend upon whether the President wished to invest some of his political credit in a wide publicity campaign.

WEDNESDAY, 13 JULY, MORNING

Press Conference

Mr GIBBONS (Dem., Florida) gave a resumé of the questions that had been discussed during the meetings of the delegations. He referred particularly to the working group on nuclear non-proliferation where very divergent views had been expressed. There was agreement, however, on the need for international regulatory agencies to be strengthened and for more to be done to ensure the supply of energy. Regarding the multinational code of conduct, it had been felt that there was a need to turn the broad language of the principles expressed in the LANGE-GIBBONS draft code into legislative language in their respective parliamentary bodies. He personally would be introducing draft legislation in the US Congress, on the principles described in the code.

Mr LANGE reminded those present that the European Parliament had already decided that there should be internationally binding rules which would give companies a legally viable framework in which to operate. This was vital and it was one area in which the European Parliament was a step ahead of the US Congress.

Mr FRASER (Dem., Minnesota) said that human rights had been a matter of continuing interest at the delegations' meetings. A working group had been set up on this and there had been agreement that information should be exchanged between the US Congress and the European Parliament on questions concerning human rights with the goal of joint action in the form of joint or parallel resolutions, joint interventions, joint study missions or commissions of enquiry, and hearings with the participation of members from both Parliaments. They had also agreed to indicate support for the work of Amnesty International in this field and had stressed that the third basket of the Helsinki Agreement, which was on human rights, should have as much attention paid to it at the review conference as the other baskets.

After these introductory remarks, questions were posed by members of the Press:

- Had the different lengths of time people could be remanded in custody in the different EEC countries and the US been considered? No, replied Mr FRASER (Dem., Minnesota), but they were by no means trying to set themselves up as models.
- Regarding the Arab boycott, was the European Parliament considering taking any action to express at least its disapproval?

Mr FRASER (Dem., Minnesota) said that the US had sought to eliminate the application of the secondary and tertiary boycott.

Mr RYAN (Dem., California) pointed out that the US could not control other countries but had passed its own legislation, and Mr GLINNE said that the European Community would be studying the matter further.

Lord BRUCE said that the European Parliament felt in sympathy with the US action, and recognised that Europe should follow this lead. It should be remembered, however, that the European Parliament was not a legislative body.

Mr LANGE recalled that the European Parliament had passed a resolution in 1974 on the Arab oil boycott.

- Had there been discussion of human rights repression in any particular country?

Basically not, replied Mr FRASER (Dem., Minnesota), as discussion had centred on procedures to enhance cooperation between the United States Congress and the European Parliament.

Mr GLINNE commented that, regarding the third basket of the Helsinki Final Act, they had agreed to discuss the report from the Trilateral Commission at a subsequent meeting.

- Would the European Parliament move to Brussels?

Mr GLINNE said that no decision had been taken up to then.

Mr BERKHOUWER saw no immediate prospect of Brussels as the permanent seat, but stressed that in the end all Community institutions would have to work in the same city.

The matter of the permanent seat, said Mr LANGE, was a highly political question where the Council had reserved the final decision for itself.

- Had there been any changes made in the report on multinational companies?

Mr GIBBONS (Dem., Florida) said that this had never been voted on; it was stiff compared with the OECD code and he thought there would probably be piecemeal implementation by different governments.

Mr LANGE pointed out that multinational companies were divided between themselves over whether a code should be voluntary or binding. It would be better, he said, to cover everyone with a binding agreement.

The Conference ended at 13.00.

DOCUMENTATION FOR THE JOINT WORKING SESSIONS OF DELEGATIONS FROM THE UNITED STATES CONGRESS AND THE EUROPEAN PARLIAMENT, JULY 1977

From the European Parliament delegation

PE 49.019	Preliminary document on activities of organizations re: protection of human rights
PE 49.404	Working Document on human rights (COUSTE)
PE 49.405	Statement of EP actions on human rights
PE 49.408	Questions from the EP to the US
PE 49.566	Extract from ACP/EEC Consultative Assembly on human rights interventions
PE 49.574	Working Document on nuclear non-proliferation and Europe (SCOTT-HOPKINS)
PE 45.695	Working Document on comparison OECD/LANGE-GIBBONS
PE 49.699	Comments by LANGE on multinational enterprises
Doc. 468/76	Report by COUSTE on US/EC relations
Doc. 547/76	Report by LANGE on MNCs
Doc. 110/77	Report by HUGHES on EEC/USA Agreement on fisheries off US coast

From the United States Congress delegation

PE 49.353	Working Document on nuclear non-proliferation and power (FITHIAN)
PE 49.390	Questions from the US to the EP
PE 49.537	Working Document on human rights (FRASER)
PE 49.545	US anti-boycott legislation
PE 49.585	Working Document on energy (JOHNSON)
PE 49.586	Working Document on energy (CORMAN)
PE 49.587	US comments on EP 12 point programme on human rights
PE 49.594	Biographies of US members

Other Documents

PE 49.238/rev.	Programme of the visit
PE 49.248	Chronology
PE 49.347/rev.II	List of EP members
PE 49.570/rev.	List of US members

OJ No. C 30 of 7.2.1977
OJ No. C 118 of 16.5.1977
OJ No. C 133 of 6.6.1977

Stock for London meeting

PE 44.528	Summary of Working Session, Dublin 1976
PE 46.638	Summary of Working Sessions, Washington and Springfield 1976
PE 48.690	Notice to Members (FRASER article)
PE 49.010	Notice to Members (VANCE discussion)
PE 49.103	Note on the definition of human rights
Doc. 89/77	Report on human rights (JOHNSTON)
Doc. 557/76	Report (JOZEAU-MARIGNE)

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