Recommendation 424 (1965)[1]

European and Atlantic economic problems

Parliamentary Assembly

The Assembly,

1. Reaffirming its belief that all member countries ought, as soon as possible, to be economically integrated in one European market ;

2. Deeply regretting that there appears to be no prospect of this being realised in the immediate future ;

3. Recognising the progress made in a number of important fields by the Communities of the Six ;

4. Believing it to be in the general interests of European trade, and of Europe's economic prosperity, that EFTA should be considerably reinforced and that the scope of its activities should be widened so as to secure the full realisation of a free trade area ;

5. Convinced of the immense importance of Atlantic partnership and regretting that more concrete progress has not yet been achieved in extending this partnership in the commercial and monetary fields ;

6. Conscious of US and UK balance-of- payments problems, and believing it to be right for the rest of Europe to share with the US and the UK a greater part of the mutually agreed, world-wide burdens causing economic strain ;

7. Reiterating its profound belief that the most important single action that can be taken by the EEC and EFTA member countries is to secure in good time before the expiration of the US Trade Expansion Act the greatest possible reduction of tariffs, with a minimum of exceptions, and of other trade barriers within the Kennedy Round ;

8. Believing that success in the Kennedy Round would not only mitigate the adverse effects of the continuing economic division in Europe, but would also reinforce Atlantic economic relations and enable the industrialised nations to co-operate with less developed countries in solving their problems ;

9. Convinced that this implies an obligation for member countries of the Council of Europe to do everything in their power to prevent conflicting national trade interests from negatively affecting the outcome of the Kennedy Round,

10. Recommends the Committee of Ministers:

to reaffirm the importance of achieving a major reduction of trade barriers within the Kennedy Round, not least as a means of mitigating the effects of the economic division of Europe on intra-European trade and economic relations, and to impress on all member Governments participating in the GATT negotiations their interest in accepting short-term sacrifices to achieve this result ;

to re-examine the conception of Atlantic economic partnership, a partnership which appears ever more necessary in the light of the present division of free Europe into two economic groupings ;

to urge member Governments to take the necessary action in OECD to arrive at a co-ordinated Atlantic policy in the United Nations Trade and Development Conference (UNTAD).

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1. Assembly debate on 6th May 1965 (6th and 7th Sittings) (see Doc. 1903, report of the Economic Committee). Text adopted by the Standing Committee on 30th March 1965.