

Achievements

The EC has already moved a long way to achieving the four "freedoms" basic to a true common market: the free movement across national frontiers within the EC of goods, capital, services and people.

The Community has created a *customs union* among its member states in which manufactured goods can move freely. The creation of the customs union involved:

- the removal of customs duties and other barriers to free trade between member countries;
- the replacement of national tariffs with a single common tariff on imports from non-member countries and the development of a common commercial policy towards them;
- the harmonization of customs rules so that duties are assessed in the same way in all EC member states.

The customs union helped boost trade among the original six members nearly ten fold between 1958, when the EEC was set up, and 1972, the year before it was first enlarged. Over the same period trade among EC member states increased from 27 per cent to 52 per cent of the member states' total trade, while EC gross domestic product increased, in real terms, by 90 per cent.

Since the first enlargement in 1973, trade among the Nine has increased from almost \$145 billion to more than \$269 billion in 1977.

The original six members agreed to discontinue their vastly different national farm policies and adopt a *Common Agricultural Policy (CAP)* involving the gradual creation of a single market for farm goods. Under the CAP members have:

- abolished trade barriers within the EC for most farm products;
- increased agricultural trade with each other and with non-member countries;
- set up a jointly-financed farm fund to help farmers;
- enacted common regulations for imports and exports of farm goods.

The CAP ensures security of food supplies to some 260 million consumers while stabilizing agricultural markets and protecting the incomes of more than eight million farmers.

Its promotion of farming has resulted in increasing productivity, even though the farming population has been shrinking. Between 1968 and 1972, agricultural production rose by 1.8 per cent per year, although the percentage of the civilian labour force employed in agriculture fell from 12.0 per cent to 8.5 per cent in the same period.

While the Community is the world's largest importer of agricultural products, absorbing 27.2 per cent of world food exports in 1977, it is also a major producer of food. The EC has attained a remarkable level of self-sufficiency in meeting the food needs of its inhabitants so that today vegetable oil and fruit constitute the main EC farm imports.

Member states are working on a common fisheries policy to regulate jointly fishing by EC and other fleets in EC waters.

Free Movement of Workers

Barriers to the *free movement* of "blue-collar" workers have been removed so that Community citizens may take up wage earning jobs in any Community country and retain social security and other benefits. In the professional fields, physicians, dentists, lawyers, nurses and veterinarians are already allowed to practice anywhere in the Community. Other professions will gradually acquire the same rights.

The Nine are gradually coordinating their economic policies: shaping EC programmes for industry, energy, transport and technology and aligning laws on taxation, health and safety standards, insurance, company structure, as well as in other economic sectors.