

While the Six were moving towards a relatively high level of integration, other European countries, unable or unwilling to go so far, negotiated the European Free Trade Area (EFTA). Known as the "Outer Seven", as opposed to the "Inner Six", the founding members were Britain, Norway, Sweden, Denmark, Austria, Switzerland and Portugal. With minor exceptions, their association did not cover agricultural products. Nor did it involve setting up a common external tariff or operating a common commercial policy towards the rest of the world, though the Seven did work together to a considerable extent in their relations with the Six and in their approach to international trade issues generally.

Today, there are two types of groupings in Western Europe -- a common market, on the way to becoming a full economic (and perhaps someday political) union, and a free trade association. The EEC has undergone two enlargements. First Britain, Denmark and Ireland (which had concluded a free-trade agreement with Britain in 1965) joined in 1973. Then in 1981 Greece became a member. Spain and Portugal have concluded accession agreements and will be entering the Community at the beginning of 1986.

EFTA, on the other hand, after expanding to include Finland and Iceland (making 9 member all told) has now contracted with the entry of three of its members into the EEC and will soon lose a fourth. The members of EFTA are all linked to the Community by association agreements, which essentially provide for elimination of tariffs and QRs on industrial products but differ somewhat according to the special circumstances of each country. The EEC also has association agreements with Turkey and with a host of overseas countries (mostly former colonies) as well as non-preferential trade agreements with many other nations.

The "Ups and Downs"

This state of affairs was by no means the result of a smooth, orderly and harmonious process. Even within the EEC, the progress that has been made has been punctuated by crises, and periods of virtual immobility or even backsliding. Five years after it came into being, the EEC was under severe strain, when, after a year of negotiations for British entry, General de Gaulle declared this to be politically unacceptable. A little over two years later, the decision-making process of the Community was almost brought to a halt for seven months when France withdrew from the Council of Ministers and a number of committees over differences regarding the powers of the Community and its institutions and the relationship between Europe and the United States. On numerous other occasions, Community decisions have been the result of hard-fought battles stretching over lengthy periods. Deadlines have been met by negotiating day and night (the famous "nuits blanches" of Brussels) and by the practice of "stopping the clock".