

**immigrant flow:
once a solution,
now a problem**



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Community News

Europe Unites for Transatlantic Dialogue

"It was the first time the Community as a whole had envisaged its joint relations with a third country," said British Foreign Secretary Alec Douglas-Home at the conclusion of the EC Foreign Ministers September 10-11 meeting in Copenhagen. The "Nine's" common foreign policy took the form of a proposal to the United States for a joint declaration on EC-US relations.

The proposed declaration, a response to then Presidential Assistant Henry A. Kissinger's call last April for "a new Atlantic Charter," noted the Community's goal to evolve into "a European union" by the end of the decade, its intention to establish itself "in world affairs as a distinct entity," and referred to the United States and the Community as two partners rather than 10 separate nation-states.

The document's preamble said the United States and the Community should "intensify their existing cooperation on an equal basis." This cooperation is based on "common values and aspirations," "a shared heritage," "similar problems and challenges," and "the lessons of history which demonstrate the need of the United States and the European countries to remain closely linked." The "wide range of the mutual relations" give benefits to citizens on both sides of the Atlantic.

The declaration's "principles" stated: "The Nine and the United States will continue to make a contribution to peace and prosperity . . . will work in harmony to promote a more stable international equilibrium . . . and their policies are not directed against anyone. Their cooperation will stimulate wider international cooperation. . . . The economic strength of the United States and that of the Community—as it will be enhanced by the economic and monetary union and other related policies—should serve continued growth of trade to their mutual advantage, that of developing countries, and that of the other countries of the world."

Concerning East-West relations, the declaration acknowledged the

need for security but at the same time registered the "conviction that progress toward European union will be a positive factor working in favor of détente."

Recognizing that the United States and the Community "have a special responsibility toward developing countries," the declaration called on both to intensify their aid and trade efforts. The special interests of the developing countries should be taken into account in all trade and monetary negotiations. Vis-à-vis other developed countries, the United States and the Community should "maintain relations of close cooperation" since the industrialized nations "have a common interest in managing their own economic policies in such a way as to promote the prosperity of all."

The declaration called for "the expansion and ever greater liberalization of world trade, inter alia



Danish Foreign Minister Knud Boerg Andersen (left), President in Office of the EC Council of Ministers, met with Secretary of State Henry A. Kissinger September 26 in New York.

through the progressive dismantling of the various types of obstacles to trade, on the basis of the principles of mutual advantage, mutual commitment, and overall reciprocity." The declaration said that the multilateral trade talks within the General Agreement on Tariffs and Trade (GATT, see page 15) would deal with both industrial and agricultural products but at the same time take into account "the special characteristics of the agricultural sector."

The United States and the Community, according to the proposed

declaration, "will promote agreement on international monetary reform to achieve an equitable and durable system." Such a system "should involve closer international consultation in the framework of the International Monetary Fund, fixed but adjustable parities, general convertibility of currencies, the effective working of the balance-of-payments adjustment process, the effective international regulation of the world supply of liquidity, the reduction of the role of reserve currencies, and equal rights and duties for all participants." The declaration underlined "the need to lessen the unstabiliz-

ing effects of short-term capital movements."

Other topics covered in the declaration included inflation, the environment, science and technology, and the world supply of natural resources. Continued and increased cooperation between the Community and the United States was the theme connecting all the topics.

Danish Foreign Minister Knud Boerg Andersen, who chaired the Copenhagen meeting as President in Office of the EC Council of Ministers, traveled to the United States in late September to meet with Secretary of State Kissinger.

EC Commission Tackles Energy Crisis

A Community energy policy is a top priority for the EC Commission, which sent to the Council of Ministers a July 25 communication calling for quick, simultaneous, and related action in three areas: cooperation with other energy importing countries, relations with energy exporting countries, and organization of the EC oil market. The communication supplements the Commission's guidelines for an energy policy submitted to the Council earlier this year (see *European Community* No. 167, page 4).

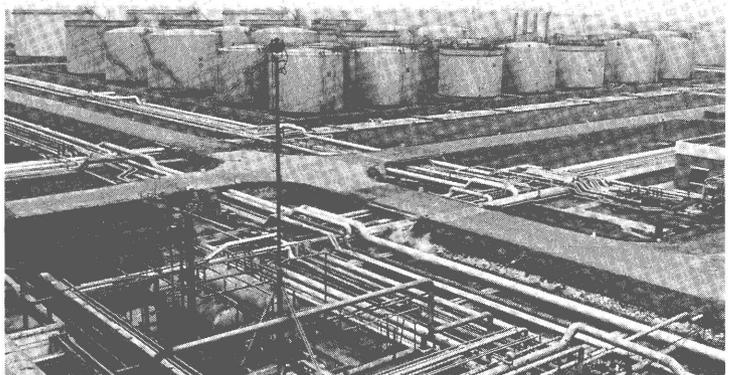
Cooperation with fellow energy importers would prevent fruitless and costly outbidding on the world market and define objectives and procedures in the event of an oil

supply crisis. Cooperation should also be inaugurated, the Commission said, on scientific and technical research in the energy sector.

The Commission also proposed the establishment of a procedure for intra-Community dialogue on EC Member State dealings with energy exporters. The Commission intends to open exploratory talks with the energy exporting countries.

Proposals concerning the Community's oil market call for surveillance and notification to the Commission of hydrocarbon imports and exports, and for intra-Community consultation on supply conditions. The Commission also proposed setting up price indicators on the entry of crude oil into the Community.

Société Belge des Petroles oil refinery in Anvers, Belgium.



Commission Drafts Action Program for Science and Technology

In accordance with the deadlines set at last year's Paris "Summit," the EC Council of Ministers is expected to adopt a scientific and technological policy by the end of the year. The Commission sent its proposed action program for such a policy to the Council on July 25.

For the gradual coordination of national research and development (R and D) policies, the Commission proposed the creation of a Committee for Scientific and Technical Research (CREST). CREST would examine national programs and budgets, detect gaps in research programs, formulate common objectives, and foster unified positions toward third countries.

To promote basic research, the Commission suggested that the Community participate in the European Scientific Foundation, which various national research councils and academies (such as the British Royal Society and the German Max Planck Gesellschaft) hope to establish in the near future. Although the Foundation membership is not restricted to the "Nine," the Commission would like to see EC financial help in this endeavor.

The Commission also suggested that research projects should be set up to supplement existing EC policies—for example, medical research within the framework of the EC's social policy. The Council



EC Commissioner Ralf Dahrendorf, responsible for the Community's science, education, and research activities, will resign from the Commission next year to become Director of the London School of Economics.

should set up priorities for these projects, said the Commission, which would then draw up concrete proposals. The projects, for the most part, would be undertaken by the EC's Joint Research Center.

To exchange and disseminate scientific and technological information, the Commission has already set up a special Directorate General to complement the work of the previously existing Statistical Office. Progress in this area should continue, the Commission proposed, through collaboration with documentation centers in the Member States.

In the field of public services, the Commission proposed expansion of the European Bureau for Nuclear Measurements and the European Bureau of Reference. By 1974, the Commission hopes to establish a comprehensive European Bureau of Standards.

The Commission's draft program also calls for the creation of a "think tank" that would, among other tasks, develop a complex model which Commissioner Ralf Dahrendorf calls "Europe Plus 30 Years." This model, in Dahrendorf's words, would "prevent energy policy, social policy, agricultural policy, and environmental policy from languishing any longer in the morass of short-term interests and sheer heedlessness."

EC Commissioner Dahrendorf to Head London School of Economics

EC Commissioner Ralf Dahrendorf will resign from the Commission in 1974 to become Director of the London School of Economics (LSE). The LSE Court of Governors announced its decision in September to elect Dahrendorf to the 10-year term.

A member of the EC Commission since 1970, Dahrendorf is responsible for the Community's research, science, and education activities. Previously, he was the

Commissioner responsible for external relations and trade.

Dahrendorf, born on May 1, 1929, in Hamburg, Germany, obtained a doctorate in philosophy and classics there in 1952 and later did postgraduate sociology studies at LSE, 1954-57. Prior to joining the Commission, Dahrendorf was elected to the German Parliament in 1969 and became Parliamentary Under Secretary to the Minister of Foreign Affairs.

Common Front in Helsinki and Geneva

For the non-military aspects of the 35-nation Conference on Security and Cooperation in Europe (CSCE), the European Community is speaking with a single voice.

Prior to the conference's second stage, scheduled for late September in Geneva, the EC Foreign Ministers at their September 10-11 Copenhagen meeting (see page 3) reaffirmed the Community's common stance on trade, economic, environmental, and scientific-technological issues. All nine EC Member States are also participating individually.

At the conference's opening session in Helsinki in July, Danish Foreign Minister Knud Boerg Andersen, President in Office of the EC Council of Ministers, said: "I draw the attention of the participants to the fact that, depending on the subjects, the Community may become involved according to its own competence and procedures in the future work of the conference and that the implementation of any possible outcome of negotiations on these subjects will depend on agreement with the Community." In the past, the members of the Council for Mutual Economic Assistance (Comecon) have preferred to deal with the EC Member States individually and bilaterally (see page 18).

Andersen also reminded the par-



Finnish Foreign Minister Ahti Karjalainen presided over the opening session of the Conference on Security and Cooperation in Europe (CSCE) at Helsinki's Finlandia House in July. The 35-nation conference is believed the biggest European forum since the 1815 Congress of Vienna. Photo: United Press International.

ticipants of the Community's declaration of intent at the 1972 "Summit" meeting in Paris to "make a concerted and constructive contribution to the conference."

European Business Voices Optimism

Prospects for the Community's continued economic growth remain excellent, according to the Commission's latest survey of business management, covering February to June 1973.

Most German and Dutch industrialists considered their order books "normal" or "above normal." The percentage of French managements who thought orders-on-hand were "above normal" (41 per cent), rose 12 points during the period surveyed. Twenty-six per cent of the Belgian industrialists polled fitted into the "above normal" bracket.

Stable or accelerated produc-

tion rates were expected by 92 per cent of the managements surveyed in Germany, 83 per cent in France, and 92 per cent in Belgium. Thirty-two per cent of those interviewed in Belgium and 30 per cent in the Netherlands anticipated an increase in output. The Commission's survey also found much improvement in the status of order books and a bright production outlook in Luxembourg.

In every Member State but Germany, the Commission noted expansion of both domestic and foreign demand. In Germany, where the domestic demand was heavy, foreign demand fell.

Consciousness-Raising EC Commission

Women workers in the European Community are discriminated against, according to the EC Commission, which intends to do something about it.

In a report released in July, the Commission said that although progress has been made in achieving the equal pay principle embodied in Article 119 of the Common Market Treaty, women workers in the original six Member States of the Community are still underpaid. The report was based on the situation as of December 31, 1972. The Commission said it there-

fore will start proceedings against Member States which have not complied with Article 119. In Luxembourg and the Netherlands, for example, no national legislation recognizes the principle of wage equality. Public authorities, the report noted, play a determining role in realizing the principle of equal pay for equal work.

The Commission also said that it will invite employers and unions to help draw up a European framework for collective agreements embodying the principle of wage equality.

Youth Joins Integrating Europe

European youth representatives met with the Community's Economic and Social Committee September 13 in Brussels to discuss EC Commission proposals to set up a Committee for Youth Questions and a Youth Advisory Council.

The Commission proposals, first submitted last year and supplemented in May, were made in the spirit of The Hague "Summit" of December 1969, which recognized the need for youth participation in the Community. While youth had

provided a spark to initial European unification efforts, it was noted, the new generation had become increasingly disinterested in the Community.

The proposed Committee for Youth Questions, coordinating Member States' policies in this area, would inform youth about EC aims and would promote participation in EC activities. The Youth Advisory Committee would provide for consultation with youth on EC policy.

Students from Denmark, France, Germany, and Ireland were a subject for "Evening Edition" series on the European Community by Martin Agronsky (seated at head of table), aired on many American non-commercial television stations earlier this year.



Japanese Foreign Minister Masayoshi Ohira (left) and EC Commission Vice President Christopher Soames, in a joint communiqué in Brussels May 4, announced the beginning of regular consultations between Japan and the Community.

Commission Vice President Visits Asia

In the latest in a series of regular consultations between the Community and Japan, EC Commission Vice President Christopher Soames, responsible for external relations and trade, met with Japanese Foreign Minister Masayoshi Ohira September 17-18 in Tokyo. In June, Ohira visited Brussels.

On his way to Tokyo for the September 12 ceremonial opening of the world trade talks (see page 15), Soames visited India, Thailand, and Hong Kong for international trade discussions.

While in New Delhi on Septem-

ber 1-4, Soames met with the Prime Minister and other members of the Indian Government. Soames' program in Bangkok from September 4-7 included meetings with senior members of the Thai Government and representatives of the Association of South East Asian Nations. Members of ASEAN, an economic and trade group, are Indonesia, Malaysia, The Philippines, Singapore, and Thailand. On September 8-10 Soames was in Hong Kong, where he met with the Acting Governor and members of the Government.

European Consumer Attitudes Vary

An analysis of the Community's fourth consumer attitude survey shows many variations among the five EC countries polled. About 25,000 families were interviewed during April in France, Germany, Italy, the Netherlands, and Belgium.

In France and the Netherlands, the survey indicated a rise in optimism regarding the general economic situation, while in Italy and Germany optimism was declining. Attitudes toward the economy, the survey showed, tended to depend not only on job security but on expectations of inflation.

Attitudes among German and Italian households have been especially aggravated by sharp price increases. From January to April, the number of families feeling

sharp price rises in Germany jumped from 50 per cent to 73 per cent and in Italy from 62 per cent to 84 per cent. Awareness of higher costs in France (51 per cent) and the Netherlands (8 per cent), on the other hand, dropped four points and two points respectively.

The French expressed most confidence regarding their future financial status, with 27 per cent expecting considerable improvement and only 7 per cent the contrary. While positive and negative expectations balanced out among the Dutch, optimism was on the decline in Italy and in Germany. The results from Belgium, the other country surveyed, had not yet been analyzed.

Consumers Receive Attention

A new 25-member Consumers Advisory Committee will give European consumers a strong voice in the EC decision-making process. The committee, created by the EC Commission on September 11, will advise the Commission on policy formulations and actions that affect consumers' interests and will push for consumer protection.

Besides 10 independent consumer experts, the committee will consist of 15 representatives from: the European Bureau of Consumers' Unions (3); the European Communities Committee of Family Or-

ganizations (3); the European Community of Consumers' Cooperatives (3), and three labor organizations (6).

The establishment of the committee is consistent with the "Nine's" wish, expressed at the October 1972 "Summit" meeting, "to strengthen and coordinate measures of consumer protection." Also in response to the Summit declaration, the Commission expects to complete a draft action program for a Community-level consumer policy before the end of the year.

To buy or not to buy? Every consumer's question. . . .



EC Regional Policy Takes Shape

A call for a Regional Development Fund and a Regional Policy Committee is the latest Commission action in the Community's emerging regional development policy (see *European Community*, No. 167, page 4).

The Fund, involving an expenditure of 2.4 billion units of account (one UA equals one 1970 dollar) over the next three years, would help finance development in agricultural priority areas, regions subject to industrial change, and regions suffering from structural underemployment.

The chief instrument for coordinating Member States' regional

develop regional aid systems, initiate disincentives in overly concentrated economic areas, and provide information for public investors interested in regional development.

The Commission's proposals were submitted to the Council of Ministers July 25-26. At its September 21 meeting devoted to the EC budget, the Council "agreed that in compliance with the commitments entered into at the Paris 'Summit,' whenever decisions relating to regional policy are taken, the Council will forthwith, on the policies, the Regional Policy Committee would study national regional policy aims and means, de-



EC Commission Breaks Up Hunting Ammunition Monopoly

EC Commissioner Albert Borschette, responsible for the Community's competition policy.

Following a complaint by the EC Commission, a cartel which controlled the entire Dutch import market for hunting cartridges and .22 long-range calibre ammunition has been disbanded. The monopoly break-up was announced in cartridge retailers were party to

the agreements which violated the Community's competition laws. The agreements provided for exclusive sales and purchase rights between suppliers and retailers, joint price notification between suppliers, and maintenance of minimum retail prices. The imports in September, after the Commission's complaint in May.

A dozen suppliers and 150 Dutch involved most internationally recognized brands of hunting cartridges, including the US Remington brand.

Months in Brief

SEPTEMBER 1973

10 European Patent Convention opens in Munich (see page 21).

10-11 Council of Ministers meets in Copenhagen (see page 3).

12-14 Ceremonial opening of the General Agreement on Tariffs and Trade (GATT) talks in Tokyo (see page 15).

18 Second stage of the Conference on Security and Cooperation in Europe (CSCE) opens in Geneva (see page 4).

18-20 European Parliament meets in Luxembourg.

24 Annual meeting of International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD, or World Bank) opens in Nairobi, Kenya (see next issue).

26 Danish Foreign Minister Knud Boerg Andersen, President in Office of the Council of Ministers, meets with Secretary of State Henry A. Kissinger in New York (see page 3).

28 Commission President Francois-Xavier Ortoli arrives in United States for official visit (see next issue).



Southern Italy, a target for the Community's regional policy.

basis of proposals from the Commission, draw the budgetary conclusions therefrom, by drawing up

a rectifying letter or a draft supplementary budget, according to circumstances."

A Dilemma

Migrant Workers Flood Europe

JOHN NIELSEN, an American freelance journalist based in Brussels

By day they do the dirty work—collecting garbage, mining coal, hauling bricks at construction sites. At night, they gather in the small cafes around Brussels' shabby Gare du Midi, cafes with names like "El Burroquito" and "Casbah." Or they go home to the squalor of the *bidonvilles* ("shantytowns") that cling to the suburbs of Paris and Lyon, France, despite periodic attempts to plow them under. Or they return to their dormitory-style company lodging in Cologne, Germany, in some cases separated for years from their families because local landlords refuse to rent them adequate housing.

They are called migrant workers. Or, more euphemistically, the German term is *Gastarbeiter* ("guest worker"). But their sobriquets in the European press—the "new slaves," the "helots" of our affluent society—seem more to the point. Until the story of Jovan Jovanovitch (see *accompanying box*) becomes the exception rather than the rule, migrant workers will remain one of the European Community's most pressing social challenges and one of its most perplexing economic dilemmas.

As in the United States, migrant workers have become indispensable. Without them, many industries would cease to function. Migrants willingly take on the low-paying, menial, but necessary jobs that no one else will do. They add an important element of mobility and flexibility to a country's work force. By working for low wages, they give their employers a valuable competitive edge in world markets. After more than a decade of reaping these benefits, however, Europe now finds itself with an expanding and unassimilated group of foreign workers—increasingly costly to government and industry, newly militant in their demands for a share in the good life, and a growing threat to the social and political stability of their host countries.

Last spring's strike at the Boulogne-Billancourt Renault plant was symptomatic. Fewer than 400 *ouvriers spécialisés* ("specialized workers," an Orwellian-like term for unskilled immigrant laborers) idled 7,000 workers for three weeks. The *ouvriers spécialisés* were not simply striking for higher wages (which the company quickly offered) but for the principles of equal pay for equal work, improved professional status, and opportunities for advancement. The strike ended with a compromise settlement, but migrant workers will no doubt be heard from again.

Equally symptomatic but far uglier was this year's long, hot summer of racial tension in the South of France, where a building boom has attracted great numbers of North African workers. Violence seemed to erupt almost daily, as mounting antagonism between local residents and the too-foreign, too-numerous newcomers spilled over into physical release.

- In Grasse, a hitherto quiet perfume-manufacturing town near Cannes, some 200 North Africans staged two days of marches in June to protest exploitation on the job and racism in the streets. Both times they were dispersed by firemen and riot police. Their protests, the first ever in Grasse, led to nightly raids on dwellings in the immigrant quarter, the formation of "vigilance commit-

tees," and a generally tense and dangerous polarization of the once peaceful community.

- The 400 or 1,500 (depending on one's source) North Africans working in La Ciotat, west of Marseilles, staged a one-day general strike in August after an Algerian shantytown was machine-gunned and a Molotov cocktail was thrown into a North African's apartment. The two incidents, occurring on successive days, claimed no victims, but the city's North Africans reacted in fear for their lives.
- In August a deranged Algerian killed a Marseilles bus driver and wounded five passengers before being subdued. His history of mental illness did not prevent local citizens from reacting violently against North Africans in general. The hastily formed "Committee for the Defense of Marseilles Citizens" termed the immigration of North Africans "a constantly growing menace," and other groups called cryptically for "measures of elimination."

THE EC'S "TENTH PARTNER"

The simplistic, send-them-home demands of the bigoted are not confined to these isolated incidents. But the immigrants will not go away. On the contrary, more will come. Estimates of the current number of migrant workers in the Community run as high as 9 million, and the United Nations forecasts the arrival of another 4 million by the end of the decade. *Gastarbeiter* make up 10 per cent of the working population in Germany, 9.7 per cent in France, and 7 per cent in Belgium. One person in every 16 in the Member States is a "foreigner." Put another way, there are more immigrants among the peoples of the "Nine" than there are Belgians, Dutchmen, Danes, Irishmen, or Luxembourgers. These statistics give ample justification for thinking of migrants as a "tenth partner" in the European Community and for seeking to integrate rather than to isolate them.

Such a view puts the migrant worker problem where it belongs: in a Community context. Already much has been on the Community level for intra-EC migrant workers (numbering about 1 million plus 2 million dependents), for free movement of labor has been one of the Community's primary objectives.

In 1968 the Community granted EC migrants equal rights with the host country's nationals in seeking employment, replacing work permits with renewable five-year residence permits, abolishing the requirement that migrants be hired in advance of moving to another country, and allowing their families to accompany them. The Community also granted migrants equal representation rights with locals on workers' bodies, made them subject to the same local tax and social welfare systems, and granted them equal access rights to housing and property ownership. By 1969, the Community introduced, and has since improved, a coherent social security system for migrants which gives them equal rights with locals, automatically transfers their social security contribution credits to any EC country where they work, and guar-

antees family allowances and medical benefits to families, even if they stay in the country of origin. Medical benefits have now been extended to migrants by an EC regulation adopted this year which entitles most EC citizens traveling in other member countries to public medical treatment on the same basis as nationals. The Commission's Tripartite Consultative Committee on Migrant Workers, where member governments, unions, and employers are represented, protects the interests of both migrant and local workers.

Migrant workers occupied a central place in the Commission's Guidelines for a Social Action Program, presented to the Council of Ministers last April. By the end of 1974, the Commission said, migrants should be assured equal social protection with nationals, reception facilities covering training (including linguistic studies), education, welcome services, and housing, as well as increasing participation in the socio-economic and political life of the host country.

While intra-EC migrants have benefited greatly from Community efforts to improve their social and economic conditions, third country migrants, having no official status under Community law, have not been so fortunate.

Third country migrants enter the Community under national regulations and conditions laid out in bilateral agreements between Member States and the countries of origin. There is no coordinated approach by Member States toward the rate of entry or to the conditions accorded to migrants upon arriving in the Community. In a recent communication to the European Parliament, the Commission stated that the coordination of Member States' immigration policies was "indispensable to the realization of a Community employment policy within the framework of economic and monetary union." The Commission's April Guidelines recommended that such a system be set up by the end of 1974.

POSTWAR REBUILDING ATTRACTS MIGRANTS

The modern phenomenon of worker migration in Europe dates back to the years immediately after World War II, when many jobless southern Italians moved north to work in the rapidly rebuilding economies of Germany, Switzerland, and Belgium. (The Belgian Government of the day officially viewed the Italian laborers in the coal mines of Wallonia as partial payment of Italy's war reparations.) The big worker influx began about 10 years ago, when the economic boom was underway in earnest, and Northern Europe's demand for labor had far outstripped domestic supply. Italians were the first to emigrate *en masse* (Northern Italy's own "economic miracle" was incapable of absorbing the vast unemployment of its Mezzogiorno region in the south.) Spaniards, Portuguese, Yugoslavs, Greeks, Turks, and North Africans followed. Most recently, immigrants have come from farther afield: central Africa, South America, and even the Far East.



Immigrants willingly take on the low-paying, menial, but necessary jobs that no one else wants. Photo: © Almasy, Paris.

No one—neither governments, unions, nor management—was prepared for the magnitude of the migrant invasion. Despite attempts recently to limit their number (after a Community-wide influx of 2.8 million in 1971), the *Gastarbeiter* continue to arrive, legally and illegally, by the hundreds of thousands every year. They come not so much because they see in the Community a chance for a better life but because the Community offers the only chance to make a living. Carrying their belongings in paper-and-string bundles or cheap cardboard suitcases, they depart for the North.

When they arrive, however, they fall easy prey to exploitation. For although young (60 per cent between 18 and 35 years old), they are usually unskilled (at least 70 per cent, depending on country of origin), occasionally illiterate, and, except for those from former European colonies, trapped behind an impenetrable language barrier. After negotiating a welter of red tape, they are pushed onto the bottom rung of the economic ladder, to remain without hope (until recently) of advancement. Despite laws guaranteeing equal pay, the vast majority are paid at best 20 per cent

less than the few remaining local nationals doing the same work. Or worse, the new arrivals may be taken on by unscrupulous employers who deliver a far lower hourly wage than agreed upon and then fire the worker at the slightest sign of protest (one of the complaints of the North Africans in Grasse last June).

If a worker is injured on the job, he could well find himself out of work without compensation. Unemployed, he loses his precious work and residence permits and faces an agonizing choice between immediate deportation or a rootless existence among uncounted thousands of illegal immigrants with an unending series of dead ends.

THE END OF THE DAY

A migrant can seldom look forward to the end of a day's work, for his living conditions are typified by the families who live in France's 200 or so fetid *bidonvilles*, devoid of sanitation facilities, regularly ravaged by fires, and periodically bulldozed by the government. Scarcely better off are the migrants who rent from the country's so-called *marchands du soleil*, proprietors of cheap boarding houses that offer little or no lighting, too many beds per room, scanty sanitation facilities, and exorbitant rents. Immigrant families are eligible for inexpensive public housing in France, but few take advantage of the right. Attempts to ease the housing shortage (France built units for 22,000 workers in 1971 when 10 times as many need a place to live) fall pitifully short.

In Germany the occupants of company dormitories may live in relatively clean surroundings but must endure house rules more suited to Victorian girls' schools than to accommodations for Twentieth Century adults. Even those families fortunate enough to find "normal" housing fare badly in comparison with their German neighbors. A recent church study in the Ruhr, for instance, showed that 85 per cent of the region's immigrant families live in old buildings and pay one-third again as much as the average German family for half the space per person.

The fate of immigrants is closely linked to language. The Netherlands absorbed hundreds of thousands of Christian Indonesians after that predominantly Muslim country became independent in 1949; because all spoke Dutch, their integration raised no problem. But recently there has been friction and even fighting between Dutchmen and Turkish workers.

In Britain, where 40 per cent of the doctors and nurses who staff public hospitals—and a similarly substantial part of public transportation employees—come from the Commonwealth, West Indians (whose mother tongue is English), adapt far more easily than Indians, Pakistanis, Singhalese, and Bangladeshis, who speak their native tongues outside working hours. The EC Social Fund is experimenting with pilot language-training programs for migrants.

A series of bilateral agreements guarantees legal immigrants some social security protection in the Community, but usually



Two adults and two children live in this 140 square-foot room at a monthly rent of \$60.

less than local citizens receive. The immigrants find the same deductions taken from their pay envelopes but often receive lower family allocations and unemployment compensation. If they return to their home countries for retirement, they could lose their rights to the pensions they spent years accumulating.

The Community's uncounted illegal immigrants, of course, have no such rights. Living in constant fear of arrest and expulsion, they are trapped on a mind-deadening treadmill of living in hovels, working long hours for starvation wages, and trying to survive in a society which, neither legally nor socially, recognizes their existence. They may or may not keep their jobs. Indeed, they may or may not be paid, for their employers are under no legal obligations to pay them, much less make social security contributions. In the past, government authorities have been singularly unsuccessful in stopping the flow of this smuggled slave labor. Belgium has resorted to raiding cafes to apprehend illegal immigrants. A new German law may at least put some teeth into that country's effort. Employers of illegal immigrants in Germany can now be fined as much as \$4,000 per worker.

Migrant workers have accepted exploitation in the past because they saw their life in the North as a temporary hell preferable to the one they left behind. On the average they stayed only two or three years—just long enough to set aside savings to finance a better life at home. During that time they lived frugally, sending as much as 70 per cent of their earnings back to their families in Anatolia or the Algarve.

That pattern is changing, however. Today fully 50 per cent of the foreigners living in Germany have been there more than five years, and the Dutch find that only a third of the immigrants from their former colonies in the Caribbean ever return home. In France, a government policy allowing migrant workers to bring their families (to help ease cultural shock) has encouraged them to settle permanently. Thus the migrant worker has a growing stake in the affluent society around him and a correspondingly growing sensitivity to being excluded from it.

THE DILEMMAS MOUNT

Meanwhile, industry demands more immigration, the voters demand less, and the dilemmas mount. Responding to public pres-

sure, most Member Governments have at least pledged to limit the annual influx of migrant workers, but such promises have their price.

Germany, as part of its comprehensive *Gastarbeiter* policy, is considering a ceiling on worker recruitment in non-member countries—at a cost of slowing economic growth from 5 per cent to 4.5 per cent annually. The officially stated goal of the French Government is an upper limit of 80,000 immigrants per year (after a 1970 total of 213,000, excluding Algerians, who are not classified as foreigners). In the absence of adequate safeguards, however, such a restriction would only serve as an incentive to illegal immigration. If France is to fulfill the glowing economic predictions of futurologist Hermar Kahn, its demand for manual labor must be met. In Belgium, which for years welcomed immigrant labor, immigrants arriving today in Brussels or Liège without prearranged employment will find themselves rapidly escorted to the border. In the Netherlands, the political left urges cutbacks in *Gastarbeiter* recruitment, together with a fundamental rethinking of relations with the “Third World,” a re-examination of the entire concept of economic growth, and

Jovan Jovanovitch, a Yugoslav, has been in Belgium illegally for six months. He earns a little over a dollar an hour, half the normal salary in the plastic factory where he works. The owner had promised him a raise after a one-month trial period. Jovan still waits for that raise. He can't do anything else: the owner has his passport, and Jovan has official permission neither to work nor to leave.

“If I could have a work permit, it would be paradise here,” says Jovan. “I could live in a house in the city, like everyone else.

“In my village in Bosnia life is very difficult. I had three children to feed. Someone said to me that in Germany, if you work hard, you could earn a lot of money. The work did not scare me. So I went to Sarajevo. I registered at the employment bureau. Everything went very fast. Someone proposed a contract to me for two years in a metal factory near Cologne. It was good pay, more than enough to eat and live on. In brand new houses with television and every modern convenience. I accepted immediately. A few weeks later, a bus came to pick us up, me and 20 other men. Everything was very organized.

“That was two years ago. Since then, it has been a dog's life. I lived in a place almost directly in front of the factory. There were six of us in one room. We slept in bunks, as in trains. Each time one of us went out or returned, we had to show an identity card. At night we had to return by 10 o'clock. We couldn't do anything else after 12 hours of work by the hot furnaces. Yes, in Germany the normal working day is a horror: from six o'clock in the morning until six in the evening, six days a week. We were there for work, and nothing else.

“Some could not stand the strain. One of my fellow

workers spent two months in the hospital and then tried to find a less strenuous job, but for the foreigners that is impossible. So he returned to Yugoslavia. Unable to resume his old job, he is now a night watchman for a miserly salary.

“Myself, I endured the strain until the end. I did it for money, nearly 2000 marks [\$800] a month. In Yugoslavia, I would have to work at least six months to earn that.

“Then I went to Belgium. A cousin lives here, for eight years now. When he came, he got his travel permit without problems. His children go to school here. For him, everything is good. I thought it would be the same for me, since his boss wanted to hire me. He promised that he would arrange for my papers. But now the laws have changed.

“At first I was afraid of the police. If they find me without papers, it is immediate deportation. But I am not afraid anymore. When you have a job, they close their eyes. They go down to the cafes to look for people like me at 10 in the morning or four in the afternoon. During those hours, if you have a job, you are neither in the cafes nor in the streets. I doubt if my boss will do anything to help me. He well knows that the day I get a work permit I will quit if he does not give me a raise. There is no shortage of jobs here.

“My family? In Germany I sent them almost all my salary. I spent almost nothing for myself except to pay for my sleeping quarters. It was quite expensive, but in Germany everything is expensive. My wife never came to visit. It was too far, and female visitors were prohibited anyway. I don't think I'll ever return to my family. I don't have enough money.”

VANJA LUKSIC, a Yugoslav journalist based in Brussels

research into ways of making manual labor more attractive to Dutchmen. Other Dutch groups argue that if the Netherlands is to compete economically with the rest of the world, its proportion of immigrant workers must be increased from the current 3.6 per cent of the work force to about 7 per cent.

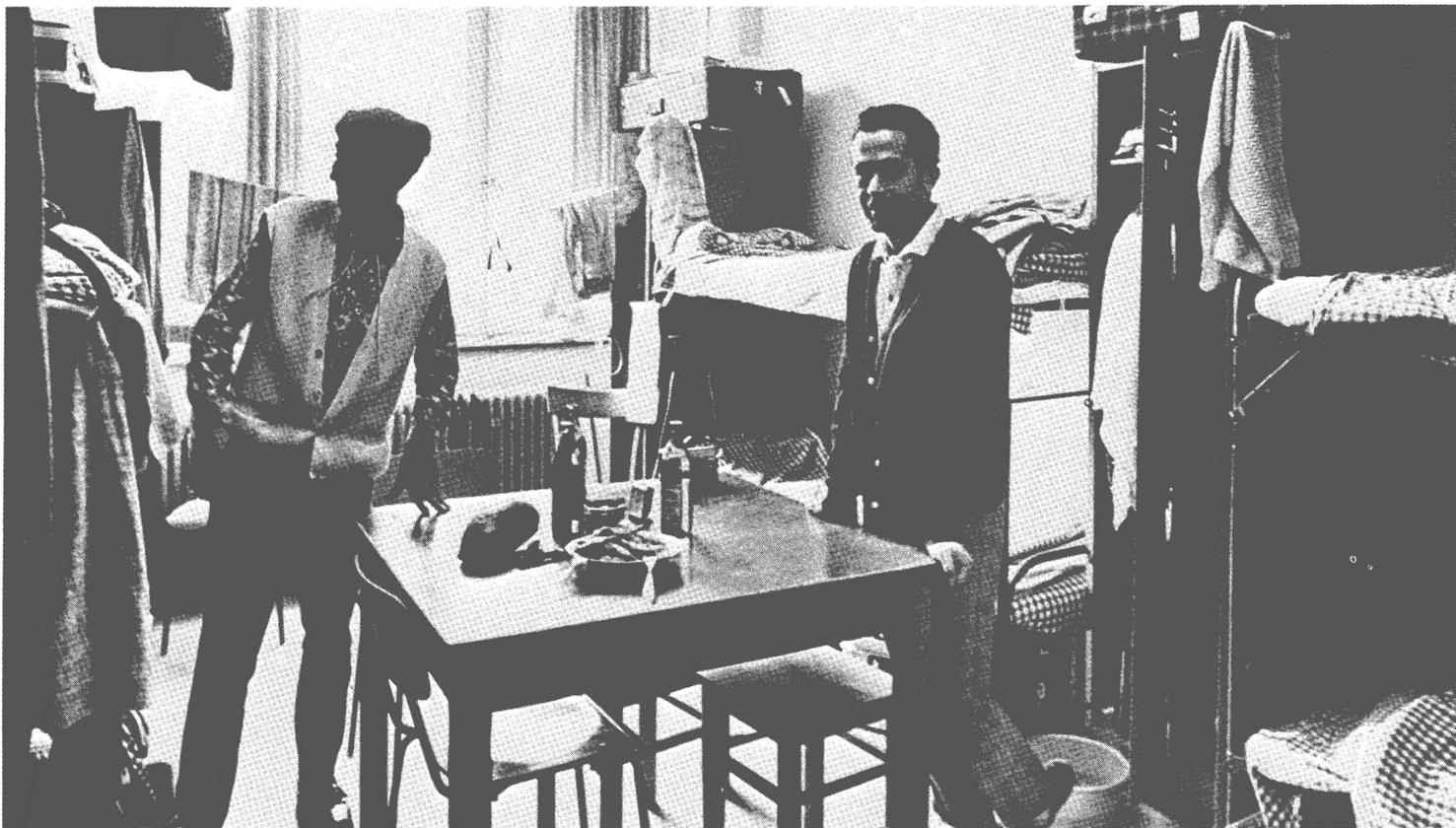
Until these dilemmas are resolved, the public must pay for industry's bargain. For the taxes paid by the migrants come nowhere near meeting the cost of the additional hospitals, schools, roads, housing, and special social services their presence makes necessary. As if to ensure that this increased public expenditure remains for a time, the birth rate among immigrants is about three times as high as among Community citizens. Switzerland, which has a higher proportion of migrant workers than any Community country (25 per cent of the total work force), provides an excellent example of the expense involved: the 800 new schools required by the country's 250,000 immigrant children carry a price tag of \$960 million.

But rising costs are making once cheap foreign labor less of a bargain for industry. In Germany, for instance, it now costs almost \$400 to recruit each foreign worker through the Federal

Labor Office, and prospective employers must show that they can provide adequate housing at almost \$3,000 per worker. If a company wishes to lessen the chances of accidents on the job (five times the national average among newly arrived foreigners), the government recommends several months of pre-employment training in the workers' homelands—a preventive measure that adds about \$500 to the bill. Many employers have found that they must contend with extended summer vacations (often three weeks longer than normal) and excessively high turnover among *Gastarbeiter*, especially those from Turkey and North Africa. The turnover problem is serious enough to prompt some firms to give bonuses to trained workers who return after absences.

More generally, many economists are concerned about the overall effects of immigrant labor on product quality, productivity, and the labor force as a whole. Not only does the immigrant often lack the necessary skills for his new job, but the man he replaces on the assembly line may also be unprepared for the more demanding job to which he is promoted. Moreover, some industries (notably steel and construction) suffer from an overabundance of cheap labor, since the availability of immigrants

A German company's dormitory for *Gastarbeiter*, six beds per room. Photo: © Erika Sulzer-Kleinemeier, Frankfurt.





A German cafe offers migrants a place to go at the end of a day's work. Photo: © Erlka Sulzer-Kleinemeier, Frankfurt.

prompts a diversion of capital from badly needed investment in machinery that would increase productivity. A vicious circle results. The number of migrant workers available on the local job market is lowered, and other industries are forced to recruit abroad, thus increasing the number of immigrants in the country. A general lowering in gross national product per capita also results. Carried on long enough, the process eventually brings about a situation in which the employment of additional immigrant labor adds nothing to national economic growth.

DEVELOPING COUNTRIES HAVE SECOND THOUGHTS

While Europe reassesses the value of large-scale worker immigration, the traditional suppliers of that labor have themselves discovered that its benefits are decidedly mixed. Massive worker migration was once hailed as a kind of vast exercise in aid to developing nations, and the arguments for such a view are persuasive. By employing as much as 10 per cent of a developing country's work force, Europe helped that country reduce unemployment pressure. The skills the immigrants learn in Europe should be invaluable to their own countries' industrialization. The almost \$2.5 billion the migrants send home each year constitutes a major source of foreign exchange for their national economies. (The wages remitted annually by Turkish immigrants, for example, more than offsets Turkey's outlay for its major imports.) These assumptions are now, however, being called into question. The skills a migrant worker may learn in France or Belgium are not necessarily valuable in Greece or Morocco. (How many garbage collectors and construction workers can a developing country need?) Even if the skills are valuable, many returning *Gastarbeiter* discard their European vocations and use their savings to buy restaurants or taxis that contribute little to

their countries' economic development. Finally, in cold economic facts, Europe has the benefit of their most productive years without having to pay the social costs (education, retirement benefits, for example) of their non-productive youth and old age.

Portuguese Premier Marcello Caetano, who calls worker migration "a bloodletting," recently increased industrial wages in Portugal to entice some of the million-plus Portuguese workers in France and Germany to return home. Yugoslavia, one-third of whose emigrants are skilled, is considering recalling those with qualifications needed at home and replacing them with unskilled workers. Greece, ironically, has found that it must import labor from Egypt to meet demand in its burgeoning construction industry. Algeria, to protest racial outbreaks in Marseilles, "temporarily suspended" its migrant flow to France in September.

Meanwhile, the rapid industrialization of the Spanish economy, fed by soaring foreign investment, is causing a drop in the number of workers Spain sends to the Community each year. Therein lies an obvious long-term answer to the migrant dilemma: Take European resources and industrial demand for workers to the countries with an oversupply of labor. In view of the recent revaluations of European currencies, especially the German mark, it would seem an attractive alternative for industry. Industrial hesitancy potentially arises, however, toward foreign investment on political grounds. Too, such investment would be, at least for now, prohibitively expensive. The World Bank estimates that the creation of jobs for the immigrants currently in the Community would cost more than the entire foreign aid expenditure of Western Europe, North America, and Japan during the Sixties. As a long-term objective, however, the Community can make a significant contribution, especially in the areas of worker training and investment incentives.

Meanwhile, in the short term, the EC Member States have made some progress. France, for instance, recently gave its illegal immigrants a chance to register and gain legal status; even persons without jobs were given three-month residence permits in order to find work. In the Netherlands, volunteer groups have been working with immigrants and local citizens in an effort to combat racism. Several towns in Belgium and Germany have even passed laws granting immigrants the right to vote in local elections.

In the absence of a coordinated policy among the "Nine" however, the major dilemmas will remain unresolved. Unrestrained immigration is politically and socially irresponsible, but simply shutting off the flow would be economic suicide. A coordinated policy would have to balance immigration with Europe's capacity to provide adequate housing, social services, and education, and would have to be placed within the overall context of the Community's social, regional, development aid policies.

Petrus J. Lardinois "On Record"

Food, once taken for granted in industrialized countries, has recently captured the developed world's headlines. American consumers protest skyrocketing prices. Europe and Japan protest the US soybean export curb (see European Community No. 169, page 4). Famine hits the Sahel (see European Community No. 168, page 6). There is talk of a global food shortage, with the world's cereal reserves at an estimated 20-year low.

Cereals, in fact, constitute the basis of the world food economy. As prosperity grows, so too does grain consumption. The average American consumes about one ton of grain each year. Direct consumption—in the form of bread, cakes, cereals, pastry—amounts to only about 150 pounds. The rest, as livestock feed, is indirectly consumed in the form of meat, milk, butter, cheese, eggs, and poultry. Poor countries consume an average of 400 pounds of grain per year per capita, almost all directly consumed.

Here Petrus J. Lardinois, the EC Commissioner responsible for the Community's common agricultural policy, answers questions from Will J. Reckman, editor of the Dutch edition of European Community. The interview, translated from the French, has been edited.

Do we really face a world grain shortage?

Lardinois: World grain reserves have fallen very low, and may fall still lower, depending on the spring harvest in the southern hemisphere—Australia, southern Africa, Latin America. Just to maintain reserves at their present level would be good. To increase reserves, a number of good harvests are needed in 1974.

The Community's common agricultural policy is frequently criticized as a protectionist hindrance to world trade. But what if the United States cuts back its farm exports?

Lardinois: If the Americans lose their nerve and resort to export controls, I am convinced world commerce would suffer disastrous consequences.

The United States has had droughts and bad harvests in the past. If the United States has to cut back its farm exports, would the Community be able to assume the food-exporting role traditionally played by the United States?

Lardinois: In view of actual and potential agricultural production, the world cannot do without North America. Generally, the parts of the world least susceptible to natural catastrophes are, first, Western Europe and, then, North America. The intervals between good and bad harvests are less important for Western Europe than for North America, and especially Russia, Africa, and South America. Western Europe is a stable producer, upon which its citizens and other countries can rely. For some farm products, however, Western Europe depends on the world market. We must therefore not reduce our food production but rather concentrate on producing the products we produce best. We must also produce enough for our security and stability.



EC Commissioner Petrus J. Lardinois, responsible for the Community's common agricultural policy.

If the world cannot count on American agricultural surpluses, what do you think of the proposal for a "world food bank"?

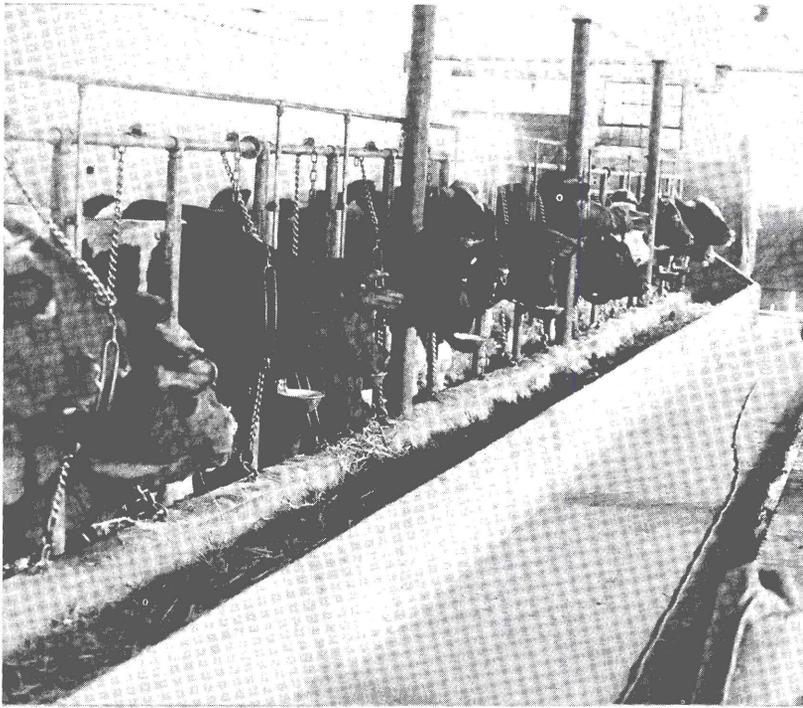
Lardinois: The Americans alone obviously cannot bear the responsibility for world nutrition, as world grain needs outstrip production. America already uses about 98 per cent of its arable soil and next year will probably cultivate all of it. The agricultural industry will therefore utilize for the first time its full production capacity. The increased production margin is relatively narrow, however, particularly since the new lands to be cultivated are certainly not the best. America can therefore no longer play the role of the world's breadbasket. At America's request, agricultural trade will constitute a major theme in the world trade talks within the General Agreement on Tariffs and Trade (GATT, see page 15). I hope the talks will settle agricultural problems, for example through an international agreement for grains where the question of reserves is an essential element.

Reserves in a sort of world food bank?

Lardinois: Whether it should be called a world food bank is another question. It is not at all realistic for the world to pay for setting aside, say, 50 million tons of grain as in a United Nations (UN) or Food and Agriculture Organization (FAO) project. I think, rather, the major exporters and importers must get together on the question of reserves, taking into account projected harvests and evolving needs. An international agreement would cover mutual commitments and the liquidation of the reserves. Such an agreement, a kind of world food fund, is more realistic than a world food bank under international control.

Would the agreement cover products beside grains?

Lardinois: The principle valid for grain would be equally valid for other products, such as sugar or powdered milk, for example. But the problem is not as urgent for some products as for others.



German cattle destined for the slaughterhouse.

In the past, Europe has always been able to provide food aid to developing countries and countries hit by famine and drought. In view of a world food shortage will the Community have enough food to give aid in the future?

Lardinois: A policy of world reserves for basic nutritional products is important precisely for this reason. In fact, such a policy is indispensable for food aid to be given to the hundreds of millions of people who may need it. If the food shortage increases, it would be neither the Europeans, nor the Americans, nor the Russians, nor even perhaps the Chinese who would be the victims. These countries have such potential wealth that they can pay the steepest prices for food. The victims would be the poor countries, which, in fact, are already victims of the unbridled increase in world food consumption. A world policy for food reserves, financed primarily by the rich, would help stabilize world prices by guaranteeing a regular supply at reasonable prices. The United States over the past 25 years has played the role of a food reserve bank as well as of a price stabilizer. The United States had surpluses because, through chance, bad harvests were always followed by good harvests. It is this element of chance that we must eliminate. We must deliberately stock reserves. For a better ordered world, we must convince the public that these reserves are essential for the poor countries, which have the most need simply because their harvests vary enormously according to climatic circumstances.

Given the world food shortage, shouldn't we encourage the developing countries to provide for their own food needs?

Lardinois: The developing countries' physical potentials are enormous, but they are usually unable to carry out agricultural policy for lack of money and political support. But we should encourage them to try. It is much more important for these countries to know that they can sell a fixed quantity at a fixed price than for us to say to them, "Participate in world commerce, which is free, and we will open up our trade frontiers a little bit." These countries need fixed references, something upon which to build and invest, the beginning of a long-term agricultural policy.

Among the products already scarce are soybeans. Last summer the Community was suddenly confronted with a US reduction by half in soybean deliveries. Are soybeans, which Europe does not grow, really so important as a protein substitute and livestock feed?

Lardinois: Soybeans are ideal food for animals because they are so rich in protein. But, as I have said to the Americans, the Community could produce its own protein, but not in the form of soybeans. We used to produce meat, milk, eggs, and so forth without soybeans. We used oil cakes made from raw tropical materials and skim milk. Skim milk is a much richer source of protein than soybeans, but we feel that this product, which plays such an important role in food aid to developing countries in the form of powdered milk, is too expensive for animal feed. Even without powdered milk, however, Europe could remain self-sufficient in protein by using other vegetable and chemical products. It would, however, permanently raise the prices of meat, milk, eggs, and poultry. In the European consumer's interest, we should not attempt self-sufficiency as long as North and South America guarantee regular delivery of soybeans. If we don't get this guarantee, we will have to produce proteins ourselves in place of soybeans.

You just spoke about increased meat, milk, eggs, and poultry prices.

Lardinois: Yes, this trend is perhaps more noticeable in other countries than in the Community. In the United States and Canada, for example, the farmers depend totally on concentrated animal feed. Here, the situation is different. As strange as it may seem, European cattle eat grass in contrast to the "spoiled" cattle of the United States and Canada, which almost exclusively eat fodder and other similar products. Since we depend less on fodder and are thus less dependent on world market prices, we have an advantage over other dairy producers.

Do you thus see a solution for our butter surpluses?

Lardinois: Let's say that if other producers would totally or partially disappear from the world market, our dairy exports would certainly profit.

GATT Talks Begin

Tokyo Declaration Sets Mood for Geneva Bargaining

MARY LOCKE and HANS BINNEDIJK, American freelance journalists based in Tokyo

The ceremonial opening of the General Agreement on Tariffs and Trade (GATT) multilateral talks in Tokyo on September 12-14 was more talk than ceremony. "Those who expected a tea party were severely disappointed," one delegate said after an all-night working session.

After three days of round-the-clock bargaining, the 103 participating nations agreed on the general need to liberalize trade but postponed agreement on specific issues for what promise to be tough negotiations to come.

The new round of world trade talks, scheduled to be completed by the end of 1975, were officially opened by the "Tokyo Declaration," the final document adopted by the conference. It is the seventh round of talks under GATT, which was formed in 1947, and the third round since the European Community began operating in 1958. The Tokyo Declaration was based on a July 30 draft declaration adopted in Geneva which had left controversial issues to be settled by the ministers meeting in Tokyo. Even in Tokyo, however, compromises, reached through resort to abstract or ambiguous language, postponed settlement of these issues until negotiators sit down at the bargaining table.

TRADE LINKED TO MONETARY REFORM

Valéry Giscard d'Estaing, in his initial speech to the conference, went beyond the Community's official position on the relationship between trade and monetary negotiations to state that a stable monetary system was a prerequisite for pursuing successful trade talks. France's tough stand was no surprise to its EC partners. During discussions on the Community's negotiating position last spring, France had insisted that the monetary instability of past years would make negotiating in the trade field extremely difficult. Two recent dollar devaluations made the French reluctant to negotiate tariff concessions without knowing what further advantage US exports would gain through possible future dollar devaluations.

Other EC countries, especially Germany, preferred to keep trade and monetary negotiations separate and distinct from each other. Germany was especially worried about the possibility that monetary preconditions set by the Community might induce the United States to establish a link between defense matters and the trade talks. Such linkage was hinted in then Presidential Advisor Henry A. Kissinger's call for "a New Atlantic Charter" last April.

In a Community compromise, the EC negotiating strategy, adopted by the Council of Ministers on June 25-26, said that "the policy of liberalizing world trade cannot be pursued successfully unless parallel efforts are made to establish a monetary system which shields the world's economy from the shocks and imbalances which have recently struck it." The Council called for the establishment of a "fair and durable monetary system." When money markets again went through a period of upheaval



Treasury Secretary George P. Shultz (left) confers with James A. McNamara, of the Office of the Special Representative for Trade Negotiations, at Tokyo Prince Hotel prior to GATT opening meeting. Seated is Under Secretary of State for Economic Affairs William J. Casey. Photo: United Press International.

in July and the dollar's value continued to fall against European currencies, France urged its EC partners to strengthen the Council's position on monetary reform. France, receiving little support from its EC partners, decided to voice its stand before the entire international community gathered in Tokyo. In unofficial sessions in Tokyo, France pushed for a commitment from the major industrialized nations, but mainly the United States, to return to exchange rate parities fixed at the March 1973 level.

US Secretary of the Treasury George P. Shultz, in his opening speech, recognized the interrelationship between monetary affairs and trade matters but warned that progress in one area of negotiation should not be "held hostage" to progress in another. The United States saw a dual link: trade reform was as necessary to solve monetary problems as was the reverse.

"We cannot have a working stable situation without recognizing the problem of dollar overhang," Shultz said at a September 13 press conference. Trade liberalization would generate a US balance-of-payments surplus which would "eat into this backlog," he said. "In the last two years, despite great turmoil in the monetary system," Shultz said, "world trade has grown at an unprecedented pace."

The opposed US and French positions kept EC partners up all night trying to reach a compromise among themselves and

kept messengers running between the US and EC delegations to find mutually acceptable language for the Declaration. Finally, Giscard d'Estaing and Christopher Soames, EC Commission Vice President responsible for external relations, met with Secretary Shultz to agree on the wording for Article 7 of the Declaration. They agreed that efforts to be made in the trade field "imply continuing efforts to maintain orderly conditions and to establish a durable and equitable monetary system."

As soon as the agreement became public, varying interpretations began to surface. A French delegate said he believed that the United States had "made a deal to behave in the monetary field." This "deal" would imply US intervention in the exchange market in support of the dollar at its current rate, he said. US Special Representative for Trade Negotiations William D. Eberle disagreed. "We read no monetary instructions in Article 7," he said in a September 14 interview. "That will be taken care of in Nairobi" (site of the September 24-28 International Monetary Fund meeting). Unenthusiastic about linking concessions in one set of negotiations with concessions in another, Deputy US Special Representative for Trade Negotiations Harald B. Malmgren said, "We will bring it up only if the French do."

A delegate from the German Ministry of Economic Affairs termed the compromise language "conservative" on the part of the United States: "The United States agreed to continue what it has been doing, and that has been very little so far." He said differences among EC members on the type of linkage between trade and monetary talks would continue to be discussed in EC institutions and that differing opinions among world trade partners would obviously emerge once again as soon as the negotiations begin.

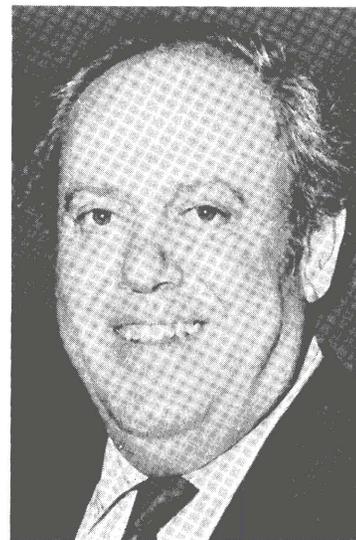
DEVELOPING COUNTRIES SEEK CONCESSIONS

A second major issue which divided some conference participants was the question of trade concessions to developing countries. A debate arose among the developing nations as to whether the least developed countries should receive greater preferential treatment than other developing nations. The European Community generally favored the request of the poorest countries, many of which are African and associated with the Community through the Yaoundé Convention.

Developing countries that compete with the Africans for cocoa and coffee markets opposed any special concessions. The conference finally decided, in the words of the Declaration, that the least developed countries will "receive special treatment in the context of any general or specific measures taken in favor of the developing countries during the negotiations."

Some developing countries protested the industrialized countries' reluctance to make strong commitments for preferences in the areas of agriculture and nontariff barriers. Carlos Alzamora, the Peruvian delegate, said during the debate that the

*EC Commission Vice President
Christopher Soames,
responsible for the
Community's external
trade relations.*



Declaration was inadequate and warned of "dangers of confrontation" between rich and poor countries if current trends continue.

Although the questions of trade and monetary linkage and preferences for developing countries filled the headlines, important behind-the-scenes discussions on a variety of issues clarified positions and set a certain mood for the next two years. Shultz, for example, said that coffee breaks were filled with talk of energy problems and food shortages. He said he attended a "17-course Japanese dinner" in which every dish contained some soybean ingredient. "I got the message," he said, in reference to the US export controls on soybeans last summer (see page 14). These controls had weakened the US bargaining position on one of its major objectives in the trade talks—opening European and Japanese markets to increased US farm exports. In fact, a German delegate said the United States had effectively "compromised the position" of liberal elements within the European Community who sought reform of the EC common agricultural policy. "We have lost our naiveté that world markets will produce sufficient supplies," he said.

The Tokyo Declaration confirmed that the negotiations will cover agricultural trade but included the EC view that they will "take account of the special characteristics and problems in this sector." Pierre Malvé, a member of the EC delegation, said he did not expect bargaining on agricultural trade to begin for at least one year so that trading partners can "appreciate the situation." When they do begin, the United States' Malmgren said arguments will be "as sharp as brass tacks, all pointing upward."

Many delegates saw a natural alliance forming between the Community and Japan against the United States on farm trade issues. On the other hand, the United States is expected to be supported by such major agricultural exporters as New Zealand, Australia, and Canada, which will lose special access to British markets as the United Kingdom gradually adopts the EC common agricultural policy.

REDUCE TARIFFS, BUT HOW?

All delegations agreed on the general need to liberalize world trade in industrial goods, but divisions sharpened on the methods of application and extent of tariff reductions.

The Community, which has a relatively homogeneous tariff profile, would have its trading partners reduce their highest tariffs to a common level before across-the-board reductions are negotiated. "The higher the tariff the greater the cut," explained Soames. According to a US delegate, the United States could agree to across-the-board cuts after harmonization but would insist that initial reductions of its highest tariffs be met by reciprocal reductions by its trading partners in other sectors. The Tokyo Declaration agreed only to "conduct negotiations on tariffs by employment of appropriate formulae of as general application as possible," thus postponing the issue until the real negotiations begin.

Japan and the United States expressed the desire to work gradually toward zero tariffs on all industrial goods. The Community said it would like to see a floor established below which tariffs would not be reduced. This tariff floor would protect countries which have low tariffs from losing the ability to bargain with high tariff countries. Developing countries are opposed to total tariff elimination, which would abolish all margin of preference for their industrial exports.

The Declaration's signatories' commitment to examine the "adequacy of the multilateral safeguard system" promises to be

another point of future contention. Canada, Japan, and the European Community favor non-discriminatory safeguards with an international surveillance system to check possible abuses. The Canadians have proposed mandatory domestic industrial adjustment for importing countries that impose the GATT's safeguard provisions. The United States favors streamlining the GATT's safeguard clause (Article XIX) so that it can be applied more easily, thus avoiding controversial informal arrangements. Almost all the GATT countries seem to agree on the principal of non-discriminatory safeguard application, although the United States was reportedly placing greater emphasis on a selective approach in certain exceptional cases.

The elimination or reduction of nontariff barriers may prove to be the most complex issue in the talks. GATT signatories have reported at least 800 different cases of nontariff barriers ranging from government procurement policies to safety standards. Reciprocal arrangements will be difficult to reach because nontariff barriers are hard to quantify and often unique to each country.

The newly inaugurated Trade Negotiation Committee was scheduled to meet in Geneva on October 24 to begin ironing out differences on all these issues. The Declaration's aim to "achieve the expansion and ever-greater liberalization of world trade and improvement in the standard of living and welfare of the people of the world" will demand all the energy and patience of the participating nations. In Tokyo, these nations decided it was an endeavor worth the effort.

Working session of the "Kennedy Round" of GATT, Geneva, 1966.



The East Looks West

Speculations on Comecon's Flirtations with the EC

GERALD SEGAL, a British freelance journalist based in Brussels

The Council for Mutual Economic Assistance (Comecon) is widely but inaccurately viewed as the Soviet Bloc equivalent of the European Community. From this viewpoint, the Community and Comecon divide Europe. In a sense this perception is true. For both, born out of World War II and the ensuing Cold War, fit into the bipolar scheme of things and had no direct contact. Comecon, when not denouncing the Community, ignored its existence. But things are changing.

In March 1972 the USSR recognized the European Community as "a fact of life," in the words of Soviet Party Leader Leonid I. Brezhnev at the fifteenth Congress of Soviet Labor Unions. Then, last summer, Comecon Secretary General Nikolai Fadeyev visited Copenhagen to meet with Danish Foreign Economic Relations Minister Ivar Norgaard, the President in Office of the EC Council of Ministers. Why this sudden interest in direct EC-Comecon contacts? The answer lies in an analysis of the history and nature of Comecon.

Set up in 1949, Comecon was a Soviet response to the Marshall Plan and the resultant Organization for European Economic Cooperation (OEEC, now the Organization for Economic Cooperation and Development). The original Comecon members were the Soviet Union and its East European satellites, which at that time included Albania. The People's Republic of China held observer status. Today Albania and China have nothing to do with the organization, while Mongolia and Cuba have become full members, and Yugoslavia takes part in some Comecon committees.

BASED ON IDEOLOGY

Behind Comecon lay an ideological market theory. The Marshall Plan with its call of "let Europe unite to receive American aid" was appraised as the weapon whereby the Americans would impose the domination of monopoly capitalism. The Communist bloc arrangement would guarantee the sovereignties of the Comecon member states through the development of independent "national plans." The market theory, spelled out by Joseph Stalin in his last work "Economic Problems of Socialism in the USSR" (1952), held that there had arisen two separate world markets—the capitalist and the socialist. The socialist market, not driven by the contradictions of capitalism and able to rely on the continuous supply of advanced technology from the Soviet Union, would provide the highest world living standards and would therefore inevitably triumph. Stalin was in effect saying that the Soviet Union would perform for the Communist bloc the role which the United States was successfully playing in the West.

These ideological and market assumptions were dishonest in theory and disastrous in practice. Marxist philosophy—whether in Leninist or any form—gave no basis for Stalin's emphasis on national, instead of supranational, plans. Lenin had specifically written in the early days of the Russian Revolution that the world socialist economy of the future would be "controlled by the world

Comecon Organization

The Council of Comecon corresponds to the EC Council of Ministers. Decisions have to be unanimous. The Executive Committee, paralleling the EC's Committee of Permanent Representatives, consists of the Comecon member states' deputy prime ministers. The Secretariat is Comecon's permanent organ. Subordinate to the Secretariat, sectorial *commissions* and *departments* have been set up over the years to cover almost every conceivable form of economic activity. The latest is a commission dealing with computers. None of these commissions has any executive power.

Various other activities and organizations involve most Comecon members but are outside the Comecon framework. Examples include:

- joint investment projects, including East German and Czech loans to the Polish coal mining industry and the Polish-Hungarian joint enterprise "Haldex" to process coal slack
- multilateral projects under common technical control but with national segments financed by the countries involved, including the "Joint Electricity Grid" which links the USSR's electrical systems with those of Eastern Europe and the "Friendship Oil Pipelines" which feed oil from the Soviet Urals to East Europe
- "Intermetal," founded in 1964, a consultative body for the exchange of various ferrous metallurgical products
- "Interchem," founded in 1969, encouraging cooperation on low tonnage chemical production such as synthetic resins
- Comecon Banks—the International Bank for Economic Cooperation, set up in 1964, and the International Investment Bank, set up in 1971. The former was seen as a clearing house for the bloc's trade accounts using the "transferable rouble," which, however, has since proved to be, in fact, inconvertible. The Investment Bank, with capital subscribed at 1 billion rubles (the subscriptions correlated with the members' export trade) has about 30 per cent of its capital in gold or convertible Western currencies. The Bank, in the words of one official, thus "makes it possible to buy some kinds of equipment and licenses in the capitalist market."

proletariat in accordance with a single plan."

What the original Stalinist thesis meant in practice was that each Comecon member state should adopt the Soviet model of economic development. This model meant concentration on iron and steel production, machine tools, and other branches of heavy industry regardless of whether such development was in the interests of the countries concerned. The advantages manifest in the West from product specialization and consequent multinational trading were thus denied to the East. These disadvantages were compounded by the failure of the Soviet economy (the Soviet space achievements notwithstanding) to keep

up with the Americans and West Europeans in science and technology.

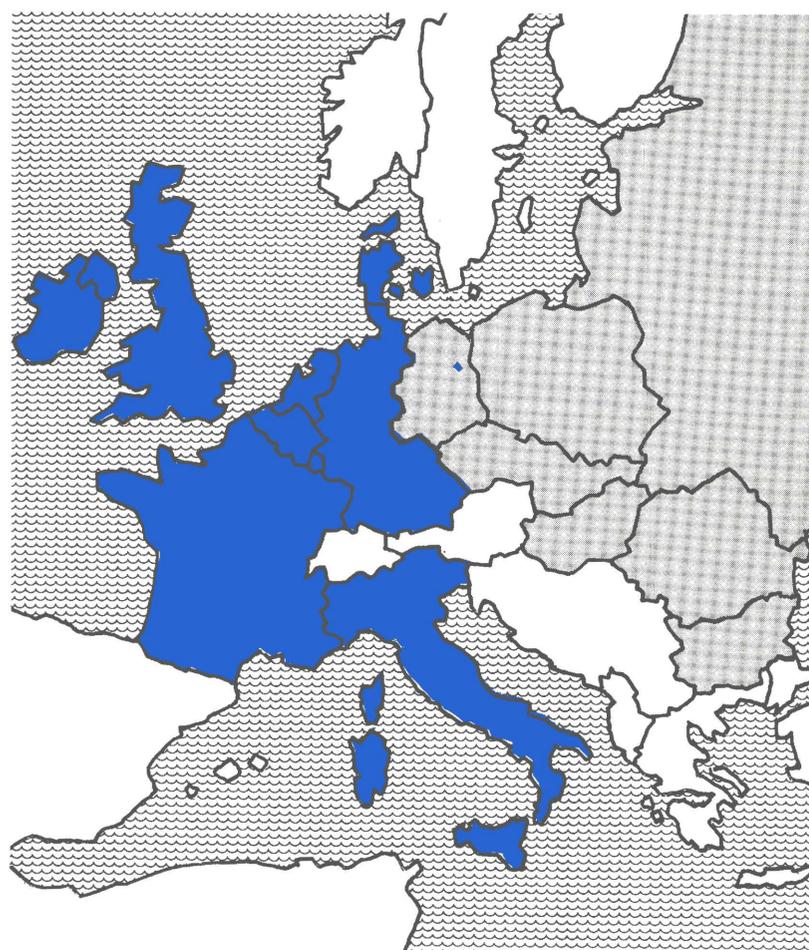
Some statistics are illustrative. The total Comecon proportion of world industrial production is generally estimated to be about one third, but Comecon's share of world trade fell from 10.4 per cent in 1965 to 9.8 per cent in 1969. The Soviet economist Yuri Shirayev estimates that Comecon's share of world production in 1985 will amount to 40-50 per cent but its world trade share will lie within the 6-9 per cent range. Oleg T. Bogomolov, director of the Institute of Economy of the World Socialist System, complained in 1971 that only 5 per cent of Comecon's total engineering products are subject to specialization agreements. Even where such agreements do exist, the trading picture is gloomy. Bogomolov reported, for example, that, although Comecon has its own "Organization for Cooperation in Ball Bearing Production," only 4 per cent of Comecon products in this field are exported, whereas in the capitalist world the figure is 25 per cent.

These statistics are supported by a kaleidoscope of less tangible results. The USSR needs to trade with the West. The East European states are attracted to the West and anxious to emulate or join the EC achievement. The "Third World," in spite of such grandiose Soviet-supported projects as the Aswan Dam in Egypt and steel works in India, remains indifferent to the Soviet economic model.

VIEWS DIFFER

By 1956—the year of the Soviet twentieth Party Congress at which Nikita S. Khrushchev denounced Stalin's "crimes"—it had become clear that the existing Comecon arrangements were unsatisfactory. Production specialization, improved intra-bloc trading arrangements, and extensive East-West trade (under the guise of "peaceful competition") were considered necessary. But how could they be achieved while each Comecon economy maintained a comprehensive national plan regarded as the talisman of national independence and while currencies were not (and to this day are not) convertible?

From the mid-Fifties onwards, Comecon commissions covering almost every aspect of the contemporary economy were set up to encourage the member countries to work together. Success was minimal for none of the commissions had the power to harmonize or override national plans. Finally in 1962—by which time the European Community had developed impressively with the strong possibility that Britain and other West European countries would soon be EC members—Khrushchev proposed the creation of a "a unified planning organ empowered to compile common plans and to decide organizational matters." This call for supranational planning meant the repudiation of the original Comecon ideological theory and the adoption of a more truly Leninist position. Khrushchev, however, was successfully resisted by the Romanians, who enjoyed the tacit support of the



■ EC countries
▨ Comecon countries
Not shown, Mongolia, a Comecon member.

Hungarians and the Poles and, more importantly, the open support of the Chinese. The objectors were concerned that under the ideological wrappings of Leninism the Soviet Union, as the most powerful Comecon state, would use the supranational planning organ to impose policies which served the Soviet advantage to the detriment of other Comecon members' interests.

At the same time, a trend appeared toward free market socialism. If this economic devolution back toward capitalism had been allowed to develop, international specialization might have emerged based upon contracts between Comecon states' ministries and enterprises within each state. The Comecon states' central plans would have been no longer compulsory but merely indicative. The curtain on the reform program fell, however, with the invasion of Czechoslovakia in 1968. It was made absolutely clear that market socialism was unacceptable when it challenged

Point of View

In August 1973 the leading Soviet Communist Party ideological journal *Kommunist* contained an article by Konstantin I. Mikul'skii, a high ranking Party official, outlining the differences between socialist (Comecon) and capitalist (EC) integration.

Mikul'skii claimed that the "example of Comecon's unified efforts to achieve a common economic upsurge is attractive to the peoples of the industrialized capitalist countries." The reason: "The peoples of these states see in real life the truly democratic alternative to capitalist integration which serves the interests of the large international monopolies. Capitalist integration is used by the monopolies for an attack on the social rights and living standards of the masses. It ignores the diversity of the economic and social problems of the individual states and leads to the infringement of their national interests."

Socialist integration, according to Mikul'skii:

- leads to production increases and mass welfare
- guarantees equal rights for the integrating countries
- equalizes economic development levels
- creates unity among countries and peoples, leading to a new social order.

On the other hand, according to Mikul'skii, capitalist integration:

- strengthens capitalist monopolies and exploits workers
- destroys sovereignty
- deepens the gap between more and less developed countries
- sharpens national and international differences, increasing the need for revolutionary transformations.

—GERALD SEGAL

the grip of the ruling Communist Party over the economy—a grip exercised through the national central planning mechanism.

INTEGRATION WITHOUT SUPRANATIONALISM?

Yet if market socialism as a mode of providing economic efficiency was out, what was left but a return to the Krushchevian scheme of supranational planning? The Soviet economist-planner Gennadiy Mikhaylovich Sorokin soon after the August 1968 invasion proposed that "the present political integration must be followed by economic integration" and attacked "outdated polemics on sovereignty" and "national egotism."

Another Soviet economist, Professor V. Kozlov, writing in the newspaper *Sovetskaya Rossiya* in 1971, developed the argument further by quoting Lenin: "The socialist movement cannot conquer in the old framework of the fatherland. It creates new, higher forms of human societies where the rightful requirements and progressive trends of the working masses of all nationalities will for the first time be satisfied in an international unity provided

the existing national boundaries are annihilated." Another favorite quote from Lenin used by many commentators in their interpretations of the European Community states: "The economic, political, and spiritual life of mankind is becoming more and more internationalized under capitalism. Socialism will wholly internationalize it."

In August 1971 at the twenty-fifth Comecon session, the member states adopted an "Integrated Program for the Further Deepening and Developing of Cooperation and the Development of Socialist Economic Integration of the Comecon Member States." The 15-20 year program emphasized, however, that "socialist integration is not accompanied by the creation of supranational organs." To call for an integrated program without supranational institutions is rather like planning to draw a square circle, many Western observers would claim.

At the "Crimea Conference" of the leaders of the Comecon countries' Communist Parties early this year, the traditional differences of view emerged again with the Romanians once more opposed to the Soviets. The issues which were at stake were spelled out in an article in the leading Soviet newspaper *Pravda* on August 7 signed by a Central Committee spokesman. He criticized the slow pace of Comecon integration and called for: (1) acceleration of economic integration especially in production and in science-technology; (2) long-term planning of the integration process; (3) joint commissioning of advanced technology; (4) creation of large-scale joint enterprises.

It is difficult to see how points (1) and (2) could be effected without the surrender of at least some national sovereignty to a supranational planning organ. Moreover, joint commissioning of advanced technology would certainly lead to Soviet control over East European technology, and the creation of large joint enterprises (equivalent to Western multinationals) would give the Soviets ownership rights in the East European economies.

In brief, Soviet domination of East Europe would be complete. East European fears are increased by US-Soviet and other Western-Soviet trade deals which involve the transfer of advanced technology to the USSR and its subsequent diffusion to Eastern Europe. The East European countries then become a captive market for products of Sovietized Western technology—automobiles offer a good example.

Far better from the East European countries' point of view to turn the current East-West détente to their own advantage and to seek to deal with the European Community and the United States independently outside of Comecon. The Community's recent granting of generalized preferences to Romania, for example, must appear attractive to fellow members of Comecon. It is this more attractive option that the Soviets, who control Comecon, are seeking to close by getting the Community to deal directly with Comecon on a bloc-to-bloc basis. From the Soviets point of view that is what détente is all about.

Inventors, Take Notice

Europeans Agree on Common Patent

DENNIS THOMSON, *Legal Advisor to the European Free Trade Association Secretariat*

On September 10 - October 6, representatives from 21 European countries, including the nine EC Member States, met in Munich to endorse the European Patent Convention, drawn up in June 1972. There follows a summary of how the European Patent Convention, expected to come into force in 1976, will work. Also discussed is the separate but related Common Market Patent Convention.

The European Patent Convention is a hybrid. The EC Council of Ministers called the conference to negotiate the Convention, but invitations were extended to all interested Western European countries. In the end, 21 nations participated: Austria, Belgium, Denmark, Germany, Finland, France, Greece, Ireland, Italy, Liechtenstein, Luxembourg, Monaco, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom, and Yugoslavia. The Convention is neither a purely Community arrangement nor an intergovernmental organization, like the Council of Europe, independent of the Community. The European Patent Office will be located in Munich.

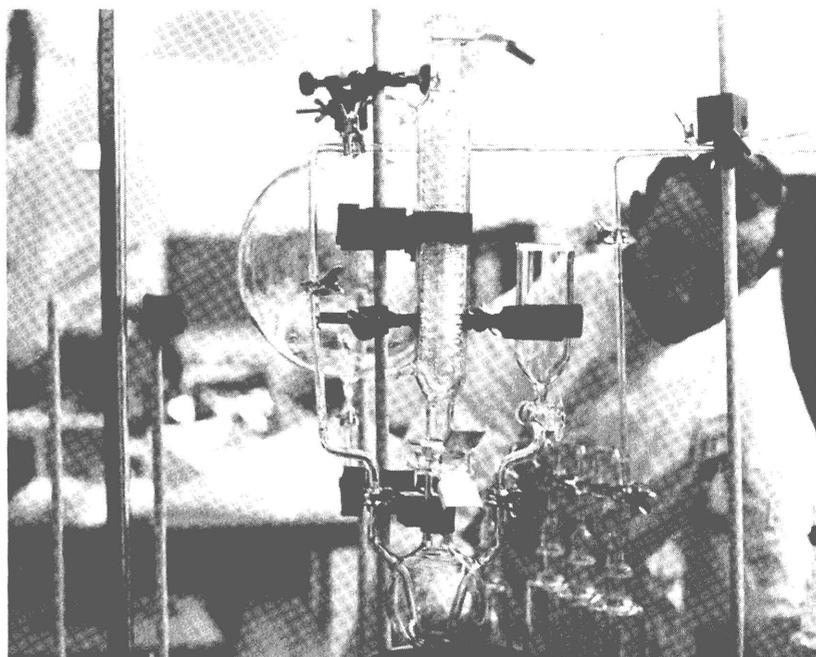
The Rome Treaty establishing the Common Market does not mention any unification of industrial property rights affecting patents, trade marks, and copyright, but some such regulation is inherent in the conception of an integrated market. In a number of important cases, the Court of Justice of the European Community in Luxembourg has made it plain that, while rights in industrial property are permissible, they must not fragment the market or compartmentalize it into national sectors.

As the Court stated in the Parke-Davis Case, "With respect to patent law more particularly, the Treaty does not say that in the event of conflict between patent law and the Treaty rules of competition, patent law prevails. . . . The principle is that the nature and function of Community competition law do not permit rights flowing from national patent legislation to be exercised abusively so as to render the Community cartel law ineffective."

EC PATENT TO "PLUG GAP" IN COMMON MARKET TREATY

An additional and supplementary convention, the Common Market Patent Convention, will cover only the nine EC countries. It is this Community patent which is necessary to plug the gap in the Rome Treaty.

The European Patent Organization, created when the European Convention is signed, will consist of two organs, the Administrative Council and the European Patent Office. The Administrative Council, which will meet at least once a year, will be composed of the representatives of all the participating countries, each country having one vote. Voting will be by simple majority, except on matters of special importance, when a three-quarter majority will be required. For financial questions, voting will be proportional to the contribution level of each country. The Administrative Council will deal with all policy matters and will control the budget.



Inventor, Karlsruhe, Germany.

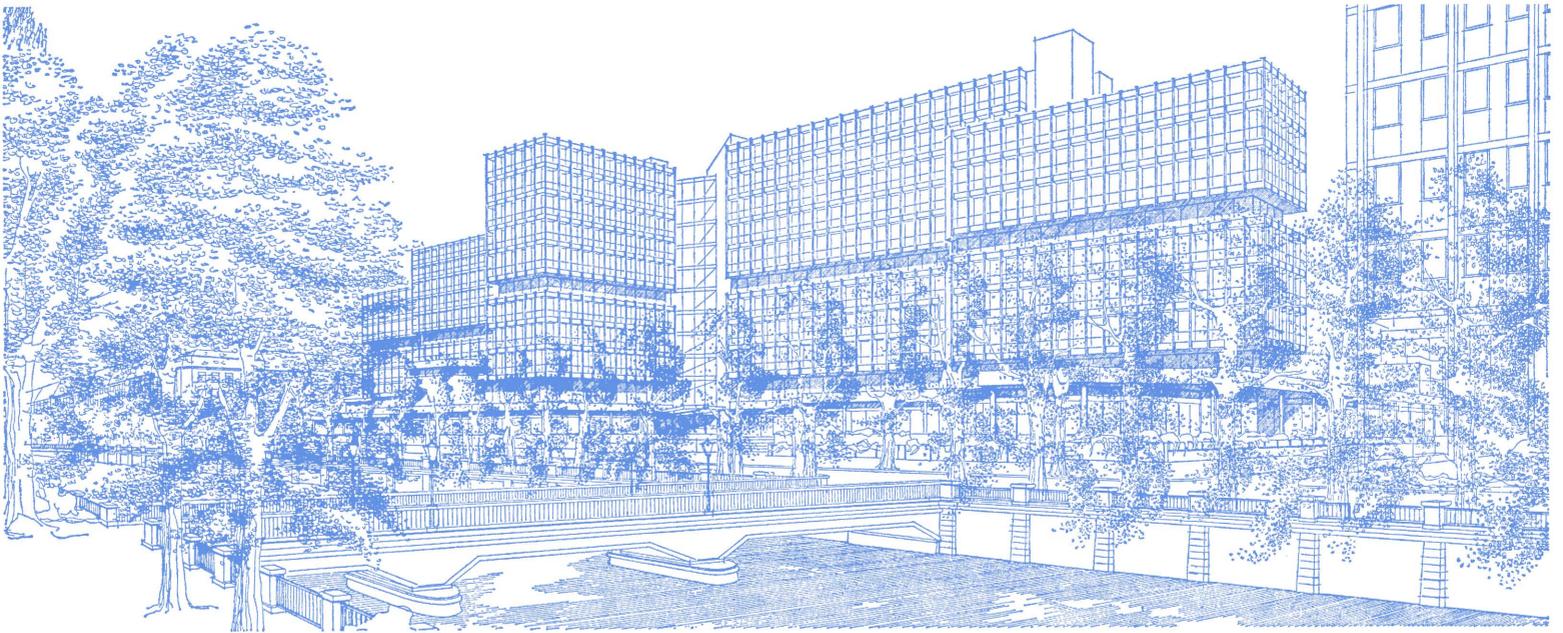
The European Patent Office will consist of the President, under whom are four directorates to deal with searches, examinations, and administrative and judicial matters.

Questions concerning the Community patent are dealt with in the European Patent Office in a special section. This section is also under the President, but in this case he is subject to the control not of the full Administrative Council, but a select committee of its members consisting only of Community countries.

SINGLE APPLICATION NEEDED

Under the terms of the European Convention, a single application may be made to the European Patent Office for a European patent. This application must be endorsed with the names of the European countries for which the patent is required. When granted, the European patent will take the form of a national patent in all the countries designated by the applicant except the Community countries. A Community patent rather than a national patent will be granted in the nine EC nations, even if only a single Community country is designated.

The application for a European patent may be sent to the national patent office when there is a question of security. Once the security issue is cleared, the application will be forwarded to the European Office. When received, the application will be checked for defects and then be made the subject of a search report on the "state of the art" to determine whether the invention claims something which is novel in regard to published information all over the world. This first stage will take place at the Searching



What the European Patent Office in Munich will look like.

Directorate of the European Office, located at The Hague. This Directorate will take over the existing staff and building of the International Patent Institute at The Hague, which will close when the European Office materializes.

A European patent application must be made in English, French, or German, and will be dealt with by officials who have the highest qualifications for dealing with applications in these languages. When the original application is made in a language other than any of these three, the application must be accompanied by a translation chosen by the applicant. Once one of the three official languages is chosen, it will be used throughout the proceedings.

The search will be carried out by a single expert, a customary patent practice. When the application with the search report reaches the main office in Munich, the application will be examined for patentability, novelty, and inventiveness, and will in the early stages be entrusted to a single examiner. The decision taken on the application, however, particularly whether to grant the patent or not, must be taken by an examining division, a collegiate body of three examiners. Experts in the branch of technology concerned, they will be representatives of the practice in all three languages to ensure that all applications are treated in exactly the same way. A legal expert will be included where any legal question arises.

The applicant has the right to appeal adverse decisions to a suitably qualified Board of Appeal. Each Board of Appeal will be a mixed tribunal of lawyers and patent experts which will be set up within the European Office to hear appeals from the Examining Sections. Should any important question of legal principle arise, the Board of Appeal may refer during its proceedings to the Enlarged Board of Appeal for a ruling on the matter. The Enlarged Board of Appeal is also within the Office, but outside experts may be invited to sit on it. This Board consists of seven members, five of whom must be lawyers.

A "belated opposition" procedure has been established for the revocation of patents where opposition is lodged by a third party within nine months of grant. In such case the question will be examined by an opposition division of three members, with appeal to a Board of Appeal and the Enlarged Board of Appeal.

COMMON MARKET CONVENTION

The original six EC members started work on the Common Market Convention in 1969 and were joined last year by Denmark,

Ireland, and the United Kingdom. The Common Market Convention will lay down the following provisions covering the Community patent after it is granted by the European Patent Office:

- The Community patent will be a single unitary patent which will temporarily coexist with national patents in Community countries.
- Revocation of the patent will be dealt with by a Revocation Division in the special department of the European Patent Office.
- Appeals from the Revocation Division will be to a Revocation Board within the Office.
- Appeals from the Revocation Board and questions of interpretation of the Convention will be dealt with by the Court of Justice of the European Communities in Luxembourg.

Patent agents and lawyers who have previously represented clients before the national patent offices will be entitled to exercise the same activity before the European Patent Office, provided that they have a place of business within the territory of the participating countries. This right may even extend to unqualified persons who have been permitted by a national office to appear before it.

An institute of persons entitled to act as professional representatives will be created at a time decided by the Administrative Council. New entrants will need to be a national of, and have a place of business in, one of the participating countries. They will have to pass a professional qualifying examination under the auspices of the institute. They will also be subject to professional discipline.

The European Patent will be available to all persons all over the world. By complementing the international Patent Cooperation Treaty, these Conventions will represent a big step forward in the world regulation of patents. Work will tend to be centralized in the European Patent Office in Europe. Some national patent offices will have a special role to play. The Swedish office will continue to act as a searching and examining office for patent applications of Scandinavian origin, while those offices dealing with the Italian, Portuguese, and Spanish languages may also have some special functions. Some national patent offices, especially those which deal with French, German and English applications, may be gradually phased out. Up to 40 per cent of the European applications received in the first 15 years may be examined in these offices to ease the effect on employment. Up to one-third of all applications received shall be sent to the Patent Office in London.

Recent Books

European Community periodically lists books dealing with Community and Atlantic topics. Prices are also given when known. This presentation does not indicate approval or recommendation of these publications which can be purchased or ordered from most booksellers.

Migration Policy in Europe: A Comparative Study. By Leo H. Klassen and Paul Drewe. Saxon House, D.C. Heath, Ltd., Westmead, Farnborough, Hants, England, jointly with Lexington Books, D.C. Heath & Co., Lexington, Massachusetts, 1973. 134 pages with tables and index.

A formulation of labor mobility theory and an examination of migration policies in France, Britain, the Netherlands, and Sweden.

In the first section of the book, the authors give a critical look at the concept of labor mobility and then present a theoretical framework for migration policy in relation to regional policy. In a systematic manner, they examine the factors involved in measuring mobility. They analyze different forms of geographical labor migration. The second section gives an overall view of inter-regional migration in France, Britain, the Netherlands, and Sweden, explains the elements involved in developing a migration policy, including public aid, and finally examines in some detail the migration policies of each of the four countries. The third section gives a cost-benefit analysis of migration and evaluates the migration policies of the four countries, in general and individually. A fourth and final section offers some recommendations on the integration, scope, and objectives of migration policies.

Through No Fault of Their Own: Systems for Handling Redundancies in Britain, France, and Germany. A PEP Report. By Santosh Mukherjee. MacDonald and Company (Publishers), Ltd., London, 1973. 284 pages with tables, bibliography, and index.

A study of the problem of workers in Britain, France, and Germany who become redundant through industrialization.

The book focuses on the question of who should be included in policy decisions on redundancy, comparing the past and present policies of the three countries. The author questions the wisdom of simply providing compensatory payments to workers instead of combining these payments with retraining opportunities. He concludes that a dynamic policy of redeployment would ensure that resources are effectively utilized. He points out that at present old people, those with the least mobility, suffer more than any other sector of the population from redundancy. He proposes that different redundancy procedures be instituted for different age groups. The book is part of a study of labor market operations, undertaken by the PEP (Political and Economic Planning) and financed by the Ford foundation and the Leverhulme Trust.

The Bases of International Order: Essays in Honour of C.A.W. Manning. Edited by Alan James. Oxford University Press, London, New York, Toronto, 1973. 218 pages with index.

A series of essays, in honor of Manning, Professor of International Relations at the London School of Economics, 1930-1962, focusing on one of his favorite themes, that of order, rather than disorder, in international relations.

Each of the authors of the eight essays were students and/or colleagues of Manning. Alan James, editor of the book and author of one of the essays, says in the introduction that Manning is not a proponent of any particular theory of international relations "other than that the understanding of what is going on 'out there' among states requires a sophisticated and disciplined intelligence." It is an understanding premised on the remarkable phenomenon that countries coexist functionally, adapting to complex and myriad changes, through the common acceptance of certain premises, and the common desire to avoid anarchy, yet without any international governing body. The essays are: "Order and Change in Inter-

national Society," by F.S. Northedge; "New States and International Order," by Peter Lyon; "Law and Order in International Society," by Alan James; "The Balance of Power and International Order," by Martin Wight; "War and International Order," by Hedley Ball; "Morality and International Order," by Geoffrey Stern; "International Institutions and International Order," by Geoffrey Goodwin; "Charles Manning, the Concept of 'Order,' and Contemporary International Theory," by Michael Banks.

The Warsaw Pact: Case Studies in Communist Conflict Resolution. By Robin Alison Remington. The MIT Press, Cambridge, Massachusetts, and London, 1971 (hardback) 1973 (paperback). 268 pages with tables, charts, documents, bibliography, subject and name indices.

An analysis of the 1955 Warsaw Treaty and the extent to which it is able to resolve conflict between the member countries.

Remington sets out to analyze "the impact of internecine strife on European Communist coalition politics using data relevant to the workings of a Communist regional defense alliance—the Warsaw Pact." In assessing this situation, the author focuses on conflict between the USSR and Rumania, Czechoslovakia, and East Germany. She examines the changing concepts in the use of the Pact and the occasional attempts by some bloc states to give their own interpretation to the Pact. She describes the ways in which the domestic developments within a country affect its foreign policy and how some of the East European states seek to benefit from the Sino-Soviet strain. In conclusion, the author seeks to establish a basis for comparing the way parallel Western alliances resolve their internal conflicts.

The Common Agricultural Policy and Britain. Edited by S.J. Rogers and B.H. Davey. Saxon House, D.C. Heath Ltd., Westmead, Farnborough, Hants, England, jointly with Lexington Books, D.C. Heath

& Co., Lexington, Massachusetts, 1973. 158 pages with tables, references, and appendices.

A symposium of papers presented at a July 1972 conference on "Agriculture: Britain and the EEC," organized by the Agricultural Adjustment Unit at the University of Newcastle-upon-Tyne.

The papers review the various factors bearing on agriculture in the context of an enlarged European Economic Community and the challenge faced by British agriculture in adapting to the new policies. These factors include the major changes in methods of supporting farm prices and expected modifications of the marketing channels between farmer and consumer. Also discussed is the impact that British entry into the Community will have on the pattern of food consumption, on the volume and structure of domestic agricultural production, and on British trade patterns in agricultural products. The implications of agricultural changes on the rural economy at large are discussed as well.

Austria, 1918-1972. By Elisabeth Barker. University of Miami Press, Coral Gables, Florida, 1973. 306 pages with maps, illustrations, plates, notes, bibliography, and index. \$12.50

An up-to-date account of Austria's political and economic evolution after the fall of the Hapsburg Empire.

The author, a former correspondent for the British Broadcasting Company and Reuters, shows the interplay of the internal and external forces which have determined the course of Austria's history since 1918 and which have contributed to its "failures and brilliant successes." She examines Austria's relationships with other nations, especially Germany, and the factors contributing to the development of Austria's national character as well as its political and economic growth. The author concludes with an examination of Austria's emergence into the modern world and a look at its future.

Publications Available

Publications listed may be obtained from the European Community Information Service, Suite 707, 2100 M Street, NW, Washington DC 20037. Persons in the New York area can order copies from the New York office, 277 Park Avenue, New York City 10017.

PROGRESS REPORT 1958-1972. Information Memo P-3/73, Commission of the European Communities, Brussels, May 1973, 84 pages free

Detailed chronology of the proposals, memoranda, regulations, and other actions of the Communities' institutions from 1958 to 1972. Organized by subject, the report covers customs, external relations, economic and financial affairs, industry, science and technology, environment, competition, social affairs, transport, taxation, harmonization of legislation, regional policy, and energy.

THE EUROPEAN COMMUNITIES' OWN RESOURCES AND THE BUDGETARY POWERS OF THE EUROPEAN PARLIAMENT. European Parliament, Luxembourg, October 1972, 287 pages . . . \$2.40
Selected documents of the Commission, the Council, and the Parliament relating to the amendment of the financing provisions of the ECSC, EEC, and Euratom Treaties. Contains summaries of the debates in the national parliaments on the 1970 Financing Treaty.

NECESSARY PROGRESS IN COMMUNITY ENERGY POLICY. Bulletin of the European Communities, Supplement No. 11/72, Commission of the European Communities, Brussels, October 13, 1973, 27 pages \$.20

Communication from the Commission to the Council outlining the Community's energy problems and recommending policy orientations.

AVANT-PROJET DE CONVENTION RELATIF A UN DROIT EUROPEEN DES MARQUES. Commission of the European Communities, Brussels, 1973, 187 pages \$4.20

French/German/Italian/Dutch text. Provisional draft for a convention on a European trademark law. The convention would establish a body of European law, which would coexist with national law, and guarantee maximum security to holders of trademarks.

REPORT ON THE AGREEMENT NEGOTIATED BETWEEN THE COMMUNITY AND EFTA MEMBER AND ASSOCIATED STATES WHICH HAVE NOT APPLIED TO JOIN THE COMMUNITY. Working Document No. 322/72, European Parliament, Luxembourg, March 12, 1973, 25 pages \$.50
Report by European Parliament Member Christian de la Malène for the Parliament's Committee on External Economic Relations.

FIRST FINANCIAL REPORT RELATING TO EAGGF—1971. Information Memo P-14/73, Commission of the European Communities, Brussels, 5 pages free
Summary of the 1971 expenditures of the European Agricultural Guidance and Guarantee Fund (EAGGF). Tables showing the contributions of and payments to the Member States under the Guidance and Guarantee sections from 1967 to 1970 are included.

REPORT ON THE CONVENTION ON JURISDICTION AND ENFORCEMENT OF JUDGMENTS IN CIVIL AND COMMERCIAL MATTERS. Bulletin of the European Communities, Supplement No. 12/73, Commission of the European Communities, Brussels, November 1972, 113 pages \$.60
Commentary on the text of the Convention, which entered into force on February 1, 1973, prepared by experts from Member States' Governments.

REPORT ON THE LEGAL ASPECTS OF THE EUROPEAN COMMUNITIES' PARTICIPATION IN THE WORK OF THE VARIOUS UN ORGANIZATIONS. Working Document No. 57/73, European Parliament, Luxembourg, May 28, 1973, 22 pages \$.50
Report by European Parliament Member Renzo Ballardini for the Parliament's Legal Affairs Committee.

REPORT ON THE AGREEMENT BETWEEN THE EUROPEAN ECONOMIC COMMUNITY AND THE ARAB REPUBLIC OF EGYPT. Working Documents No. 5/73, European Parliament, Luxembourg, March 28, 1973, 17 pages . . . \$.25
Report by European Parliament Member Maurice Dewulf for the Parliament's Committee on Development and Cooperation.

QUESTIONS AND ANSWERS ABOUT THE EUROPEAN COMMUNITY. European Community Information Service, Washington, D.C., 1973, Second edition, 74 pages . . . free
Brochure, in a question and answer format, covering the history and organization of the Communities, political union, economic and monetary union, Community policies, external relations, and trade liberalization. Includes a short bibliography, glossary, and index.

PROPOSAL FOR A FIFTH DIRECTIVE ON THE STRUCTURE OF SOCIETES ANONYMES. Bulletin of the European Communities, Supplement No. 10/72, Commission of the European Communities, Brussels, September 27, 1972, 68 pages . . \$.60
Proposed directive requiring certain types of corporations to have, besides the general meetings of shareholders, an organ responsible for managing and representing the company and a supervisory organ to control the management organ.

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