

Agricultural Policy

Despite the rise in trade between members, the Six increased both their imports from and their exports to the rest of the world. From 1958 to 1972, Community imports rose by an annual average rate of 8.9 per cent, while world imports grew at a rate of 8.6 per cent.

CUSTOMS UNION TO COMMON MARKET

The customs union helped to bring about these trade gains and accompanying rises in production and the standard of living. Nevertheless, the Community has not yet reached its goal of forging a unified common market. The tax systems of its members are dissimilar. Customs agents at the borders between Community countries still collect taxes. Technical standards still hinder free trade — manufacturers in Hamburg still have to make sure that "pure wool", which could mean 85 per cent wool content at home, for example, means the same in Rome.

The Common Market goes beyond a mere customs union. It includes free movement of labour and capital and freedom to offer services anywhere in the Community. Its members have common policies to many fields affecting the economy. The Nine plan to achieve full economic and monetary union, possibly including a common currency.

A shopper examines merchandise in a Belgian supermarket. The European Common Market has given consumers a greater choice of goods and helped, through increased competition and greater efficiency, to curb price rises.



The Community's major farming countries, France and Italy, sought a common agricultural policy in return for opening their markets to industrial goods from partner countries, especially Germany.

The Community's six founding members had vastly different farm policies, with a variety of internal supports and import restrictions, when the EEC Treaty was drafted. The Six thus decided to abolish national policies and to devise a jointly-financed Community policy that included common rules for farm trade with the rest of the world.

The common farm policy's goals are to assure to Community farmers incomes comparable to those of industrial workers, to stabilize markets, to increase productivity, and to ensure reasonable consumer prices.

Under the common agricultural policy, Community members have:

- eliminated barriers to farm trade between them for almost every agricultural product;
- increased agricultural trade with each other and with non-member countries;
- applied common prices for farm products and a common policy to trade with non-member countries;
- taken joint financial responsibility for all market-management decisions.

There are common markets for grain, pork, eggs and poultry, oil and fats, rice, sugar, plants and flowers, processed fruit and vegetables, wine, flax and hemp, tobacco and fish.