

trading bloc in the world, and its external tariff also ranks among the lowest in the world.

Having made these few positive remarks, I will admit frankly that there are certain negative aspects as well. In the first place, the Community has been too busy, and justifiably so in holding its own structures, and has, therefore, been forced to postpone consideration of other matters, and particularly the establishment of a common trade policy, of which there have been so far only scattered examples.

The Community has also suffered from a certain imbalance, due to its limited membership. Most Europeans—and I am one of them—are openly in favor of enlarging the Community and admitting other members.

However, it is too early to advance any prediction at this stage as to the outcome of the new application submitted by the United Kingdom, and as to the prospects of other countries to follow suit.

With regard to the Community position regarding developing countries, one can detect a certain apparent contradiction. In fact, on one side, the Treaty of Association with African States provides a model of sound cooperation insofar as preferences are established to the benefit of trade with the African countries concerned, financial assistance is provided through the European Development Fund, and broad technical and cultural assistance is also envisaged. On the other side, developing countries, which are not part of this broad scheme, and do benefit from it, claim that they are discriminated against. A claim, however, which is not confirmed by statistical evidence, since trade between the Community and nonassociated developing countries has increased remarkably in the last few years.

Whether a similar arrangement could be devised on a worldwide basis as between all developed and all developing countries, is a question that involves the attitude and the political will of many governments and not only of the major ones. Nonetheless, I believe that one could venture to say that the Community, without reneging on its obligations, freely undertaken with the associated states, would not be opposed to any broader arrangement, as is evidenced by concrete proposals submitted by the Commission to the Council of Ministers at the beginning of the year 1967.

With regard to East-West trade, I should like to assure you that I am fully aware of the deep and serious political implications which dominate the issue in your country, particularly at this juncture. May I be permitted to say that we in Europe recognized at an earlier stage the vital importance of establishing lively trade relations with the East, in the firm belief that we would be helping a positive political development. In taking this attitude, we had to accept the sometimes unpleasant fact that societies and economies in Western and Eastern Europe, including the U.S.S.R., were different, and that there was no use in our trying to convince the other side to follow our pattern, nor would it have been practical to wait for the other side to become more similar to us in structures, policies, and practices. To recognize this essential fact meant for us to introduce flexible adjustments in our own methods and approaches. To deal with Government agencies in those countries, for instance, rigid and cumbersome as they are sometimes, is certainly not so pleasant and congenial as to deal