

them in retrospect. This is especially true of Britain's relations with the Community. If, instead of trying to stop it, Britain had gone in from the beginning, it would have been able to influence the content of the Treaty of Rome and the early development of the Community, including the Common Agricultural Policy. If Britain had not negotiated so hard and so long in 1962 on such issues as safeguards for Commonwealth interests and arrangements for agriculture, it might have been more difficult for de Gaulle to impose his veto.

Europe and the World

Community membership has not, in fact, prevented Britain from pursuing its foreign policy interests (e.g., the Falklands, the current close relationship with the United States on a variety of issues). The same is true of other members of the EEC. Nor has economic integration in Europe prevented the EEC and other countries of the region from taking an active part in the liberalization of trade on a multilateral basis. Efforts to form customs unions and free trade areas between neighbouring countries before the Second World War often ran afoul of the most-favoured-nation principle (requiring that concessions given to one partner be extended to all entitled to this kind of treatment).

When the GATT was negotiated in the early post-war years, provision was specifically made in Article XXIV for the formation of customs unions and free trade areas, subject to certain conditions. The Treaty of Rome and the EFTA Convention were examined in the GATT and some countries questioned whether the relevant conditions had been met. However, while pressure was applied for changes in some of the features of these arrangements, no formal decision was ever reached as to whether they did or did not conform to Article XXIV.

Since the founding of the GATT, both the EEC and EFTA countries have contributed to the success of a number of major multilateral trade negotiations. It can be argued that they might have been more forthcoming if they had not been members of regional groupings. There are indications that, today, the reluctance of these countries to weaken too much the preferential aspects of the European system may make it more difficult to continue the process of multilateral trade liberalization. However, the European countries do, and will continue to, have an important stake in their trade and commercial relationship with North America, Japan and many others.

B. THE EUROPEAN ECONOMIC COMMUNITY

Expectations

While the immediate impetus for creating the Community was political, it was