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Second Annual Report to the Congress on United States Foreign Policy (25 February 1971)

Caption: On 25 February 1971, US President, Richard Nixon, presents a report to Congress on future US foreign policy and describes the country's economic relations with the European Economic Community (EEC).

Source: Office of the Federal Register (Ed.). Richard Nixon, containing the public messages, speeches and statements of the president - 1971. Washington: US Government Printing Office, 1972. 1362 p. (Public Papers of the Presidents of the United States). p. 231-232.

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[...]

The Challenge of European Unity. The European Community is on the threshold of a momentous advance. Last year, the Commission of the Community began negotiating with Great Britain, Norway, Denmark, and Ireland for their full membership. It opened talks with Sweden, Austria, Switzerland, and other members of the European Free Trade Association looking toward some form of relationship. The prospect of an expanded Community – and the determination which emerged to move toward monetary and economic union – make the Community a potential economic giant. If these come to pass, the major economies of the continent will be combined into a vast industrial power second only to the United States.

Our friends must soon decide, then, how they see Europe's role in the world and its relationship with us. The form and degree of its unity is for Europeans to settle. The United States has always supported the strengthening and enlargement of the European Community. We still do. We welcome cohesion in Europe because it makes Europe a sturdier pillar of the structure of peace. Regional cohesion contributes to world stability. And America's and Western Europe's fundamental interests are parallel in most areas of policy.

For years, however, it was believed uncritically that a unified Western Europe would automatically lift burdens from the shoulders of the United States. The truth is not so simple. European unity will also pose problems for American policy, which it would be idle to ignore.

For our closest friends are now developing a collective identity and collective policies separate from us. And unity happens to be coming fastest in the economic sphere – the area of policy in which competition seems to have the least immediate penalty and our common interest will take the most effort to insure. Each of us maintains restrictions on agricultural trade which limit the export opportunities of the other. America's main restrictions are on dairy products; the European Community's Common Agricultural Policy restrains our exports of grains. The Community's preferential trading arrangements with Mediterranean countries are a problem for American citrus exports.

The common interest requires the prosperity of both Western Europe and the United States. This means freer and expanded trade and restraint in protecting special interests. We must negotiate a reduction in our trade restrictions. We must work toward a more equitable worldwide trading system which is based upon mostfavored-nation treatment among all industrial nations and in which all of them accord the same tariff preferences to the entire developing world. In short, we must define our self-interest in the widest terms and fix our sights on our fundamental rather than tactical purposes.

Both sides have a heavy responsibility, therefore, as we meet in the informal regular consultation which began in 1970 between the Commission of the European Community and the United States. There have been suggestions for expanding our consultation, including the possibility of higher-level Community representation in Washington. We would welcome the implementation of any such suggestion the Community might propose – because of the importance of close consultation.

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