

*Oliver Franks**ECA*

BRITISH EMBASSY,

WASHINGTON, D. C.

21st June, 1950.

Dear Mr. Hoffman,

I am very glad to reply to your letter asking me for an informal statement on British policy in relation to Western Europe. These are my views as British Ambassador to the United States.

The policy of the British Government is to cooperate with other Western European countries and work with them for unity in Europe. This has been the policy of the British Government during the years since the war. It is so today. In virtue of history and geography alike such a policy is a vital necessity for Britain.

In carrying out this policy the British Government has worked and is working closely with other Western European Governments to develop and accomplish the common purposes which give increased strength and unity to all. The record shows the constructive and positive part Britain has played in the economic sphere, in matters of defence, and in the new political venture of the Council of Europe.

The British Government took the lead in drawing up the convention under which O.E.E.C. was established in Paris following upon General Marshall's speech. The British Government has since worked in one team with the other democratic countries which are members of the O.E.E.C. whether or not they differ in their domestic policies. This is the policy stated by the Prime Minister in the House of Commons on Tuesday June 13th, 1950, when he said:-

"The Government have always made clear, both at the O.E.E.C. and elsewhere, that they are fully prepared to cooperate in the closer integration of the European economy with other countries which hold different economic views."

In the work of O.E.E.C. we have cooperated fully in the intra-European Payments arrangements of the last two years and in connection with them have given further assistance in the form of credits to other participating countries. We were among the first to advocate and carry out the policy of liberalisation of trade in Western Europe. There has resulted a substantial freeing of trade between Britain and Western European countries. It is a matter of record that total imports by Britain from other O.E.E.C. countries were:-

£231 million	in 1947:
£327 million	in 1948: and
£448 million	approximately in 1949.



The European Payments Union which is now being worked out in O.E.E.C. will mark another major step in the freeing of monetary and trading conditions

from which a further expansion of intra-European commerce will result. It has not been easy for Britain to offer to enter the European Payments Union as a full member. We have continuously exerted ourselves to do so and now believe that, with the help of our European neighbours and the Office of the Special Representative, we have found the way to reconcile our membership of the Commonwealth with membership of the European Payments Union to the mutual advantage and prosperity of both these great trading areas. Britain is the focus of the Commonwealth, the maintenance of which we believe to be vital not only to its members but also to the free world. And it is only as the focus of the Commonwealth that the strength of Britain can make its full contribution to European Recovery and unity. The long discussions which have taken place in Paris are evidence of the constructive and successful effort we have put forth to achieve full membership of the European Payments Union.

In recent weeks we gave an immediate welcome to the French initiative displayed in the Schuman Plan. The Prime Minister said in the House of Commons on 11th May:-

"His Majesty's Government will approach the problem in a sympathetic spirit and desire to make it clear at the outset that they welcome this French initiative to end the age-long feud with Germany and so bring unity and peace to Europe."

Mr. Attlee again made the British attitude plain in the House of Commons on the 13th June:-

"His Majesty's Government desire to help not to hinder in this matter, and the manner in which they can best do so will only appear after the negotiations have begun."

In matters of defence, Western Union was a British initiative. Britain took the lead in negotiating the Brussels Treaty and establishing an integrated defensive system for the common defence of the territories of the five signatory countries, Belgium, Britain, France, Luxembourg and The Netherlands. Under this system these five nations have made common arrangements for the build-up of land forces, backed by tactical air forces and a joint air defence system, and for the control and defence of vital sea communications. They are also cooperating in the production of equipment to support these forces.

Western Union has now become one regional element in the wider North Atlantic Treaty organisation. Britain has gladly played her full part in the wider integrated system and has, like the United States, backed up her willingness by making contributions of arms and equipment to her allies to the limit of what her financial and economic resources could bear without impairing her prospects of recovery. Since the end of the war Britain has contributed in the form of gifts, loans or sales at greatly reduced prices well over one billion dollars' worth of arms and equipment to friendly countries, mainly to Western European Governments and Greece and Turkey.

Britain has also contributed positively to the idea of European unity in supporting the Council of Europe. Britain took a worthy part

in the discussions which preceded the setting up of the Council and has been concerned throughout that its constitution should enable the Council to operate with real effect.

Britain is a power with world-wide interests, responsibilities and commitments. Just as cooperation with her Western European neighbours and the vigorous promotion of unity in Europe is a vital necessity for Britain so her associations in the Commonwealth and in the Atlantic community are also vital. The foreign policy of Britain rests upon and draws strength from these vital relationships with Europe, the Commonwealth and the Atlantic community. It is the aim of British policy so to reconcile these relationships that they perpetually reinforce each other and by their complementary strengths add vigour and resource to the free world.

Yours sincerely,

Oliver Franks /s/

The Honourable
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