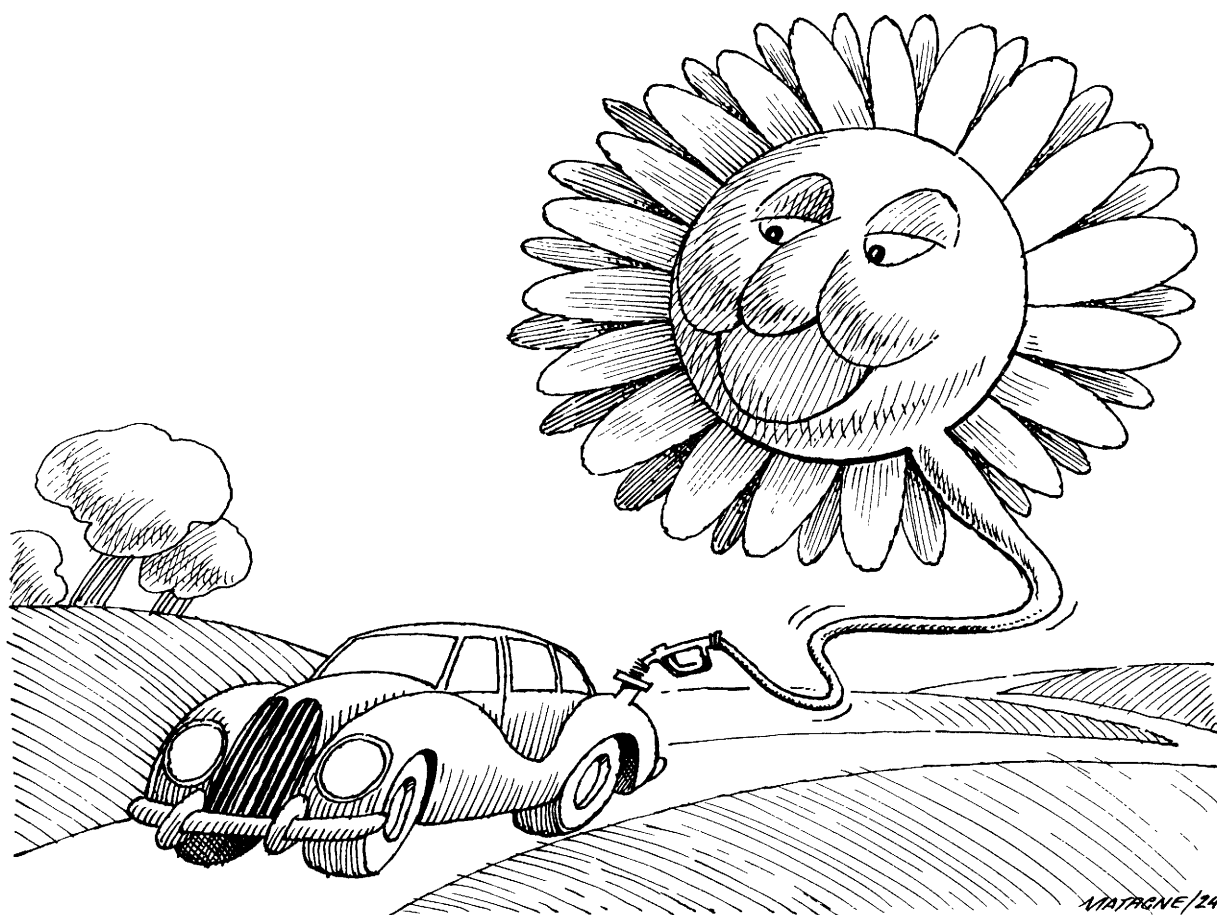


euroforum

europa day by day

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Bringing the sun down to earth is not
without its problems. (See p.3)

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++ ENERGY : REACH FOR THE SUN

With the climate we have in the Community, the idea of using solar energy has met with a great deal of scepticism in times gone by. The energy crisis, however, has stimulated new interest in this 'clean' source of energy.

How we bring the sun down to earth is investigated in Annex 1.

++ NEW WORLD ORDER AND THE CRISIS

Keeping a proper balance between domestic policies and external ones, should be a priority concern for the Community. The Community's own trade and exports are at stake.

In Annex 2 explains why the Community should take just that bit more interest in its policies towards the third world.

++ EUROPE'S YOUTH

In May 1968, in the middle of unrest and political upheaval, young people virtually ignored the idea of Europe.

Ten years later, Euroforum examines in Annex 3 how things have changed.

++ ECONOMY : HESITANT

Since the beginning of the year the Community's gross domestic product (GDP) has been growing at an annual rate of less than 3% in real terms. This reflects in part the slight recession in the construction sector, and the hesitant expansion of industrial activity.

In April, the Community level of unemployment stayed at 5% of the total working population. Over the next months industrial activity will only expand slightly and an improvement in the level of unemployment cannot be expected despite the dynamism in the service sector.

The consumer price index departed from its earlier moderate trend and jumped in April to an annual rate close to 17%.

Most of the Community's deficit countries improved their trade balance in April. By contrast Germany's trade surplus decreased and the Netherlands' balance of payments deteriorated. Overall the Community's deficit continued to decrease.

++ COMMUNITY LOANS

It is of vital importance to develop the Community's capacity to borrow and lend, stressed Roy Jenkins, the European Commission president. It is necessary for several reasons, firstly it is only normal for investment to be financed by capital market finance on commercial conditions

The second reason, is that there is an important international financial role for the Community to play in putting back financial resources into deficit countries. The third reason is to maximise the impact of our limited budgetary funds, by linking together the supply of budget subsidies and loan capital.

There should be little dispute about the value of such an initiative, Mr. Jenkins stressed. The European Council acknowledged this in its invitation at Rome to prepare specific Community action in the three fields of investment, Community financing, and labour market measures for women and young people. The Commission's proposal here is complementary to some that are also being considered by the European Investment Bank, with whom we have been in the closest contact in working out this initiative.

++ COMMUNITY UNEMPLOYMENT

In May 1977 the proportion of the working population unemployed stood at 5% for the whole Community. It was lower than that of April 1977 (5.2%) but remains higher than May 1976 (4.6%).

The total number of unemployed registered (5.2 million in the Community) decreased more than 200 000 on the previous month, though this reduction could be explained by seasonal factors. The decreases varied between 1% and 9% according to country. The reduction in the number of out of work, was stronger than that of women: 140 000 for men and 70 000 for women.

++ DON'T FORGET YOUR HOLIDAY E111

If you are employed or a pension holder, obtain a form E 111 before going on holiday. This form is recognised throughout the Community as certifying the right to sickness insurance benefits.

In the event of sickness or accident during a stay in another Community country, those concerned must apply to the nearest competent sickness insurance organisation, taking form E 111 with them (these organisations are listed on the back of the form). This form is not required in the UK, nor is it needed by UK nationals staying in Denmark or Ireland.

Generally speaking, in Denmark, Germany, Ireland, Italy, the Netherlands and the UK, medical care is given free by doctors approved by the insurance organisations. Medicines are also provided free in the Netherlands and in Ireland. In the other countries, insured persons are required to make a (non-recoverable) contribution.

In Belgium, France and Luxembourg the insured person must normally pay part of the costs incurred and this is then reimbursed at the place where he is staying, by the competent sickness insurance organisation, in accordance with the scale of reimbursement applied to persons with that organisation.

++ NUCLEAR ENERGY DEBATE

The debate on the future of nuclear energy should take on a Community dimension. Before the end of the year the European Commission will be organising public hearings on nuclear power, it has announced.

The aims of these hearings are threefold:-

- to inform public opinion on the problems of nuclear energy, particularly in relation to the Community's energy needs;
- to ensure Community participation in the public debate on nuclear power,
- to help the Commission define the priority sectors for its nuclear energy research policy, and important additional action that should be undertaken.

The hearings would cover a variety of themes ranging from economic policy and growth rates, energy policy, social change and democratic control, through to the environmental, safety and security aspects.

These public debates will have very much an open nature and the Commissioner responsible for energy will have the role of listening, putting questions and taking note of the views expressed.

The first of these hearings could take place towards the end of October 1977.

++ THE COMMUNITY'S WORKERS

According to the latest figures (1975) compiled by the Community's statistical office, the size of the work force as a percent of the total population is as follows:

	<u>Total</u>	<u>Men</u>	<u>Women</u>
Germany	42.1	56.3	29.2
France	43.0	51.1	31.6
Italy	33.9	50.9	17.8
Netherlands	34.6	52.4	16.8
Belgium	38.3	52.7	24.4
Luxembourg	39.6	58.0	22.0
U.K.	46.1	58.6	34.3
Ireland	36.7	53.4	19.5
Denmark	46.2	56.8	35.9
<hr/>			
Community	40.8	55.0	27.5

++ AT THE CCC

"The moment has come for us to talk of the "promotion" rather than the defence of consumer interests" declared Richard Burke, Commissioner responsible for consumer affairs At the latest session of the Community's Consumers' Consultative Committee (CCC). With this perspective, Mr Burke explained, it is more effective to anticipate the problems, than react afterwards. Such an attitude would avoid, among other things, artificial polarisation of the discussions between producer and consumer interests.

During the meeting the CCC set out its programme of activities for 1977-79. Specific subjects will be product liability , misleading advertising consumer credit, door to door selling , and correspondence courses. On top of this the Consultative Committee will continue its work on the agricultural policy and consumer prices. And it will continue to work on the Community's preliminary programme for consumer protection.

Contracts which consumers are obliged to accept when purchasing goods or services were discussed by the Committee which wishes to have a complete list of unfair clauses drawn up and then forbid their use.

To give consumers more protection in court and law, the CCC proposes that only the courts of the place where the consumer is resident should be competent to deal with cases concerning them. This point is particularly important in a Common Market where suppliers and consumers are often a long distance from each other.

++ AID FOR TOURISM

The small municipalities of List (3 000 inhabitants) and Hörnum (1 400 inhabitants) in the north and south, respectively, of the North Sea island of Sylt, will be receiving financial aid from the European Regional Development Fund to improve their tourist facilities. With its 35km of land facing the German/Danish frontier, the island practically lives on tourism.

The Community's money will be used to build a public centre for the use of tourists which will be particularly beneficial when the weather is not so favourable.

The little village of Hohenroda in Hesse (4 000 inhabitants), has only one way of improving its economic well-being - tourism. To enable the village to improve its value as a tourist attraction, the Community is going to provide financial assistance.

++ COMPANY MARRIAGE BUREAU

Since its creation in 1973 the European Business Cooperation Centre has dealt with 2 000 requests for information, processed 350 requests for cooperation and encouraged 50 agreements between companies.

Between November 1975 and October 1976, the Bureau dealt with 512 requests for information; it recorded 77 company requests to search for industrial partners, and received 910 replies from companies interested; It established 63 contacts and following these contacts some fifteen cooperation agreements were concluded in fields as varied as hospital equipment, industrial valves and fittings (for non-European sales) and industrial packaging (exchange of know-how).

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ENERGY : REACH FOR THE SUN

The sun has been up in the sky for a long time now, and will be there for a long while yet. What can the Community do to bring it down to earth? Since the energy crisis, interest in the sun as an energy source has increased. Solar energy is clean, which is more than can be said for nuclear energy. And though there is often either too much or too little in certain areas of the Community, it is certainly abundant, which is more than can be said for oil. Plants and animals use it so why can't we?

Five Beacons

Researchers in the Community and elsewhere have been working in five principal areas: producing electricity from solar energy, desalinating sea water, heating houses, accelerating the growth of plants, and smelting metals. This varied list is by no means all the uses to which the sun can be put. It only represents the fields where human needs have been matched by technological possibilities. Progress, however, will not be dramatic. At best, solar energy will only meet 3% of the Community's energy needs by the year 2000.

According to the experts, the sun could be most useful at home: for heating water, heating rooms in winter, and for cooling in summer. There are already some 30 companies in the Community producing simple and sturdy solar collectors for heating water. Each family needs on average 180 litres per day at 40°C. The results, however, depend on latitude and meteorological conditions. Solar energy could be used to provide 59% of the hot water in Milan, 80% in Rome and 67% in Messina.

The prototype solar-heated houses developed in Germany France and Denmark have yet to prove themselves economically satisfactory, even though they are technologically impressive. Until the mass-production stage is reached, a true 'retail price' can not be determined. On top of this, the energy storage problems have yet to be resolved.

As far as refrigeration is concerned, the principle has already been discovered, the application, however, has yet to be perfected and the output remains uncertain.

Sun and Sea

Up until now solar energy has been used in desalinating sea-water. The technology used is no more sophisticated than a black bottomed container with a glass cover, through which the sun's rays penetrate to evaporate the water. For sizable quantities, fresh water can be produced at a cost of 1.0 to 1.7 dollars per cu. meter. This is about five percent cheaper than using oil.

This is a particularly good system for use in the developing countries. One installation producing 50 cu. meters an hour would be sufficient for a population of 60 000 inhabitants.

Sun and electricity

A ray of light can cause an electrical potential difference between two poles of a plate made of a semiconductor such as silicon, cadmium sulphide etc. The light's energy thereby becomes transformed into electrical energy.

The most advanced method of harnessing this energy source is to use solar cells made of silicon and the extensive use made of solar energy in space technology would not have been possible without these cells. What is possible for NASA, however, is not yet accessible for the average European consumer. The price per kilowatt remains too high. There are only a few companies in the Community capable of producing such cells, and mass production requires considerable investment.

If the technological and economic problems can be overcome, the quantity of electricity produced from such cells could reach 10 000 MW in Europe by the year 2000, equivalent to 0.5% to 1.0% of total expected energy production at that date.

Solar power stations

A number of experimental installations manage to harness solar energy by means of mirrors which concentrate the rays to produce steam and thence mechanical energy. Such installations have an output of between 1 and 100 KW. More ambitious projects expect to produce between 500 Kilowatts and 1 Megawatt, if not more.

This technology is inconvenient however. It demands considerable space (approximately three hectares for every installed megawatt). Some of the results, however, have been impressive. In Italy, one professor Francia, designed a 100 KW installation which he has been using since the 1950's to run a heater. In France the CNRS (National Scientific Research Centre) has succeeded in obtaining very high temperatures (up to 3 800°C) through concentrated solar rays at their Odeillo installation in the Pyrenees. The European Community for its part, has proposed building an experimental unit of 1MW. Italy would possibly be responsible for this.

Sun and plantlife

Plants make very effective use of the sun's rays. Improving this effectiveness and accelerating the growth-rate of plants could work to man's advantage. Wood, for

example has always been used to produce energy. By accelerating tree growth, the efficiency of growing trees for energy use can be increased (efficiency is defined as the energy content per hectare produced annually, divided by the solar energy hitting this surface area). With an efficiency of 0.6%, 300 km² of forest is required to feed a 1000 MW electricity plant.

Algae and aquatic plants are other species that can benefit from sunlight to assist our energy problems. In favourable circumstances (warm water, presence of organic waste) it is possible to cultivate large quantities of algae and aquatic plants. This can produce between 60 and 200 tonnes per hectare/year of usable material.

From this, synthesis natural gas (SNG) can be produced by fermentation. The yield for the solar conversion of algae and aquatic plants into synthesis natural gas is around 1% and 4% respectively.

Storage problem

The fundamental problem of solar energy is one of storage. With electricity and oil, they are usable any hour of the day by simply turning a switch or opening a valve. But solar energy is as sensitive to clouds as to darkness. And man consumes energy day and night, cloud or shine. It is necessary therefore to be able to store solar energy and to be able to stock up for possible long spells of bad weather.

It is the storage problems which are causing all the headaches. It consequently has a prominent place in the national research programmes and also in the Community's programme at the Joint Research Centre (JCR).

The Community's solar programme involved 14 researchers between 1973 and 1976 and demanded expenditure of 3.05 million units of account (1 u.a. = 1.12 dollars approx.). Between 1977 and 1980 there will be 35 researchers involved and the Community will be setting aside some 14.53 million units of account. In addition, 4.5 million units of account will be spent over four years by the Community to finance research being undertaken in national laboratories.

At its latest session the European Parliament unanimously adopted a resolution on the need to develop a Community policy towards the use of solar energy. The discussions were based on a well documented report presented by Mr. Luigi Noe, as representative of the Parliaments energy and research committee. Much of the information presented above is greatly indebted to the work of Mr. Noe.

NEW WORLD ORDER AND THE CRISIS

The Community's agricultural policy should not work to the disadvantage of consumers, employment policy should not destroy industrial policy and energy policy should not harm environment policy. The Community's politicians have a difficult job in keeping a just balance between the policies they are trying to develop.

It is equally vital that the Community's domestic policies are consistent with external policies.

Impact of the crisis

Profound changes have transformed the international economic system during the 1960's and the majority of industrialised countries experienced changes in the domestic situation which have been accelerated by the economic crisis. It is evident today that the new economic order can not be brought about by simply rearranging the old pieces but only by a profoundly different redistribution of the pieces on the board.

In response to the crisis the Community and its Member States have been called upon to redefine many of its domestic policies (industrial, regional, social etc.) and this has led them to doubt the coherence between their domestic policies and the policies affecting the rest of the world, particularly cooperation and development policies.

Instruments of cooperation

All Community countries give aid, in response to the need for international solidarity. In as much as this aid increases the ability of the receiving countries to import and invest it has a favourable impact on the countries giving the aid and can increase their own exports.

Development aid, however, uses financial resources which some people, rightly or wrongly, would rather see used to help the underprivileged of the industrialised world.

The delicate interaction between Community, domestic and external policies is also apparent in the field of raw materials. The Community wants to upgrade the value of the third world's natural resources, but does not wish to pay prices which could threaten the stability of Europe's own cost of living. Europe's industry also has to have its own supply guaranteed.

The classic instrument of development and cooperation is trade relations. The Community's policy in this field is to progressively liberalise trade. But such a policy is not without implications for the Community's own industrial structure. Textiles are a case in point: under the pressure of imports from the third world, Europe's textile industry is being forced to undergo profound organisational changes.

The problem is made more delicate as the competitive threat from developing countries directly affects the Community's unskilled labour, and mostly in our least developed regions. The result is a paradox: by encouraging the developing countries to industrialise, the gap between the Community's rich and poor regions is kept as large as ever.

The answer is not to turn against industrialising the third world, public authorities should give priority in the Community's weaker regions to industries least threatened by competition from developing countries.

Trade cooperation with developing countries does not only have negative aspects. On the contrary, it can also increase the potential for Community exports to the third world.

The developing countries already represent a large and growing market of our exports and accounted for 36% of total exports in 1976 - 16.7% for OPEC countries and 19.4% for non oil-producing countries. This compares with exports to the USA of 11.5%. Looked at this way, it becomes increasingly important that everyone takes a close look at all the reciprocal implications of the Community's development and cooperation policy.

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EUROPE'S YOUTH

The wave of student protest and unrest in 1968, came as a great disillusionment to the elders who believed in Europe. Europe, however, was not an issue in either Paris, Rome, Berlin, or Amsterdam. Worse than that it was ignored. This silence regarding Europe demonstrated a virtual indifference.

Ten years later, has anything changed? In an opinion poll conducted in November 1976 on behalf of the European Commission it appeared that young people between the ages of 15 and 24 are in favour of Europe. But not necessarily with the enthusiasm and conviction that is usually expected of the young. Their 'passion' for Europe even appears to be slightly less than that of their elders in the 25 to 55 age group.

Below are the replies to three fundamental questions.

"Generally speaking, do you think that your country's membership of the Common Market is a good thing, a bad thing, or neither good nor bad."

	<u>Good Thing</u>	<u>Bad thing</u>	<u>Neither good nor bad</u>	<u>No reply</u>
Community average	55%	13%	25%	7%
<u>Men</u>	<u>59</u>	<u>14</u>	<u>23</u>	<u>4</u>
15 - 24	57	15	23	5
25 - 39	61	14	23	2
40 - 54	62	13	22	3
55+	55	14	26	5
<u>Women</u>	<u>52</u>	<u>11</u>	<u>26</u>	<u>11</u>
15 - 24	56	10	27	7
25 - 39	56	10	25	9
40 - 54	51	12	26	11
55+	46	12	27	15

"Some people consider the Common Market as being a first step towards a closer union between the member states. Personally, do you yourself think the movement towards the unification of Europe should be speeded up, slowed down or continued as it is at present? And, in your opinion, what is the present attitude of your country's government towards the unification of Europe."

	<u>Speeded up</u>	<u>Slowed down</u>	<u>Continued as present</u>	<u>Don't know</u>
<u>Community Average</u>	<u>42%</u>	<u>11%</u>	<u>34%</u>	<u>13%</u>
<u>Men</u>	49	12	30	9
15 - 24	47	12	31	10
25 - 39	51	11	31	7
40 - 54	51	13	28	8
55+	48	12	29	11
<u>Women</u>	<u>36</u>	<u>9</u>	<u>38</u>	<u>17</u>
15 - 24	42	6	38	14
25 - 39	37	9	40	14
40 - 54	33	11	38	18
55+	32	10	36	22

Are you for or against the election of the European Parliament by direct universal suffrage, by all Community citizens?

	<u>Comple- tely in favour</u>	<u>Favour on the whole</u>	<u>Total in favour</u>	<u>Disagree to some extent</u>	<u>Disagree compl- tely</u>	<u>Total against</u>	<u>Don't know</u>
<u>Commun- ity average</u>	<u>31%</u>	<u>38%</u>	<u>69%</u>	<u>8%</u>	<u>6%</u>	<u>14%</u>	<u>17%</u>
<u>Men</u>	<u>38</u>	<u>36</u>	<u>74</u>	<u>8</u>	<u>8</u>	<u>16</u>	<u>10</u>
15-24	29	41	70	8	9	17	13
25-39	39	38	77	7	8	15	8
40-54	42	34	76	7	8	15	9
55+	41	32	73	9	7	16	11
<u>Women</u>	<u>24</u>	<u>41</u>	<u>65</u>	<u>7</u>	<u>4</u>	<u>11</u>	<u>24</u>
15-24	28	43	71	6	4	10	19
25-39	26	43	69	7	4	11	20
40-54	26	41	67	8	4	12	21
55+	18	37	55	7	6	13	32

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