

Strictly Confidential

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EUROPEAN COMMON MARKET.

No formal communication concerning the United Kingdom's attitude towards the proposed European Common Market will be made before the final report of the Brussels (Messina) Committee has been presented by Monsieur Spaak. The discussions in Brussels have however been followed with close interest by Her Majesty's Government and careful study has been given to the results for the United Kingdom of an arrangement of this kind.

2. The conclusion to which the United Kingdom Government have come is that in present circumstances United Kingdom participation in a European Common Market of the kind so far suggested would be undesirable, having regard to our Commonwealth relationship, and our existing policies for freeing trade and payments.

3. The United Kingdom Government consider moreover that any measures taken to achieve the European Common Market should be so designed as to weaken the Organisation for European Economic Co-operation. In fact they believe that the best way of improving co-operation in Europe would be to strengthen the latter Organisation. They also consider that it is essential for the special interests of the six European countries represented at Messina to be reconciled with the wider interests of O.E.E.C. Otherwise the Messina initiative, so far from leading to the greater integration of Europe, might have the effect of dividing Europe into two camps. It may well be that a thorough ventilation of this aspect of the problem in the O.E.E.C. forum would be profitable.

4. A statement to this effect has already been made by the United Kingdom representative at an informal meeting for permanent delegates to the Council of O.E.E.C. who explained

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why in the United Kingdom view it was essential to establish a relationship between the initiative of the Messina powers and the O.E.E.C. The kind of problems which the evolution of a Common Market will create for those members of the O.E.E.C. who are outside the Common Market are not susceptible of satisfactory solution by bilateral agreement between the Common Market and each O.E.E.C. member outside it. In the United Kingdom view general understandings progressively worked out through O.E.E.C. would appear more appropriate. The position of the O.E.E.C. as the major instrument of economic co-operation on an all-European basis must inevitably be weakened if the Organisation does not take full cognisance of this problem at an early date. The United Kingdom Government therefore hope that the subject will be placed on the Agenda of the next ministerial council of the O.E.E.C. and that the ministers representing the 6 Messina powers will feel able to state their views in the council.

British Embassy,
LUXEMBOURG.

December 9, 1955.