

# Text of the Modified Draft of a U.S.-Common Market Statement

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BRUSSELS, Nov. 8 — Following, in the original English-language version, is the text of a draft for an Atlantic declaration to be made by the European Economic Community and the United States. It was proposed by the Americans Sept. 29 on the basis of an Economic Community draft that was presented Sept. 20 and published in The New York Times Sept. 24. United States emendations to the European version appear in italics; deletions are in brackets.

Outline for a Declaration of Principles Between the U.S.A. and the European Community and Its Member States.

## I. PREAMBLE

The U.S.A. [on the one hand] and the European Community and its member states [on the other hand]:

1. At a time when rapid changes in world events are profoundly affecting the international situations, when the nine members of the Community have affirmed their intention to transform, before the end of the present decade, the whole complex of their relations into a European union, and when new conditions and relationships are emerging in international affairs;

2. Aware [that they have] of their common values and aspirations, based on a shared heritage, and [face] of the similar problems and challenges;

3. Determined to [observe] preserve the fundamental principles of representative democracy, the rule of law, social justice and respect for human rights;

4. Conscious of the benefits that their citizens enjoy from the wide range of mutual relations between their countries;

5. Recalling the lessons of history which demonstrate the need for the U.S.A. and European countries to remain closely linked;

6. Convinced that their relationships in all spheres are mutually interdependent and that the challenges and opportunities of the future can be most effectively met jointly by policies and actions based on a spirit of partnership;

7. Aware that faithfulness to existing alliance arrangements among them is indispensable to peace and to the security and well-being of their peoples;

8. Recognizing that their prosperity depends upon an open and balanced world economic order;

9. Convinced that the diversity of national policies must be reconciled with common purposes and that the challenges of this decade call for a new spirit of creativity to strengthen their mutual relationships.

10. Therefore undertake, in accordance with the following principles, to intensify their existing cooperation on an equal basis, to [maintain] develop a constructive dialogue and to examine new means to achieve their common purposes.

## II. GENERAL PRINCIPLES

The U.S.A., which has long

supported the growth of cohesion and unity in Europe, including through common defense arrangements, recognizes that the creation of the Community is an event of great international importance which has enhanced the stability of Europe.

11. The U.S.A. welcomes the intention of the nine to insure that the Community establishes its position in world affairs as a distinct entity, acting in cooperation with the U.S.A. in pursuit of common interests for the benefit of all mankind.

12. The signatory states that are members of the Atlantic alliance reaffirm their faithfulness to the alliance as the indispensable basis of their collective security.

13. The nine and the U.S.A. will develop their mutual relations in a spirit of close and equal partnership, thereby contributing to a more effective Atlantic community.

14. Accordingly, the nine and the U.S.A. will act in harmony to contribute [will continue to make a contribution] to peace and prosperity commensurate with their human, intellectual and material resources.

15. In particular, they will work to promote more stable international relationships [a more stable international equilibrium] based on respect for the purposes and principles [respecting the principles] of the Charter of the U.N. and in accordance with their worldwide responsibilities. They will each be open to the world and their policies are not directed against anyone. Their cooperation will stimulate wider international collaboration.

16. They agree to develop consultative and cooperative arrangements between them, appropriate to the state of development of their relations and to the promotion of the principles and purposes set out herein.

17. It is an objective of the [their] policies [that the economic strength] of the U.S.A. and [that] of the Community, particularly as the latter moves toward [it will be enhanced by the] economic and monetary union and agreement upon other related policies [should serve the continued growth of trade to their mutual advantage, that of developing countries and that of the other countries of the world] to intensify their cooperation with other industrial countries. Such cooperation, they affirm, will benefit all nations, including the developing countries.

## III. EAST-WEST RELATIONS

18. While maintaining their own security they are determined to pursue a policy of détente and cooperation with the U.S.S.R. and the Eastern European countries. They consider that, by acting in harmony and close consultation, the U.S.A. and the nine have an essential role to play in advancing the purposes [they consider that both the U.S.A. and the nine have essential roles to play in this respect].

19. They affirm their con-

viction that progress toward European union, based on partnership with the U.S.A., will be a positive factor working in favor of more constructive East-West relationships [détente].

20. They note in particular the constructive contribution which the work of the nine and of the U.S.A. is making to the realization of the objectives of a conference on European security. They also note that other important East-West negotiations, such as those on mutual and balanced force reductions and the limitation of strategic armaments, require continued close consultations.

## IV. COOPERATION WITH DEVELOPING COUNTRIES

21. They recognize that they have a special responsibility toward developing countries. They agree to [intensify their efforts in the fields of aid and trade to support] encourage and assist these countries in attaining higher levels of prosperity and well-being and to strengthen international cooperation to this effect.

## V. COOPERATION AMONG [WITH] INDUSTRIALIZED COUNTRIES

22. They [remain] agree that in [maintain relations of close cooperation] cooperating more intensely with other industrialized countries in order to insure to all the benefits of increased economic interdependence, they will work together to develop and improve general rules and procedures to govern their actions in the trade, monetary and investment fields. They agree that they themselves and other industrialized countries have a common interest in managing their own economic policies in such a way as to promote the prosperity of all, they will seek to avoid transmitting to others the costs of domestic policies and adjustments and shall strive to consult in advance on all economic policies which affect the interests of others.

## VI. TRADE

23. They will encourage the development of a more open and equitable world trading system and the further development of trade not only between themselves but [between] among all countries to help raise the standard of living and the quality of life throughout the world.

24. They reaffirm their readiness to play an active role in the GATT negotiations, with a view of the expansion and ever-greater liberalization of world trade, inter alia through the progressive dismantling of the various types of obstacles and distortions to trade on the basis of the principles of mutual advantage, mutual commitment and over-all reciprocity, due account being taken of the special situations and the special interests of the developing countries and agricultural products [taking into account the particular problems of each sector and in particular the special characteristics of the agricultural sector]. In view of recent and current experience with short supply prob-

lems in the agricultural field they will seek to establish cooperative arrangements to deal more effectively with the problems that arise during periods of world shortages or surplus.

25. On the basis of the agreement reached in Tokyo at the opening of the multilateral trade negotiations, they recognize that the efforts to be made in the trade field imply continuing efforts to maintain orderly conditions in the monetary field and to establish a durable and equitable monetary system. They recognize equally that the new phase in the liberalization of trade which they intend to undertake should facilitate the orderly functioning of the monetary system.

## VII. INTERNATIONAL MONETARY REFORM

26. They will promote agreement on international monetary reform to achieve an equitable and durable system taking into account the interests of the developing countries. [This system should involve closer international consultations in the framework of the I.M.F., fixed but adjustable parities, general convertibility of currencies, the effective working of the balance-of-payments adjustments process, the effective international regulation of the world supply of liquidity, the reduction in the role of national reserve currencies and equal rights and duties for all participants. They underline the need to lessen the destabilizing effects of short-term capital movements.] This system should involve closer international cooperation in the framework of the I.M.F. on the basis of equal rights and obligations by all countries. The characteristics of this system should include an effective and symmetrical adjustment process, stable but adjustable exchange rates, effective international management of the world supply of liquidity and an appropriate degree of convertibility consistent with arrangements for adjustment and global liquidity.

[VIII. Inflation (included under new Section IX). They attach importance to cooperating in the fight against inflation so as to promote the stability and further development of their economies.]

## VIII. INTERNATIONAL INVESTMENT

27. They agree to seek an improved framework for cooperation on international investment issues designed to maintain an efficient and productive flow of investment and to avoid distortions to international trade resulting from investment policies, including guidelines and procedures based on fair treatment and openness in the relationships between governments and foreign investors and the minimization of government interference with basic market forces.

## IX. MANAGEMENT OF ECONOMIC POLICIES AND THE FIGHT AGAINST INFLATION

28. They agree to intensifying their cooperation in the management of their

economies to assure price stability, full employment and economic growth. They attach particular importance to cooperation in the fight against inflation so as to promote the stability and further development of their economies.

## X. ENVIRONMENT

29. They express their concern at the dangers arising from environmental pollution and deterioration, particularly in areas where population is heavily concentrated. They will work together, and in cooperation with other countries concerned in the competent international bodies, to achieve rapid progress toward improvement of this global environment [including] they will where appropriate [by the] exchange [of] information and experience and cooperation to assure that the various measures taken by each for [in order to develop measures for] the protection and improvement of the human environment are developed harmoniously, taking into account the interests of other countries and of the international system [for the benefit of present and future generations throughout the world].

## XI. SCIENTIFIC AND TECHNOLOGICAL AND INDUSTRIAL POLICY

30. They will intensify by cooperation on the basis of mutual advantage [are determined to continue to cooperate] both between themselves and in international organizations in the scientific and technological fields including [and particularly in] those of space, telecommunications and [research on the peaceful uses of nuclear energy]. They will also consult on scientific, technological and industrial policies which may have international effects [with a view to insuring that they should all have the place to which they may aspire in the perfection and use of these new techniques].

## XII. DEVELOPMENT OF WORLD NEEDS IN NATURAL RESOURCES

31. They are likewise concerned that world needs in natural resources should be met by regular supplies available under economic conditions [satisfactory] acceptable to all countries.

[They would thus like to see a greater degree of cooperation among all the parties concerned and are prepared for their part to contribute to any action undertaken with this end in view and aimed at insuring the orderly functioning of world markets in the main natural resources.] They will seek a greater degree of cooperation among all parties concerned in the development and use of natural resources, including energy resources, and to enhance cooperative efforts to deal with problems of supply, exploration, research, technical advances and conservation, they endorse cooperation with a view to managing scarce resources and to promoting harmonious relations between the producing and consuming countries.