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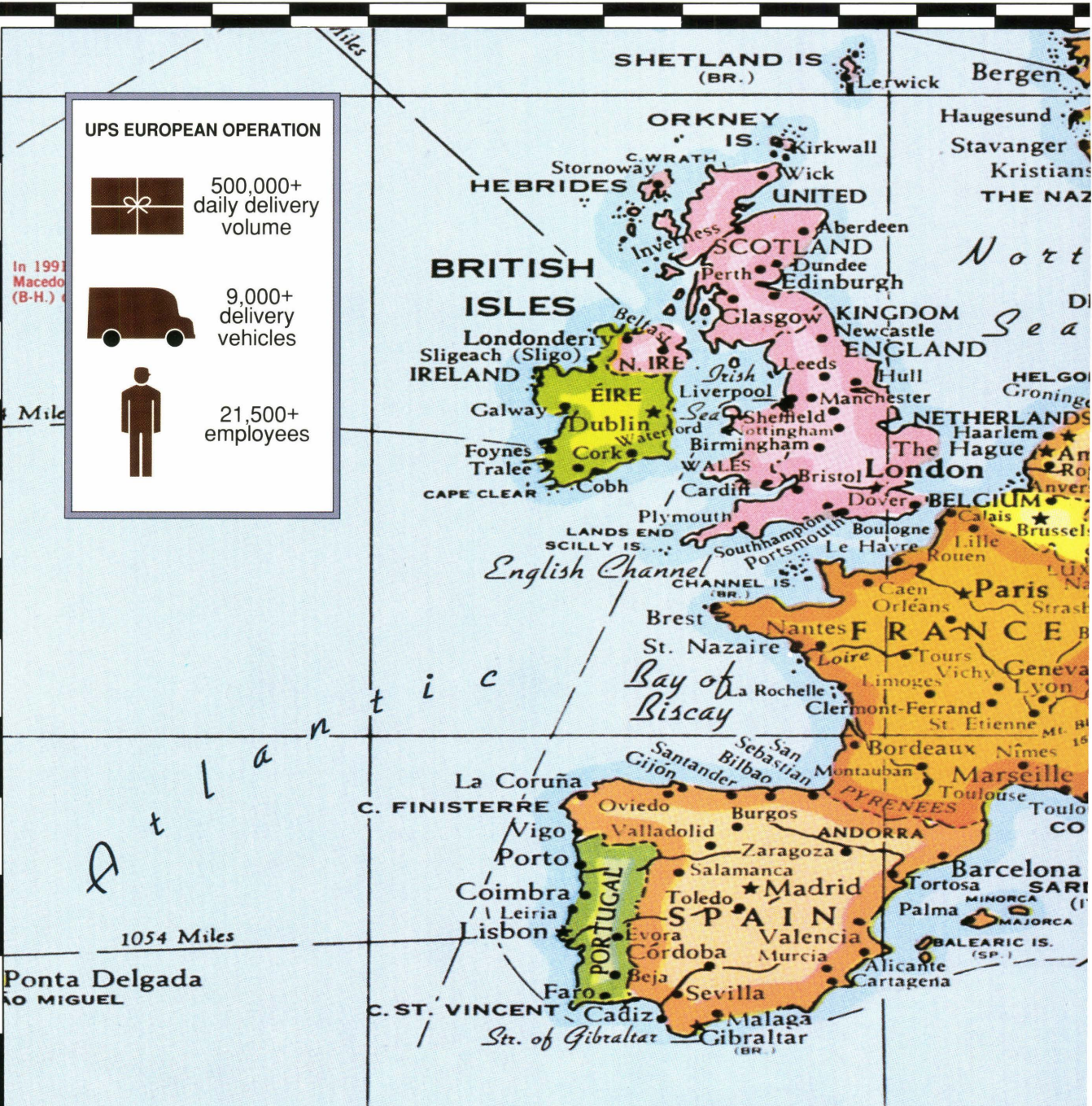
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# EUROPE

MAGAZINE OF THE EUROPEAN COMMUNITY

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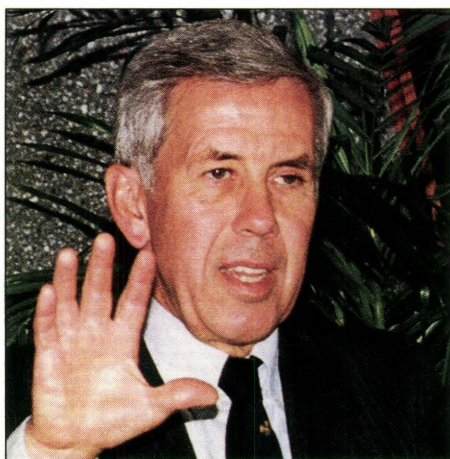
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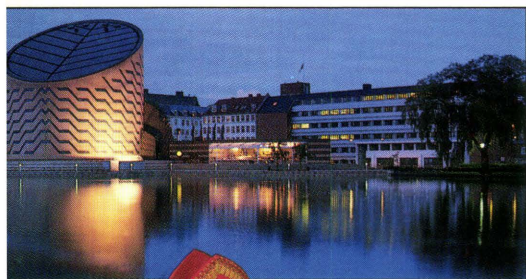
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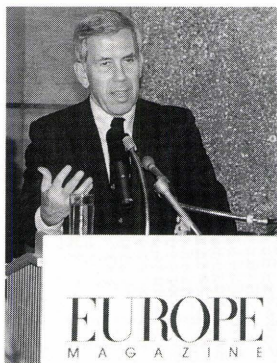
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# Letter From the Editor

While the new administration and the new Congress will primarily be working on domestic economic issues this year foreign policy topics will still be a major concern to President Clinton and the 103rd Congress.

Senator Richard Lugar, a leading expert on foreign policy issues and a former chairman of the Foreign Relations Committee, speaks out on the major issues facing Congress this year with regard to Europe. The senior senator from Indiana, the keynote speaker at the *EUROPE* Magazine foreign policy luncheon last month, talks about the need for a successful GATT agreement, the continuing justification for American troops to remain in Europe, the problems with destroying nuclear weapons in the former Soviet Union, the continuing war in Bosnia, the E.C. single market, and overall E.C.-American relations.



**Sen. Richard Lugar addressing members of the international press at the *EUROPE* luncheon held recently in Washington, D.C.**

Amy Kaslow, who covers national and international economic and political issues for *The Christian Science Monitor*, outlines the foreign policy agenda of the new Congress and the key topics with regard to Europe.

Reginald Dale, financial and economics editor of the *International Herald Tribune*, looks at politics in Europe. He comments on the political systems of each of the 12 E.C. countries and compares politics in Europe to politics in the United States.

Denmark takes over the rotating E.C. presidency in January. Leif Beck Fallesen, economic director of the *Borsen* newspaper in Copenhagen and a long time *EUROPE* contributing editor, explores the role of Denmark during its six month presidency of the European Community. Denmark's leaders are discussing ways to resolve last summer's No vote on the Maastricht Treaty. Fallesen looks at how Denmark will focus on the single market during its presidency and the future of Denmark and the European Community.

Austria is looking forward to becoming a member of the E.C., hopefully in 1995. In an exclusive interview, the Chancellor of Austria, Franz Vranitzky, explains why his country is anxious to join the European Community. He also speaks out on the major problems facing Europe today, including the difficulties of building market economies in the former Soviet republics and in Eastern Europe.

I look forward to your comments on our special year-end double issue. Our February issue will focus on the Single Market: its origins; its implementation; and its effect on business throughout the European Community. Our member country report will profile Ireland.

The staff of *EUROPE* wishes all of our readers a Happy New Year!

**Robert J. Guttman  
Editor-in-Chief**

# EUROPE

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*Reuters* has contributed to news reports in this issue of *EUROPE*.



# E U R O S C E N E E



Patrons of the venerable Hallá Orchestra of Manchester are used to having their concerts served to them in three neat digestible portions. American conductor **Kent Nagano**, the orchestra's new music director, dutifully dished up his inaugural concert in the approved manner but still managed to show that he does not intend to be enslaved by tradition. As one of the three pieces on the program he chose a work by the avant-garde German composer, **Stockhausen**, in which the solo bassoonist is dressed as a Teddy bear!

The bassoonist in question wrote a frantic letter to Stockhausen before the concert, asking him if it was really necessary to slip into a bear suit. Yes it was, came back the answer, because "the more Teddy bears there are in the world today, the better it is."

\*\*\*



Dig out your old love-beads, Nehru jackets and, if you dare, the bell-bottoms that made you look 40 around the hips even when you were 20. For spring/summer 1993 fashion designers in Milan are reviving the laid-back hippy look of the seventies, with some ethnic trimmings for the globally aware nineties.

The young designer duo **Dolce e Gabbana**, known as the mavericks of Italian fashion, have shed their signature corsets, boostiers, and stretch leggings, favorites of stars like **Julia Roberts** and **Kim Basinger**. Their new collection features tiered peasant skirts, smocks with fringed shawls, denim bell bottoms, floppy plumed hats, bangles, and ban-the-bomb rings: clothes that you might pick up at a flea-market for a fraction of the cost, but then they would not be designer wear, would they?

\*\*\*

**Michael Jackson** has launched an international charity called "Heal the World," which aims to give children a say in solving global problems such as education, starvation, physical abuse, and environmental concerns.

As the launchpad for his project, Jackson chose Romania, a country notorious for its overcrowded orphanages. He flew into Bucharest to open a new playground in one of the city's orphanages and stayed on to give one of his trademark concerts—a light and sound extravaganza that had hyperventilating fans being stretchered to the exits (perhaps overcome by the price of their ticket, which cost an average of 10 days' salary.)

The Romanian government was overjoyed at the pop star's visit. "This event is

worth ten years of diplomacy with the West," said a senate spokesman.

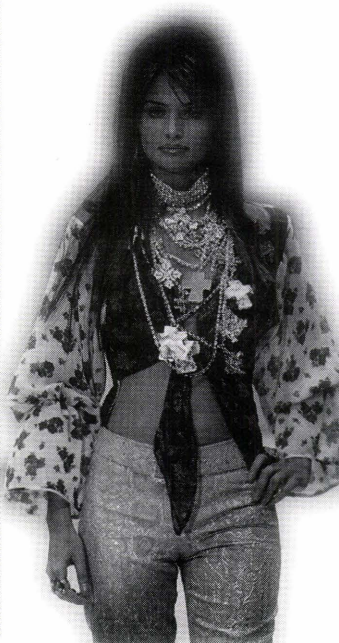
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There is nothing unusual about a French magazine celebrating its fifteenth anniversary with a special issue. But when that issue is only Number 12, is published in two volumes, entirely in black and white, with a picture of French tennis star **Yannick Noah** in the nude on its cover, and sells for \$40 to avid collectors who have waited two years since its last publication...then that magazine lives up to its title, *Egöiste*.

First published in 1977, *Egöiste* has remained almost exclusively the work of one woman—**Nicole Wisniak**, its creator, editor, advertising manager, designer, and infallible guiding spirit. Right from the beginning she insisted on having only the crème de la crème between the covers of her magazine. Stars interviewed by other stars: **Mick Jagger** by **Jodie Foster**, **Bob Wilson** by **Ionesco**, **Rudolf Nureyev** by French author **François Sagan**; photographers like **Helmut Newton** and **Alice Spring** and, for the last two issues, **Richard Avedon**, described by Wisniak as simply "The best. He's a genius."

No one knows yet when the next issue will appear, only that when it does, it will be as uniquely chic, as self-absorbed and absorbing, as dedicated to its own perfection as only a true egoist can be.

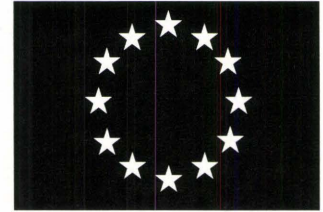
—Ester Laushway







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elations between the United States and Europe have been both strengthened and questioned in the aftermath of the cold war, as East-West barriers break down and global security transforms into economic and trade terms.

American political institutions are now grappling with a host of issues that will impact Europe directly—ranging from new competitiveness policies to marked cuts in U.S. defense spending.

Elected during a year of “America First!” campaigning, the new 103rd Congress—including its 110 freshmen and women members—will likely reflect the increasingly inward perspective of the public. Nineteen-ninety-two unveiled an electorate with muted concerns for international affairs, a strong distaste for foreign aid and an increasing interest in protecting U.S. markets and jobs. Does this raise the specter of isolationism?

C O N G R E S S

**INAUGURATING A NEW POLICY TOWARD EUROPE**

**By Amy Kaslow**

Many political analysts insist that American voters will hold their representatives to Washington—both the freshmen and the veterans—more accountable than in years past. If the Congress fails to deliver on policies that result in better domestic economic prospects, lawmakers risk jeopardizing support the next time they confront voters at the polls.

The 102nd Democratic Congress was badly battered by charges that its incessant conflict with the Republican Bush administration prevented it from effectively governing. But the 103rd Congress’ distancing from the past “do-nothing” years coupled with Clinton’s pledge to work closely with Capitol Hill has elevated expectations that far more will be accomplished in the year ahead. The following is a snapshot of some of the issues Congress will be dealing with this year that will affect Europe.



## Trade

Election-year focus on the U.S. merchandise trade deficit—spiralling toward \$100 billion—has spurred renewed concern that the U.S. is falling behind its international competition because of faulty government policies.

Concerned about the weakening market for U.S. exports in Europe, both Congress and the Clinton administration are expected to take a tougher stand on enforcing reciprocity and rapid punitive action against partners who they deem have abusive trade practices.

Capitol Hill trade mavens—including Montana Senator Max Baucus, who chairs the Senate Finance Trade Subcommittee, and Missouri Congressman Richard Gephardt, the House Majority Leader—have long called for better access to overseas markets and have blasted the Bush administration for what they felt was his compromising too much on U.S. interests. In the recent resolution to the oil-seed dispute, for example, Gephardt urged U.S. trade negotiators to take the U.S. position beyond what it eventually agreed to, which he called “the status quo.” Baucus faulted U.S. negotiators in the oilseed agreement for allowing France and other E.C. countries to subsidize extensive production that will continue to displace U.S. exports.

Within the posture of the new administration, those who lean more toward fair than free trade, or fall right in between, will certainly have their sway. Laura D’Andrea Tyson, a Clinton adviser on U.S. competitiveness believes that a GATT agreement will still fall short of covering many impediments to international trade. She has won both Clinton’s and Congress’ ear on a number of measures to redress what she sees as unfair trade practices.

The U.S., Tyson says, should become more like its major European and Asian competitors and nurture domestic producers. To help push U.S. production ahead and into foreign markets, she calls for more government investment in private industry, in both research and development and procurement.

## Assistance for the Ex-Soviet Republics

While Congress approved the U.S. contribution to the \$24 billion international aid package to Russia and voted for legislation for a \$12 billion increase in U.S. funding for the International Monetary Fund, little money has actually made its way to the ex-Soviet Union. The package is mired in international negotiations.

Activist senators are searching for ways to show bilateral support for Russia and other newly-independent states, and to defuse potential problems with their nuclear arsenals.

Indiana Senator Richard Lugar, a senior Republican foreign policy voice on Capitol Hill, has worked for the past year with Georgia Senator Sam Nunn,

**The U.S., Tyson says, should become more like its major European and Asian competitors and nurture domestic producers.**

chairman of the Armed Services Committee, to push a plan for nuclear disarmament in the former Soviet republics. Their plan is to pay \$5.5 billion over the next 20 years to Russia and other former Soviet republics for uranium removed from nuclear weapons. Lugar says the transaction will be possible only after Russia works out a revenue-sharing agreement with Ukraine, Kazakhstan, and Belarus. They believe both Congress and the new Clinton administration will provide substantial aid once Ukraine’s Parliament ratifies the START arms control treaty.

## Yugoslavia

As West Europeans look toward the U.S. for help, if not a leadership role, in the resolution of the Yugoslav crisis, America’s new powerbrokers seem to be more resolved than ever to see Europe assume more responsibility—financial, political, and military—for regional conflicts. But, as one top European Community official concedes, the E.C. does not have the capacity to take that challenge, as the

Community’s 12 members are only slowly developing a capacity to take on a foreign and security policy.

Clinton raised hopes among some Europeans with his oblique campaign-trail calls for U.S. intervention. It is highly uncertain whether Clinton would follow through on such a policy and whether he could galvanize Congress to support him.

## International Economic Policy

Maryland Senator Paul Sarbanes, chairman of the Congressional Joint Economic Committee, hopes to have more success with the new administration in pushing for changes in overseas economies that would help the United States. He and others are frustrated with the lack of U.S. leadership in pressing for a global stimulus at the Group of Seven’s 1992 Economic Summit in Bonn. U.S. lawmakers have repeatedly called for a more assertive U.S. approach in pushing Germany to lower interest rates; Japan to increase government spending and procurement of U.S. goods; and a host of other measures.

Although members of Congress fall drastically short of articulating an international economic policy, a constant refrain in their campaign rhetoric was the need for more global burden-sharing and the need for U.S. allies to shoulder a larger portion of common defense costs. While keenly aware of the need for U.S. muscle, they also point to the increasing importance of world financial institutions, such as the International Monetary Fund, the World Bank and regional development banks, and organizations such as the United Nations, in dealing with global crisis, such as disaster relief and the international response to regional conflicts.

As Americans and the new administration focus primarily on domestic economic concerns, GATT and other trade issues, the war in the former Yugoslavia, the deteriorating economy in Russia, and overall E.C.-U.S. relations will still be key issues facing the new 103rd Congress this year. ☹

*Amy Kaslow writes about international affairs for the Christian Science Monitor.*



# SENATOR RICHARD LUGAR

**Senator Richard Lugar, former chairman of the Senate Foreign Relations Committee and an expert on foreign policy issues in the Senate, speaks out on the key issues the 103rd Congress will face with regard to Europe when they convene in January.**

**Senator Lugar was the keynote speaker of the first *EUROPE* Magazine luncheon held last month in Washington, D.C. to discuss key foreign policy issues between the U.S. and the European Community. Following are excerpts from Senator Lugar's speech at the *EUROPE* magazine luncheon.**

**I**want to make some comments today about predictions of things to come, in terms of our relations with Europe. One predicament that I want to put before you is the discussion on American military forces in Europe. At a recent conference in Europe, one European after another suggested that the United States must remain with military forces in Europe, not only for the foreseeable future but for as long as we could see.

There was discussion clearly about the strength levels that would be required, and almost all speakers, Euro-

pean or American prophesied that the number of American troops would decline. Some suggested that the decline would come to 200,000 to 150,000, some even to 75,000, with some degree of speed. Europeans, however, at least privately, indicated that the number of troops was not of consequence but the certainty that the troops would stay was consequential.

As we probed why it was so essential, most European statesmen pointed out one after another that Europe has had peace for 50 years with NATO, that there has been very few other periods in Europe that have been characterized by peace in that way, that in a very sub-





stantial way the United States' forces have been a catalyst for good. They have been a source for unity, and Europeans found that very important.

Now that is a very tough case to make to the American people, to suggest that wealthy Europeans, mature states, would not be capable of taking care of the peace in Europe and maintaining stability without an American presence. Specifically, things have not gone well. The ethnic cleansing process has proceeded in Yugoslavia; there are threats of the war spreading.

There is the potential intervention not only of Bulgaria and Greece but Turkey, and other Moslem states. There has been the inability on the part of the Europeans—and I suppose, to be fair—Europeans plus the United States, plus the Security Council of the United Nations, to decide how to deal with it, whether there is sufficient political will, resources, or wisdom as to

what course to take. If one takes a look at that situation, you could extrapolate further into the republics of the former Soviet Union, and to recent thoughts by Boris Yeltsin that Russian troops will be required much longer than anticipated in the Baltic states for the protection of the 25 million ethnic Russians living outside of Russia in various other Republics.

Clearly, the problems abound and journalists at least in the post-election period in this country have been making a long list of the things that we ought to be mindful of and a number of them are in Europe. Some have suggested that even before Governor Clinton becomes President Clinton, things may have reached an impasse—if things don't go well in Russia or if things go even worse in Yugoslavia—in which the Clinton administration will face grievous difficulties right off the bat. And some have even suggested that although the campaign was won on the slogan "the economy, stupid," in fact President-elect Clinton will be faced right off the bat with the most essential problems, those in Europe or elsewhere, in terms of world strategy.

If one adds to these problems of life and death, the dilemmas that will be

caused by a failure of the European Community and the United States to come to agreement on agricultural subsidies generally under GATT, and then to proceed with other countries to wrap up the intellectual property and service issue and other issues outstanding. The whole pattern with regard to world trade could change markedly in the next few months at least the prospects for the United States would change markedly.

I and some others tried to make the comment throughout the political cam-

**President Clinton comes at a moment when the possibilities for American leadership are still in the ascendancy. It is an opportunity that he will either seize or blow.**

paigned that the essential issues were economic issues in the United States but that they were insolvable without a much strengthened world trading system. I know of no way to get three percent real growth in this country without having substantial changes in trade barriers and substantial new markets for American exports. Therefore, you can talk about the American economy until you are blue in the face and not make any headway without a strategy as to how new jobs and new income might be provided. One clear avenue is in the export expansion route, and standing markedly in the way of that is the GATT agreement, and then the NAFTA agreement, and then a whole host of agreements that I hope would follow in our own hemisphere with other countries. In short, that is the pathway toward jobs, and it is not a question of foreign policy on one hand and domestic economy on the other, but the fact is that the two have to be correlated to make headway either way.

The European questions are very critical in terms of the short run, and my hope would be that President-elect Clinton would, very early, affirm the fact that the position of his administration will be for a continuing certain

presence of the United States in Europe—not in the same form and in the same locations where our troops are now located, clearly in host consultations with our colleagues in NATO, but nevertheless certainly to make clear that we are a partner in that endeavor to stay. I am very hopeful that declaration will come soon and will come with certainty and clarity, and it is so important fundamentally.

Having said that, then we have to be a partner in NATO or with any other group of Europeans that must decide how to resolve the Yugoslavia question and to do so decisively and soon. I understand that it is a difficult dilemma, and furthermore, it is hard to make a case as to why we ought to be involved, but the facts of life are that without there being an American presence—or I would say American leadership—in this situation, a solution is

not going to occur, either with the Europeans or with the security council of the United Nations or any other forum. I don't make that statement for a moment demeaning the need for European leadership or the leadership of anybody in the world who really wants to come to the forum here. But it just seems that honest talk comes to the conclusion that the world wants United States leadership, and the thing does not work without United States leadership.

After November 3, it has become possible even for journalists to list on the front pages of their papers all the things that are going wrong with the world—long lists almost everyday, reminders of all the things that President-elect Clinton must think about and do.

I haven't seen such lists all year. I would just say that now it is timely that we see them because the world is still out there. Throughout our year of preoccupation with domestic economic issues things were not going well on the trade negotiation front, quite apart from the disasters in Yugoslavia or peacekeeping in Cambodia, or lack of any attention to Somalia. We have at least made some progress in the Middle East arguably, and that progress might continue. I would hope that President-





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elect Clinton as he comes into office would be bold with regard to a solution in Yugoslavia and would be very bold in terms of taking charge of the management of the former Soviet Union account.

Some would argue that "how presumptuous that the United States of America could offer leadership in these complex realms in which people have very diverse feelings, historically at each other's throats, and perhaps well beyond our resources or even the collected resources of those we could pull together." I understand that. But I would say that the thing that characterized President Bush's finest moment in Desert Storm was the fact that he literally called up on the telephone the leaders of every other country on the globe that might play a part. He personally enlisted 27 other countries to send troops to fight if necessary. He created what might be termed an "international united fund campaign" in which those who were not going to be involved physically in the fighting might pay their fair shares for the security of the world. And the Japanese contributed \$13 billion, the Germans \$9 billion, somewhere around the area of \$30 billion was contributed by the Saudis, the Kuwaitis, the Arab Emirates, and others that were immediately in harm's way. I am asked by constituents "the Japanese actually paid the \$13 billion?" And the answer is that they did every dollar of it recorded as a treasury receipt in our treasury. Ditto for the Germans and the other countries. Now some looking back on that would say; that it was audacious for the President of the United States to call the sovereign nations of Japan and Germany, to name two, and they are only prominent because of the large numbers involved here. But he did. He collected money, and he did so because they understood that world security depended upon that leadership in that construct.

I wish that President Bush had been in a similar position or of similar inclination with regard to a Yugoslavia proposition this year, but President-elect Clinton will be in that position. He is literally free of the election campaign and of the phobia that it is unfashionable and impossible to talk about foreign affairs. He must not only talk about it. He must lead quickly to bring together all the nations that are relevant with regards to resources, military

forces, and diplomatic persuasion. I have suggested, for example, that Yugoslavian President Milan Panic literally is prepared to take on Serbian President Slobodon Milosevic and is doing so, in Belgrade now. The facts are that opportunities exist for the world, if we wish to insist that democracy has a chance there, that people debate as much as they want to, at least in the upper house of Yugoslavia now. There are possibilities, given an opposition party and some degree of debate, for the world—if we are properly organized—to weigh in on this situation in a

**The European questions are  
very critical in terms of the  
short run.**

way that is not to denote bloodshed necessarily. But it calls for somebody to take the lead.

The basic question seems to me in our relationship with Europe is the way we resolve our own problems in the United States, of how we wish to be involved in the world. There are some Americans—and I do not agree with them, but let me state the case for the moment—who would say "We are tired of bearing the burdens of the entire world, and we are tired of being thought of as a policeman. As a matter of fact we have health, education, welfare, and infrastructure payments to make in the United States of America. Europeans are wealthy, ditto for Asian countries, fully prepared to pay for their own way and provide for their own defense. Therefore, it is not a question of whether we ought to have 75,000 troops or 150,000 in Europe. We shouldn't have any." That point of view says that we ought to get out as rapidly as possible, cash in our chips, and spend the money on the peace dividend. That is not a majority point of view in our country, but it is held by a substantial number of Americans.

My point of view is just the opposite

from that. I believe that because of the consequences of the end of the cold war, America is bound to lead; that we are in unique position not to dominate but to be the catalyst for change; to be a leader that tries to pull together other countries in the United Nations, other multinational arenas, and in NATO. And we have remarkable opportunities to lead. Furthermore, because of our tradition of fostering human rights, the building of democratic institutions, of market economic institutions, we ought to take that leadership role. We ought to do so with enthusiasm. And I would say our domestic prosperity, the very bread and butter that people argue about and ought to argue about everyday, depends upon our taking that leadership. We cannot really guarantee success in our own domestic economy without having taken leadership to bring about a secure world in which trade is *likely* to flourish, in which tourists are *likely* to come and go, and in exchanges with business people around the globe. Absent that, my prediction would be that the end of the cold war would not mean the end of very substantial defense spending or spending for our security. In short, if things don't go well in the republics of the former Soviet Union, if they don't go well to the point that authoritarian governments arise—they still have nuclear weapons in abundance, they still have at least substantial core cadres of armed forces—then our peace dividend is over. It is gone long before the debate came or before President-elect Clinton has thought about his domestic program.

President-elect Clinton comes at a moment when the possibilities for American leadership are still in the ascendancy. And it is an opportunity that he will either seize or he will blow, one way or the other, and historically, it will make a big difference which way it goes. As an American of the opposite political faith to Governor Clinton, I will cheer him on in every way that he wishes to seize the initiative and to take important international leadership from the beginning. It will not be an easy path for him or necessarily a popular path. But in due course I would predict it will be a winning path for this country and for him personally if he exercises that sort of bold leadership and comprehensive view of the way the world works and how it might work. ☐



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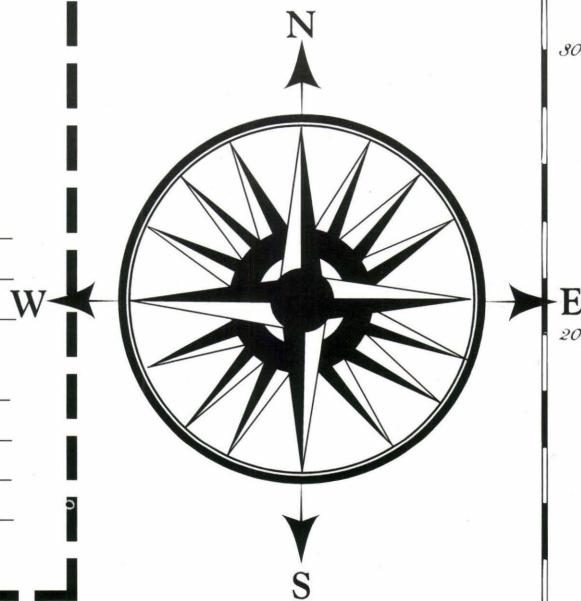
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**T**he Danish people have created an unusual challenge for their government. As Denmark takes over the rotating presidency of the European Community in January, its leaders will have to represent to the world the E.C. and its goals of a closer union, even though the Danes narrowly voted this summer against the Maastricht Treaty and its goals of closer political and economic union. A sticky challenge indeed.

Though few doubt that the Danes possess the diplomatic skills required to cope with such a delicate operation, it will hardly be possible to suppress completely the fact that the Danes are uncertain Europeans at the helm of the European Community. As a result, the role of the presidency will be limited, especially if bold E.C. initiatives are required on major political and economic issues, not to mention foreign

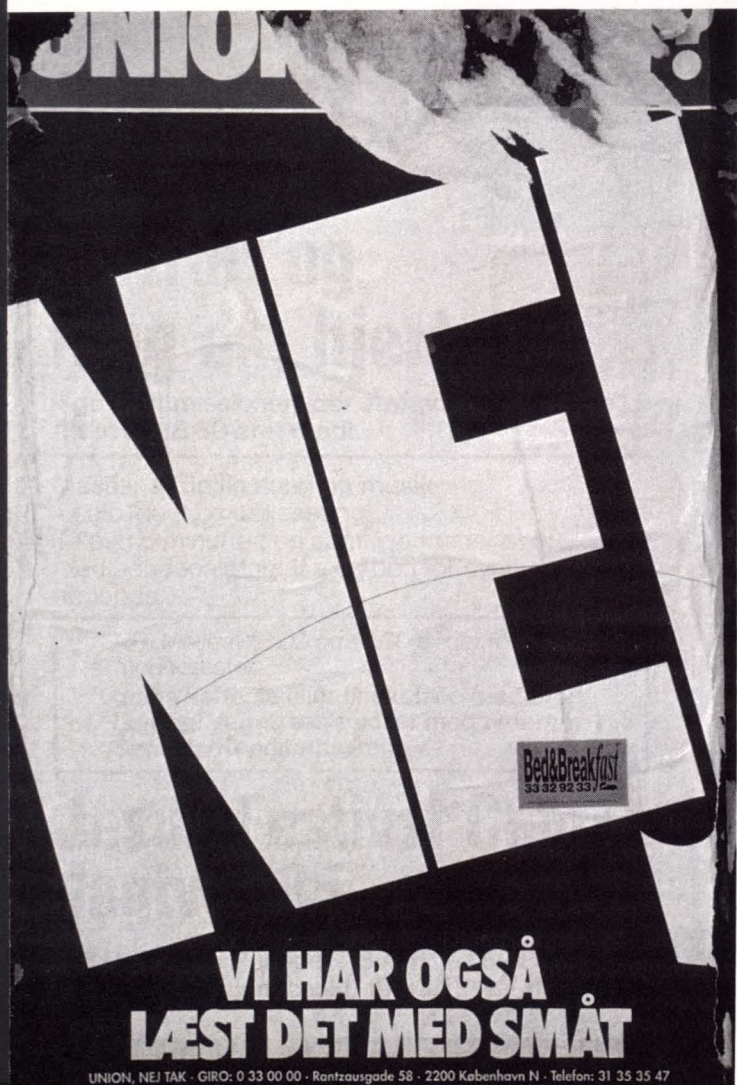
# UNCERTAIN EUROPEANS AT THE HELM

BY LEIF BECK FALLESEN

policy and defense.

One event, however, will receive the undivided attention of the Danish presidency—the single market. The formal launch of a market of more than 300 million consumers will allow the Danes to focus on something that commands wide support in domestic Danish politics. Maastricht aside, Denmark has been in the vanguard of countries that have led the way implementing the E.C.'s single market directives into their own legislation in preparation for 1993. Work remains to successfully implement the single market, and there is little doubt those tasks will be seized upon by a Danish presidency in dire need of any and all popular platforms.

Other priorities for the Danish presidency will be the environment and social issues (with a special eye on working conditions in European industry). An attempt will also be made to revitalize monetary cooperation, following the European Monetary System's troubles this fall. This may seem somewhat strange since the Danish government is unable to accept the common currency proposed in the third and final stage of Economic and Monetary Union, but Danes do not have a problem with joining the second stage or with proposing that exchange rates should be allowed to fluctuate less than envisaged at present. The other E.C. partners may choose to wait and see what happens in a second Danish vote on the Euro-





pean Community, before they make new wider-ranging commitments.

Probably in the spring, but certainly sometime in 1993, a new Danish referendum has to confirm the new status of Danish relations with the European Community. Danish voters narrowly rejected the Maastricht Treaty last June, but they will now have to ratify the Treaty, which will be accompanied by legal documents proving that the subject of the vote is different in substance from that of last June. In the meantime, the Danes will be excused from most Maastricht Treaty obligations but also unable to wield the influence conferred by the Treaty on the most crucial aspects of E.C. integration.

It is highly unlikely that the Danes will reject the new deal with the European Community. If that happens it will be tantamount to the Danes leaving the E.C., the first country, but not the first geographical entity, to do so. Greenland, a part of the Kingdom of Denmark with home rule, chose to leave some years ago.

Danish membership in the E.C. was not an issue in the campaign prior to the Maastricht referendum in Denmark. All parties in the Folketing (the Danish parliament), however, stress that they want Denmark to remain a member of the European Community. Seven of the eight parties will probably ask the Danish electorate to vote Yes to terms set out by the so-called historical, national compromise.

Even for a country used to weak minority governments, the genesis of that compromise was a strange phenomenon. Three parties outside the government, which together hold a majority in parliament, met and negotiated in detail the content of an E.C. policy that was presented to the government as a *fait accompli*. With only minor editorial changes, the government endorsed the document, rejecting the alternative—a general election. It is the first time that a Danish government has so blatantly had its policy dictated by the opposition, though there were lesser precedents in the eighties, when the government was forced to accept limitations on Danish NATO obligations.

The three parties that engineered the E.C. compromise were first and foremost the Socialist People's Party, which for a very long period was opposed to Danish E.C. membership and campaigned for a No to the Maastricht Treaty; second, Denmark's largest political party, the Social Democratic Party; and third, the small, radical Liberal Party, one time member of the government and for 10 years a supporter of government policy. Both these parties originally had campaigned for a Yes to Maastricht, but a majority of Social Democratic voters and a large number of radical liberal voters voted No.

The government defended its support for the compromise primarily by

is a rejection of any kind of defense commitment in the Maastricht Treaty, as implied by the reference to the West European Union in the Treaty. As a consequence, Denmark has become an even stronger supporter of NATO, and thus a continued U.S. military presence in Europe.

The third No is to a common currency, the bottom line of the third stage of Economic and Monetary Union. It is ironic that the Danish economy is currently among the few first tier E.C. economies that already qualify for economic and monetary union. (At present Denmark's economy is in better shape than even Germany's.) Also, the benefits of a common currency could be

reaped with no extra cost to Danes. Now, however, holding Danish kroners could become a long-term risk that may have to be compensated for by higher interest rates. The government, hitherto a strong supporter of this view, now stresses that Denmark had made its entry conditional upon a positive referendum in 1996.

The fourth No is to relinquishing sovereignty over the police and various elements of immigration and criminal laws. To prevent a negative impact on police efficiency in combating international crime in a European context, the Danes say that they are prepared to sign intergovernmental agreements of the same nature. The Socialist People's Party had initially hoped to

be able to include a fifth demand—that all new E.C. member states should be offered the same kind of non-committal membership that the Danes want. This was rejected not only by the other parties but also by the countries applying for membership.

Even Finland, with an entrenched tradition of neutrality, has explicitly said that it is looking for the full union membership, which also happens to be the only type that is on offer to newcomers. What seems certain is that the last has not been heard of the Danish problem, whatever the performance of the Danish presidency. **ⓔ**



**Danish Prime Minister Poul Schlüter faces an unusual diplomatic challenge when Denmark takes over the E.C. Presidency**

the lack of an alternative and by stressing that the major, left-wing opposition party (the Socialist People's Party) is now firmly in favor of E.C. membership. The government also indicated the door is open for a broader, and perhaps full, E.C. union membership at a later date. A statement that was predictably contradicted by the Socialist People's Party.

Whatever the arguments, it is now a political fact that the Danes are defining a position at the very rear of European integration and one that contains four significant "No's."

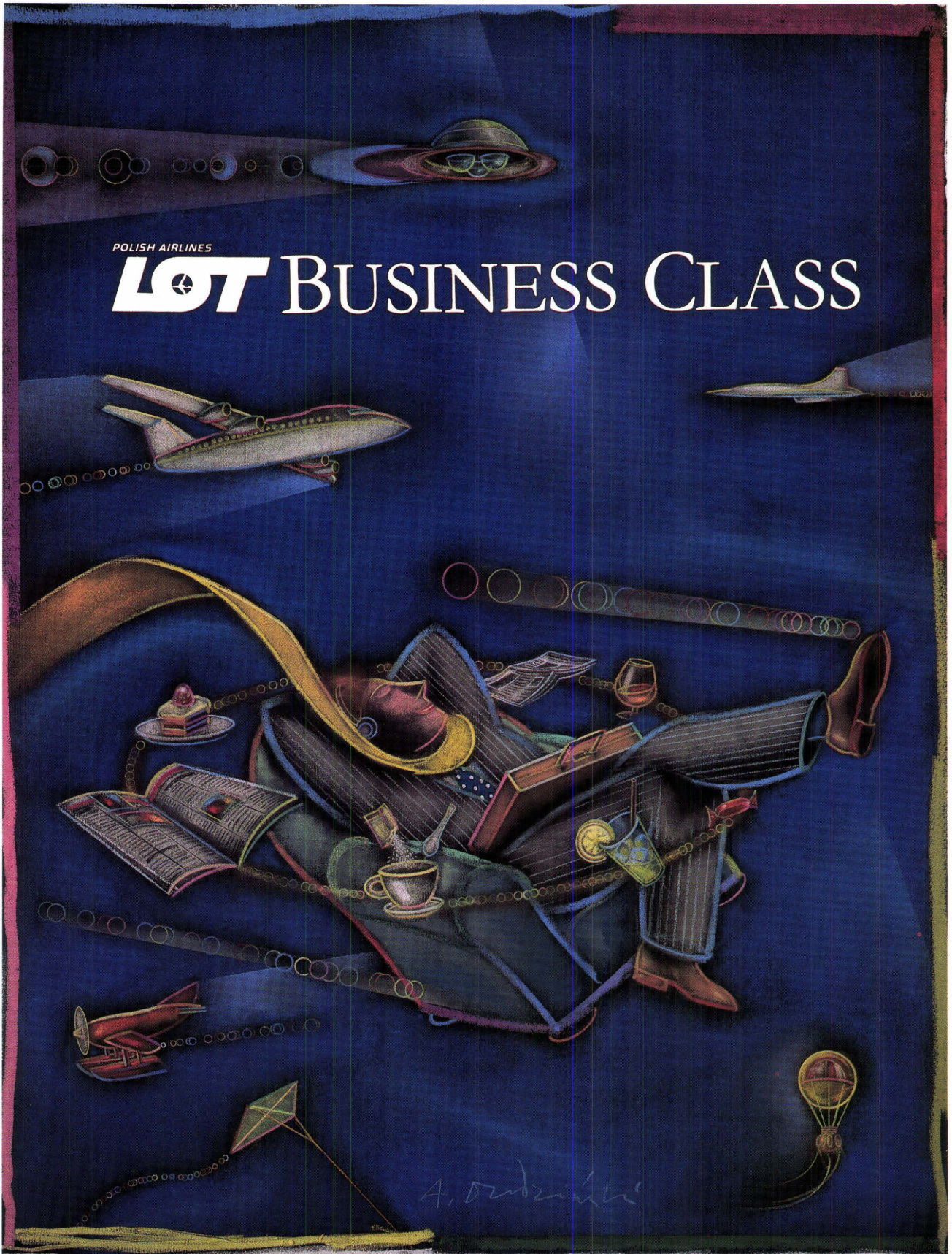
A No to union citizenship. E.C. citizens do however already have in Denmark some of the rights conferred by union membership, including the right to vote in local elections and the right to be voted into office. The second No

*Leif Beck Fallesen is EUROPE's contributing correspondent in Copenhagen and the economic director of the daily Borsen newspaper in Copenhagen.*



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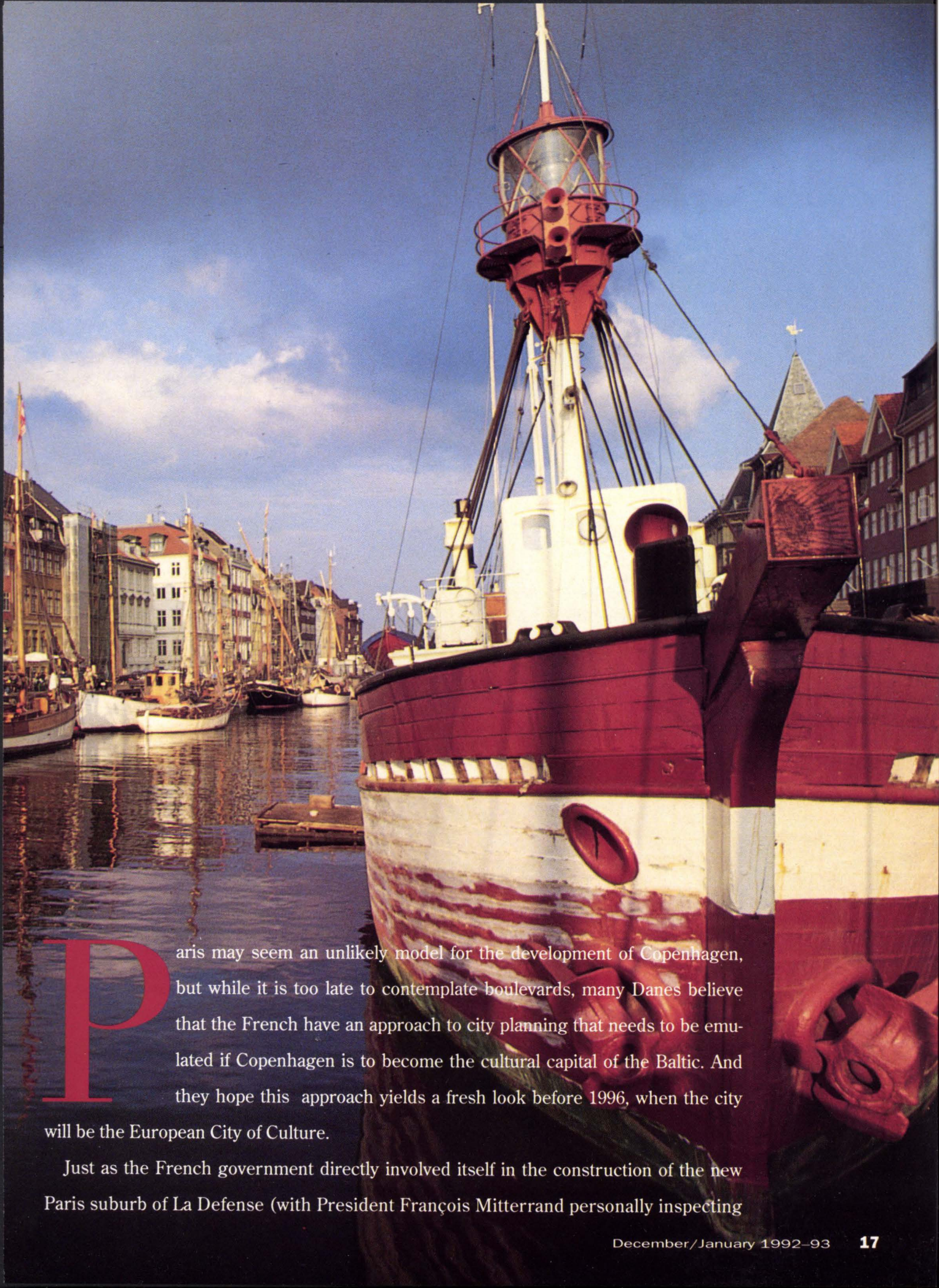




# Copenhagen

**Cultural  
Gateway  
to the  
Baltic**





**P**aris may seem an unlikely model for the development of Copenhagen, but while it is too late to contemplate boulevards, many Danes believe that the French have an approach to city planning that needs to be emulated if Copenhagen is to become the cultural capital of the Baltic. And they hope this approach yields a fresh look before 1996, when the city will be the European City of Culture.

Just as the French government directly involved itself in the construction of the new Paris suburb of La Defense (with President François Mitterrand personally inspecting



the alignment of the setpiece cubic arch), so too has the Danish government involved itself in the urban renewal of Copenhagen.

Copenhagen is already a beautiful city. But now the Danish government and the city's mayor, Jens Kramer Mikkelsen, want to make new things happen in Copenhagen, and if possible to allow some of the world famous Danish architects to do something for the home market. Joern Utzon, who was responsible for the Sydney Opera House, has already designed a major hotel and congress center in the heart of the old free port of Copenhagen, quite close to the Copenhagen hallmark, the Little Mermaid.

Just opposite the site, the Royal Danish Navy has moved out, leaving behind 400 years of history, some landmarks to be preserved, and an area with unique opportunities. Surrounded by water and canals that compare favorably with Amsterdam (except length). The port also has a number of old warehouses that have been converted into condominiums and hotels, with the Copenhagen Admiral Hotel as perhaps the most striking example.

Another famous Danish architect, Henning Larsen, has demonstrated his ability at home with the new Copenhagen Business School, but may soon show his hand at other projects. In the Middle East he has constructed the Saudi Foreign Ministry, considered one

**The Danish government and Copenhagen Mayor Jens Kramer Mikkelsen want to make new projects happen in Copenhagen.**

of the most beautiful modern structures in that country.

The Danish government has already started an architectural competition to generate ideas for a new State Museum of Art. The same applies to an extension of the Royal Library, which is the Danish equivalent of the Library of Congress.

Plans are already in the works to build a completely new theater and opera house on the waterfront, a cultural center which could also provide new opportunities for the Royal Danish Ballet. With the relatively compact size of the Copenhagen City center, almost all the new structures would be within walking distance of one another.

The member of government most active in the effort to rejuvenate Copenhagen is the conservative Minister of Finance, Henning Dyremose. He believes that Copenhagen can and should compete with Berlin, Hamburg, and Stockholm. While it will be hard to upstage the Winter Palace of St. Petersburg in Russia, Copenhagen could strengthen its commercial hand by becoming a gateway to the Baltic, utilizing the geographical position of Copenhagen.

Copenhagen Airport is already a hub for service to the Baltic countries and parts of Eastern Europe, and it is a major transfer point for passengers on cruise ships that berth at Copenhagen en route to the Baltic. Construction is set to begin soon on a bridge connecting Copenhagen with Malmo, Sweden, enhancing the value of Copenhagen's airport and allowing Swedes easy access to the city.

Additionally, the City of Copenhagen and the Danish government hope to create a whole new city, called Oerestad—named after the Oeresund, the waterway that separates Denmark from Sweden. Public buildings are to be the architectural spine of that project, while private investors would fill in the rest with new commercial and industrial properties.

The problem with these grand designs is that the Danish economy is close to a recession, and the market is glutted with commercial and industrial properties, which—despite a significant drop in prices—cannot be sold. As a result, very little incentive exists at the moment for private investors to back up the public investment, whatever the intrinsic cultural value.


All, however, does not appear lost for at least a partial facelift for Copenhagen. Although the City of Copenhagen is lacking funds, there is no doubt that substantial government money will be channeled into projects that will enhance the cultural status of Copenhagen. ☺

—Leif Beck Fallesen

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# EUROPEAN

**A COUNTRY BY COUNTRY LOOK AT  
EUROPE'S GOVERNMENT SYSTEMS.**

**B Y R E G I N A L D D A L E**

**R**arely have voters on both sides of the Atlantic had more in common than they do today. As they watched the 1992 U.S. presidential election campaign unfold over the past year from across the water, most Europeans found it easy to identify with Americans' most common grievances. Complaints about the inability of politicians to solve the nation's problems, or restart a stalled economy, have a pretty familiar ring to many Europeans. Just as in America, a big and growing credibility gap has opened up between most European politicians and their electorates.

In Europe, the gap has been reinforced by economic stagnation with no apparent end in sight, exchange rate upheavals, continuing high levels of unemployment, and a growing feeling of powerlessness among ordinary people to influence their own futures. Politicians are seen as increasingly incapable of exerting leadership or facing up to the decisions that need to be taken—either in foreign or domestic affairs. And in the last few months, the often bitter debate over the European Community's Maastricht Treaty on European Union—favored by most politicians but treated with some suspicion by many voters—has illustrated the gap more dramatically than ever.

# POLITICS



Unlike Americans, however, Europeans do not get one big chance every four years to overturn the system on a continent-wide basis. Despite nearly 40 years of efforts to unite Western Europe economically and politically, politics is still almost entirely fragmented into self-contained national units. National elections still take place according to each country's differing systems and schedules, and the issues on which they are fought are still almost entirely domestic.

True, major efforts have been made to create Europe-wide elections for the Strasbourg-based European Parliament, which is now elected within the space of four days in all 12 E.C. member countries once every five years. The next such "European election" is due in June, 1994.

But even in these elections each country still uses its own separate voting system. And, although the results are all announced simultaneously to create a pan-European effect, the issues are hardly ever "European"—and most

countries are only interested in their own results.

In any case, although the European Parliament's powers have increased incrementally over the years, it will be many years if ever before it acquires anything approaching the powers of the U.S. Congress.

When the E.C. was founded in a burst of postwar idealism in the 1950s, many of its more visionary supporters hoped its institutions would develop on something like American lines.

The E.C. Commission would become the executive branch with, ultimately, its President directly elected by all European citizens and installed in a European version of the White House. The Council of Ministers, where the national governments are represented, would evolve into something like the U.S. Senate and the European Parliament into the House of Representatives. The European Court of Justice in Luxembourg would become like the Supreme Court.

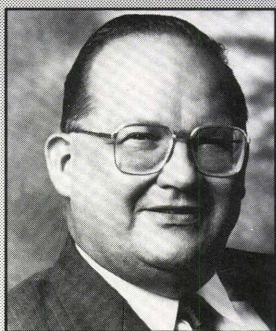
Despite the troubles now engulfing

the idea of closer political union, as called for in the Maastricht Treaty, Europe's most ardent federalists have not given up that dream.

But the trend of the E.C.'s development so far has been more in the opposite direction. Although the Parliament has gained some authority, power has tended to accrue to the Council of Ministers and the national governments. And with 12 countries all voting according to different timetables, little time goes by without one or another government having to face its electors. Thus, of the major countries, France and Spain are due to hold national Parliamentary elections in 1993. Italy and the U.K. voted in 1992, and Germany two years ago.

That means, in practice, that European decision-making may be influenced or slowed by the need not to embarrass this or that member government. And once new European governments are elected, unlike the United States, there is often no guarantee that they will last for very long.

**BELGIUM**



Prime Minister Jean-Luc Dehaene

Monarchy (King Baudouin)

Two houses, Senate and Chamber of Deputies

Center-left Coalition

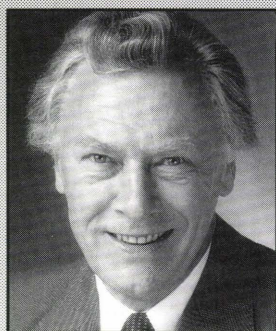
Prime Minister Jean-Luc Dehaene

Last election November 1991

Next election by November 1995 at latest

Proportional representation

**DENMARK**



Prime Minister Poul Schlüter

Monarchy (Queen Margrethe)

One house, Folketing

Minority Conservative-led coalition

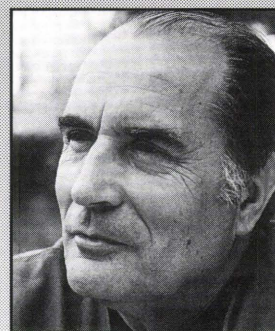
Prime Minister Poul Schlüter

Last election December 1990

Next election by December 1994 at latest

Proportional representation

**FRANCE**



President François Mitterrand

Republic (President François Mitterrand)

Two houses, National Assembly and Senate

Minority Socialist government

Prime Minister Pierre Berégovoy

Last Parliamentary election June 1988

Last Presidential election April/May 1988

Next Parliamentary election March 1993

Next Presidential election spring 1995

Single-member constituencies direct election



Italy, for example, has had 51 different governments since World War II. And countries like the Netherlands and Belgium, where coalitions have to be painstakingly constructed after each election, can go for months without a proper government at all.

Barring death or impeachment, a U.S. President can usually count on at least four years in the White House. But under the European parliamentary system, governments can be voted out from one moment to the next, usually necessitating new elections. Equally, while there are limits to the time a government can stay in office without calling an election, usually four or five years, a government can call an early election if and when it wants—i.e. whenever it judges the moment most politically advantageous.

If he had been a European prime minister, for instance, President Bush could have called a “snap election” immediately after the Gulf War and gotten himself overwhelmingly elected to another term in office. There are no term limits on European prime ministers.

And, largely because the date of the

election is often unknown until it is quite close at hand, a European election campaign need last only a fraction of the time taken in the United States. In the U.K., for example, a government has to give only 17 working days’ notice, as Prime Minister John Major did last spring.

But not all European systems are the same.

To start with, six of the Twelve are constitutional monarchies (the Monarch usually has little role in the political process other than to ask officially the winners of elections to form governments, automatically sign legislation, and accept government resignations).

One country, France, has something close to a U.S. presidential system, where the president is the head of state as well as head of government. Five other E.C. countries have presidents who are only heads of state with limited powers. That makes the prime minister, as head of government, the real leader in every member country except France.

Some countries, like the U.K. and France, have parliamentary constituen-

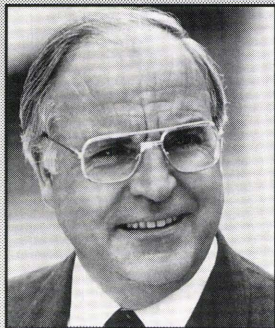
cies, like the U.S. House of Representatives, in which a member of parliament is directly elected by majority vote on a “first past the post” basis.

But France has often used the predominant European system—proportional representation—and, unlike the United Kingdom, has two rounds of voting. Thus, in both presidential and parliamentary elections in France, the second round usually becomes a run-off between the two candidates who won the most votes in the first round.

Most E.C. countries use varying systems of proportional representation designed to ensure that the political composition of the electorate is fairly represented in parliament.

Suppose for example that the U.S. Senate was elected by pure proportional representation by 100 million electors. Each of the 100 seats would represent one million votes. Thus, if the Democrats and the Republicans each got 30 million votes they would get 30 seats each and the remaining 40 would be divided in the same way among other parties that fought the election. With even small parties getting a

## GERMANY



Chancellor Helmut Kohl

Republic (President Richard von Weizsacker)

Two houses, Senate (Bundesrat) and lower house (Bundestag)

Center-right coalition, Christian Democrats and Free Democrats

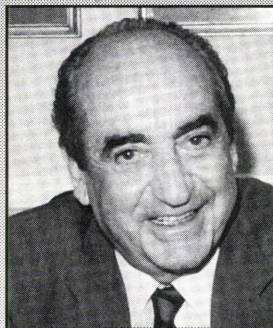
Chancellor Helmut Kohl

Last Parliamentary election December 1990

Next election by December 1994 at latest

Mixed proportional representation and direct election

## GREECE



Prime Minister Constantine Mitsotakis

Republic (President Constantine Karamanlis)

One house, Parliament

Conservative government

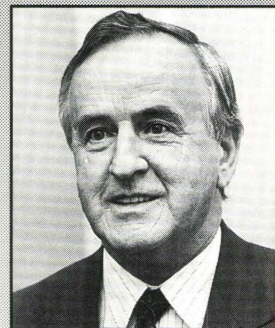
Prime Minister Constantine Mitsotakis

Last Parliamentary election April 1990

Next election by April 1994 at latest

Direct election

## IRELAND



Taoiseach Albert Reynolds

Republic (President Mary Robinson)

Two houses, Senate and House of Representatives (Dail)

Center-right coalition

Taoiseach (Prime Minister) Albert Reynolds

Last election June 1989

At press time elections were being called in order to form a new government.

Proportional representation, single transferable vote



chance of a seat, many more parties would be likely to offer candidates.

In the most extreme form of proportional representation, in the Netherlands, the country is treated as one single constituency, so that anyone who can amass 1/150th of the national vote gets a seat in the 150-member Second Chamber, the principal legislative body. That can lead to a proliferation of parties represented in Parliament, which can make the formation of a governmental majority much more difficult. There are eight parties, for instance, represented in the Danish Folketing, nine parties in the Dutch Second Chamber, 13 in the Spanish Congress of Deputies, and 13 in the Belgian Parliament (although that also reflects the division of the main parties into separate French-speaking and Dutch-speaking wings).

Some countries try to limit the number of parties represented in parliament. Germany, for example, insists that a party must get at least five percent of the vote to qualify (a provision that has effectively created a three-

party system), and Spain has a three percent threshold. Ireland has a complicated system of transferable votes, allowing voters to list candidates in order of preference, which many experts believe most accurately reflects the electorate's wishes.

But the overall consequence of proportional representation is that it usually ensures that the winning party will not gain an overall majority and must form a coalition government. As a result extremes are moderated in the process of government building. The traditional British two-party (now two-and-a-bit-party) system, however, leads to a much sharper adversarial clash between right and left.

Advocates of proportional representation point out that under the British system, for instance, a party can win an election and form a government without securing a majority of the votes cast. But if coalitions may be considered more representative, they are also often less stable.

Sometimes, as now in France and Denmark, a government will operate as

a minority, challenging the opposition to vote it out and provoke new elections. In fact, in both those cases, minority governments have proved remarkably stable. But minority governments can only survive with at least the tacit support of other non-governing parties.

And even if the details of their political systems vary widely, European parliamentary democracies have important points in common that are fundamentally different from the United States.

In the United States, the role of the President is constitutionally separated from that of Congress, and the President usually operates in a kind of creative tension with the legislature, if not in actual opposition to it.

In the European parliamentary system, the prime minister is a member of parliament and directly accountable to it. Thus, in the British Parliament, the prime minister must twice a week submit to direct and often hostile questioning in Parliament, in a way that is never required of the President of the United States.

**ITALY**



Prime Minister Giuliano Amato

Republic (President Oscar Luigi Scalfaro)

Two houses, Senate and Chamber of Deputies

Center-left coalition, Christian Democrats, etc.

Prime Minister Giuliano Amato

Last election April 1992

Next election by April 1997 at the latest

Proportional representation

**LUXEMBOURG**



Prime Minister Jacques Santer

Monarchy (Grand Duke Jean)

One house, Chamber of Deputies

Center-left coalition

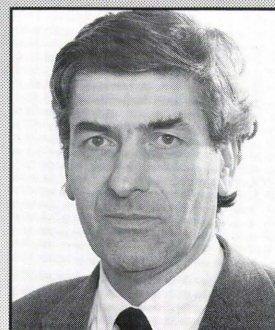
Prime Minister Jacques Santer

Last election June 1989

Next election by June 1994 at latest

Proportional representation

**NETHERLANDS**



Prime Minister Ruud Lubbers

Monarchy (Queen Beatrix)

Two houses in States General, First and Second Chambers

Center-left coalition

Prime Minister Ruud Lubbers

Last election September 1989

Next election by September 1993 at latest

Proportional representation



The nearest American equivalent is the presidential press conference—one reason why the press in the United States is much more powerful than in Europe. The U.S. President is accountable to the people via the media, a European prime minister via parliament.

Another major difference is that under the parliamentary system the prime minister will almost certainly have risen progressively through the party and parliamentary ranks over a number of years and be a career politician. That's why so many Europeans have difficulty understanding how a relative outsider like Dwight Eisenhower or Ronald Reagan can suddenly vault into the White House.

And any American witnessing a European election would see other differences:

European parties have conferences and conventions, but nothing approaching the fanfare and extravaganza of the U.S. party conventions.

European countries hold campaign spending on such a tight rein that there is little television advertising by candi-

dates and virtually none at local level.

And, so far at least, Europe has largely been spared the blight of negative campaigning—although some Conservatives tried hard (some would say successfully) to brand former Labor leader Neil Kinnock with an image of untrustworthiness in the U.K. election campaign earlier this year.

Equally un-American are the nationwide referendums that are a feature of some European political systems—and which have recently been held in Denmark, Ireland, and France on the Maastricht Treaty. In most countries where they are provided for in the constitution, referendums have become rather rare events, reserved for issues of momentous national importance. Now having witnessed the French, Irish, and Danish polls, many voters in other European countries—particularly Germany and the U.K.—are clamoring for their own referendums on the Treaty.

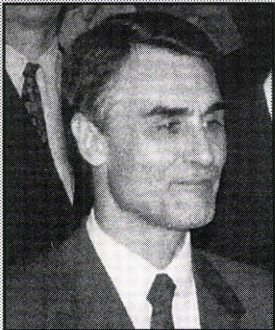
The desire to have a direct say on the future of Europe is another reflection of the voters' increasing reluctance to entrust their fate to the hands of the

political classes. A comparable development in the United States, perhaps, would be the "electronic town hall" advocated by Ross Perot.

And in Europe, the Danish, Irish, and French referendums have produced another interesting pointer to the future. The arguments of the Yes and No voters in those three countries have resonated widely and loudly throughout the rest of the European Community. The French vote in particular, was followed almost as closely in other European countries as it was by the French themselves. What seems to be happening is the birth of a genuine Europe-wide public opinion in which voters throughout the E.C. share similar opinions on the same issues. It is the first sign that the narrow compartmentalism of politics within national borders may one day break down. ☺

*Reginald Dale is a contributing editor to EUROPE and the economics and financial editor of the International Herald Tribune. His "Letter from London" appeared in the November issue.*

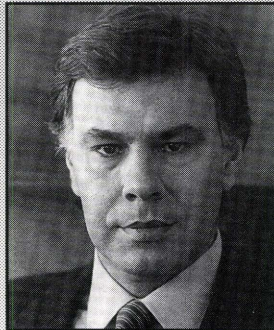
**P O R T U G A L**



Prime Minister Anibal Cavaco Silva

Republic (President Mario Soares)  
 One house, Assembly of the Republic  
 Conservative government  
 Prime Minister Anibal Cavaco Silva  
 Last election October 1991  
 Next election by October 1995  
 Proportional representation

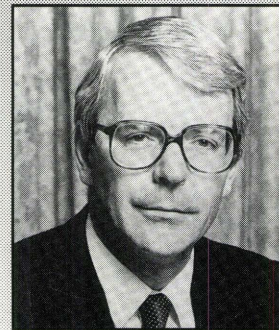
**S P A I N**



Prime Minister Felipe Gonzalez

Monarchy (King Juan Carlos)  
 Two houses, Senate and Congress of Deputies  
 Socialist government  
 Prime Minister Felipe Gonzalez  
 Last election October 1989  
 Next election by October 1993  
 Proportional representation

**U N I T E D K I N G D O M**



Prime Minister John Major

Monarchy (Queen Elizabeth II)  
 Two houses, Lords and Commons  
 Conservative government  
 Prime Minister John Major  
 Last election April 1992  
 Next election by April 1997 at latest  
 Single-member constituencies "first past the post"



The Austrian Parliament building in Vienna.

# LOOKING TOWARD BRUSSELS

## Austria prepares to begin negotiations to join the E.C.

**With all indications pointing to Austria's joining the expanded European Community, probably in 1995, some problems remain. Most of them are internal and are expected to be resolved in light of the E.C. Commission's firm recommendation that Austria be admitted.** **BY FRED HIFT**

The Austrian government makes no bones about its eagerness to join the European Community. In fact, it sees such membership as an absolute necessity in terms of expanding its trade and lessening its economic dependence on neighboring Germany.

Austrian eagerness to become one of the first new members of the E.C.

since the Community decided to enlarge its founding group of 12—Sweden and Finland, are likely to follow in short order—comes at a time when Vienna is adopting a vital new and dynamic role in the heart of Europe.

On the trade side, Austrian exports are flourishing, especially to Hungary, Czechoslovakia, and other Eastern Eu-

ropean nations. On the political side, Austria, traditionally a neutral East-West bridge during the communist days, is carving out a new position.

"We have a certain brief to act as a transmitter of cultural values, of sensitivities, of bringing one part of Europe closer to another," said Peter Jankowitsch, former state secretary for integration and development, who has long been in the forefront of the campaign to introduce his country to the European Community.

"We don't have any formal mandate to do this, but we see it as our responsibility to explain the former communist bloc countries to the rest of Europe. The farther west you go, the less people seem to understand what is happening in Eastern Europe.

"For ourselves, we have made a firm



# *Inside*

# EUROPE

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VOLUME 1/NUMBER 10

## EDINBURGH SUMMIT

The European Community capped the most turbulent 12 months in its 35 years of existence at the successful Edinburgh Summit held in mid-December.

The claim by British Prime Minister and Summit chairman, John Major, that the meeting would be remembered "as the Summit that put the Community back together" was no exaggeration.

Edinburgh solved a number of E.C. problems which began with last summer's rejection of Maastricht by the Danes. The Summit came up with complex compromises that defused several immediate disputes and now allows the Community to concentrate on its most pressing priority: successful implementation of the giant single market that was launched on January 1, 1993.

E.C. leaders are convinced they salvaged the Maastricht Treaty in Edinburgh almost 12 months to the day it was first agreed upon in the small Dutch border town whose name it bears.

Danish leaders believe they will secure a substantial Yes vote in a second referendum in April/May after returning home with opt outs from Maastricht Treaty commitments to a single currency, a common defense policy, and European citizenship.

At present, the only member state, apart from Denmark, expected to ratify the Maastricht Treaty by the end of this year is the United Kingdom, which awaits the result of the second Danish referendum.

Edinburgh also closed the North-South divide between the richer and poorer member states with a deal on the E.C. budget that satisfied all, though it fell short of targets set by the E.C. Commission.

E.C. spending will rise from \$65 billion in 1992 to \$100 billion by 1999, in today's money, or from 1.2 percent to 1.27 percent of the joint E.C. gross national product.

The agreement enabled all E.C. leaders to claim victory and neutralized an issue that causes much friction in the Community.

Most important, transfers to Spain, Portugal,

Greece, and Ireland, to finance energy, transport, and telecommunications links, will nearly double to \$46 billion by 1999.

Edinburgh also cheered the Alpine and Nordic outsiders lining up to join the Community who have been dismayed by the uncertainty in their future home.

E.C. leaders agreed that membership negotiations with Austria, Sweden, and Finland can start on January 1 and with Norway later in the year. This was a major political gesture by the E.C. which had insisted previously that the talks would start only after the Maastricht Treaty had been ratified by all 12 E.C. states and the budget package agreed. All four countries hope to join the E.C. in 1995.

The Summit also laid down clear limits to the power of E.C. institutions in a belated bid to assuage widespread concern among ordinary people about the loss of national sovereignty. "National power is the rule and Community power the exception," the E.C. leaders declared.

In another attempt to demystify and democratize the Community, some ministerial meetings will be televised, details of votes published and E.C. laws will be made clearer and simpler.

The Summit skirted discussion of key issues, notably the GATT world trade talks, the threat of speculative attacks on the Community exchange rate mechanism, rising unemployment, deepening recession, and the faltering pace of economic reform in neighboring Eastern Europe.

Nevertheless, Edinburgh restored unity to a badly fractured Community, sharpening its ability to confront these problems in 1993.

For the moment, however, the most realistic way the E.C. can recapture the heady dynamism of the 1980s is to make sure that the single market is allowed to flourish.

—Bruce Barnard



### E.C.-U.S. FARM TRADE DEAL

The European Community and the United States settled their oilseeds dispute as well as a number of other farm trade problems that had stalled progress on a new world trade agreement in the Uruguay Round.

The breakthrough came November 20 after a two-day meeting in Washington between top U.S. and E.C. negotiators to avert a transatlantic trade war over E.C. oilseeds production. Claiming unfair competition for its producers, the U.S. had been preparing to slap 200 percent duties on \$300 million worth of E.C. food and wine exports to the U.S. (mainly French white wine) beginning December 3. These sanctions were definitively canceled as soon as E.C. and U.S. officials in Brussels signed documents committing the deal to paper on December 4.

The package agreed in Washington would limit the Community area sown with oilseeds to 12.68 million acres

and includes a 21 percent cut in the E.C.'s subsidized farm exports. E.C. Commissioner Ray MacSharry, one of the negotiators, called the deal "a victory for international trade."

The stiffest opposition to the package has come from the French government and the powerful French farming organizations. They claim that the deal exceeds the terms of the recent overhaul of the Common Agricultural Policy (CAP) agreed last May to reduce production and make European agriculture more efficient. A Commission paper has been prepared showing the deal's conformity with the new CAP.

The technical details of the deal will have to be worked out in Geneva before being presented as part of an entire trade package covering a total of 15 sectors to all 108 members of the GATT for a vote. Each of the E.C. member states is a GATT member, but the Commission is authorized to negotiate on their behalf within the context of the CAP.

## VIENNA NOTEBOOK

**Corrado Pirzio-Biroli, formerly the deputy head of delegation in the Washington, D.C. office of the E.C., is the new E.C. Ambassador to Austria. Located in an old palace, the E.C. office in Vienna is: Hoyosgasse 5, 1040 Wien; Telephone: (43-1) 505-33-79/505-34-91.**

**Billboards throughout Vienna proclaim the advantages of Austria joining the E.C. One typical billboard has a young woman using a computer saying "My future will be better when we join the E.C."**

**Vienna, noted for its classical music and opera, sells "the highest number of tickets per evening in relation to the population for classical music performances today anywhere in the world," according to Dr. Rudolf Scholten, Austria's Federal Minister of the Arts. This figure continues year after year.**

**Jörg Haider, the very right wing populist, who is the leader of the Austrian Freedom Party, is one of the people speaking out against Austria joining the E.C. in the near future. As he told me in an inter-**

**view, "Austria needs to do its homework before joining the E.C. We need to get our own house in order before joining."**

**Haider is also a leading spokesman for a more restrictive immigration policy. As he told *EUROPE*, "Immigration is the main problem in Europe today. A more restrictive course is needed. We don't have the space in Austria."**

**A new book entitled *Haider's Kampf (Haider's Battle)* by Hans Henning Scharsach has people talking in Vienna. The book draws a clear parallel between Haider today and Hitler's demagoguery in the 1930s.**

**The Austrian Finance Minister Ferdinand Lacina, in an interview, says, "We are quite confident that membership in the Community will be of advantage not only for Austria but for the Community as well."**

**Speaking of the advantages for American and West European companies to set up shop in Austria, the Finance Minister replied, "Vienna has a geographical position which offers a lot to compa-**

**nies which are active in central Europe. It is obvious that we have a well functioning infrastructure which is not always the case in some of the capitals of the East. It is easier to serve several of them from Vienna."**

#### **End Notes**

**This is the 150th anniversary of the well-known Vienna Philharmonic....The recent fire at the Hofburg Palace destroyed the old Redouten Sal, the site of many famous international conferences but the Lippizaner riding stables were saved....Vienna was ranked as the number one foreign destination in a recent poll in *Conde Nast Traveler*....Vienna remains number-one as the best city in the world for delicious pastries....Denmark, which now holds the rotating E.C. presidency, has told the Austrian government of its strong support for Austria to join the E.C....Imperial Austria exhibit continues through the end of January at the Smithsonian's International Gallery in Washington, D.C.**

**—Robert J. Guttman**



## NEW E.C. COMMISSIONERS

The governments of Italy and Luxembourg recently named new members to the 17-member European Commission.

Italy named Raniero Vanni d'Archirafi and Antonio Ruberti to replace former environment commissioner Carlo Ripa di Meana and science commissioner Fillippo Maria Pandolfi. D'Archirafi is currently the director general of political affairs at the foreign ministry. Ruberti is an automation specialist, academic, and former minister of research.

Luxembourg named Rene Steichen to replace Jean Dondelinger, whose portfolio during his four years on the Commission included cultural, audiovisual, and information policy. Steichen had been Luxembourg's agriculture minister and delegate minister of cultural affairs and scientific research.

## SWITZERLAND VOTES NO ON EEA

A slim majority (50.03 percent) of Swiss voters rejected a government-backed plan that would have aligned Switzerland in a common market with the other members of European Free Trade Association and the European Community.

The vote reflected a division along linguistic lines. Almost all of the German-speaking cantons opposed the plan. All six French-speaking cantons voted in favor of the union, and the Italian-speaking areas were generally against it.

The trading zone, known as the European Economic Area (EEA), would comprise the 12 member countries of the European Community and the seven members of the European Free Trade Association (Austria, Finland, Iceland, Liechtenstein, Norway, Sweden, and Switzerland). The EEA plan was tentatively approved in April when EFTA decided to join the E.C.'s single market, which allows for the free movement of goods, services, capital, and people throughout the member countries.

The EEA was to have gone into effect on January 1, 1993 at the same time the E.C.'s single market is set to begin. The other EFTA members are expected to go forward with the EEA early next year without Switzerland.

## NORWAY REAPPLIES FOR E.C. MEMBERSHIP

Norway formally applied for E.C. membership when Norwegian Prime Minister Gro Harlem Brundtland met with U.K. Prime Minister John Major, who held the rotating E.C. Presidency last year. Norway's application follows bids by fellow European Free Trade Association (EFTA) members—Austria, Finland, Sweden, and Switzerland.

## WHAT THEY SAID...

**"Franco-German solidarity is the heart of building Europe. And Germany, like France...wants Europe to succeed. The European Monetary System is a decisive element for economic stability in Europe."**

—*Michel Sapin, French Finance Minister*

**"Despite all the dramatic debate here and there, I assume economic reason will carry the day in these (GATT) talks, and we will have everything nailed down in the spring."**

—*Jürgen W. Möllemann, German Economics Minister*

**"Nineteen-ninety-two was not a year on which I shall look back with undiluted pleasure."**

—*Queen Elizabeth II*

**"We should never forget why the first Republic in Germany failed: not because there were too many Nazis too soon but because for too long there were too few democrats. We cannot allow that to happen again. We are all called upon to act."**

—*Richard von Weizsäcker, President of the Federal Republic of Germany*

Norway has applied unsuccessfully three times before. The last application failed in 1972, with a majority of Norwegians voting No in a national vote.

## GERMAN PARLIAMENT RATIFIES MAASTRICHT

Members of the German Parliament voted overwhelmingly to approve the treaty of European union. Germany became the ninth member of the European Community to ratify the Treaty signed by all member countries last December in the Dutch town of Maastricht.

The German Foreign Minister Klaus Kinkel speaking to the members of Parliament said, "The era of exclusively national politics is over, even and especially in Europe. Only together do we have a future."

## E.C. VISITORS PROGRAM

The European Community's Visitors Program is jointly sponsored by the E.C. Commission and the European Parliament and invites young leaders from countries outside the E.C. to spend two weeks visiting the institutions of the European Community in Brussels, Luxembourg, and Strasbourg to gain first-hand knowledge of the E.C.'s goals, policies, and differing cultures.

Eligible to participate are government officials (local, state, and federal), media, trade unionists, academics, and other professionals with a strong career-related interest in the E.C.. (The program is not open to students.)

Application deadline for 1994 programme is March 1, 1993. For further information write to the ECVP Coordinator; E.C. Delegation; 2100 M St. NW; Washington DC 20037.



## BUSINESS BRIEFS

**BMW**, Germany's luxury car maker, upped investment and production targets for a new plant being built in South Carolina.

The plant in Spartanburg will cost \$400 million, up from an original estimate of \$350 million, and annual output has been raised from 70,000 to 90,000 cars.

BMW's first plant outside Germany will be operational in 1995.

...

**Daimler-Benz**, a fierce rival of **BMW**, plans to attack the U.S. market from a Mexican auto plant due on stream in early 1993.

Finance Director **Gerhard Liener** said the group aims to comply with local content rules in the North American Free Trade Agreement, NAFTA, so it can export **Mercedes-Benz** cars duty free to the U.S. and Canada from 1997.

...

Flamboyant Italian entrepreneur **Raul Gardini** has bounced back twelve months after being ejected from the chairman's seat at **Ferruzzi**, the agri-food conglomerate.

His holding company, Luxembourg-based **Gardini Sr1**, was planning a \$1.5 billion capital injection to help finance a possible bid for **SME**, Italy's state-owned foodstuffs group. Control of **SME** would catapult **Gardini** into the same league as **Ferruzzi** in the Italian food sector. Reports from Milan say he's lined up some powerful allies, including Swiss food giant **Nestle**.

**Gardini Sr1** generates annual sales of about \$1.3 billion from a 22 percent share of the Italian mineral water market and French food and sugar interests.

...

**Credit Lyonnais**, the French state-owned bank, capped a five-year campaign to be a major player in Germany by agreeing to pay \$900 million for a 50.1 percent stake in **BfG**, the country's sixth largest commercial bank.

**Credit Lyonnais**, one of the most aggressive banks in Europe, bid for **BfG** after four years of talks about a partnership with **Commerzbank**, Germany's third largest bank, fell through last fall.

Control of **BfG**, which has 170 branches in western Germany, will plug a hole in **Credit Lyonnais'** European network. At present it has only 23 branches in Europe's biggest banking market.

...

**DASA**, the German aerospace group, is finally taking control of **Fokker**, the Dutch aircraft manufacturer, foreshadowing a major shake up of the European industry in the face of intense competition from U.S. companies. **DASA** is paying \$455 million for a 51 percent stake in **Fokker** in a hard-fought deal that benefits both companies.

**DASA** will be able to move into the fast-growing market for small to medium sized jetliners with a sizable saving on the estimated \$2.5 billion cost of developing its own models.

**Fokker**, a small player in the global market, gets the financial security provided by **DASA's** parent, the giant **Daimler-Benz** group, job guarantees for its 12,000 workers, and an understanding that key aerospace technology will remain in the Netherlands.

**DASA's** partners in a regional aircraft consortium, France's **Aerospaciale** and Italy's **Alenia**, are expected to take stakes in **Fokker** at a later date.

...

**Mickey Mouse** has lost some of his magic, travelling from Orlando, Florida, to Marne-La-Valee, France.

The \$4.5 billion **Euro Disneyland** theme park east of Paris which opened its gates last April lost \$35 million in the year to September and will remain in red ink during the current fiscal year.

The park attracted 6.8 million visitors during the first six months, and with winter setting in, it is unlikely **EuroDisney SCA**, 49 percent owned by **Walt Disney Co.**, will meet its target of 11 million visitors for the full year.

The sharp devaluation of the Italian lira, the Spanish peseta, and the pound sterling against the French franc since September will make visits much more expensive for **Disney's** most enthusiastic fans. The French are

decidedly less enthusiastic accounting for just 29 percent of ticket sales, well below original estimates.

...

A merger aimed at creating a new force in the European insurance market flopped after **ING**, the Dutch banking and insurance group, pulled out of a planned \$2 billion bid for **Banque Bruxelles Lambert**, Belgium's second largest bank.

**ING's** decision immediately sparked speculation that **BBL** will be chased by other top European banks, with Germany's **Deutsche Bank**, mentioned as the most likely bidder.

**ING**, which walked away after a disagreement over the value of some of **BBL's** assets, said it will remain a shareholder in the Belgian bank, probably doubling its current 10 percent stake.

The two companies still intend to pursue a joint strategy of merging their banking and insurance services in the Belgian market.

Nevertheless, the collapse of the deal is a major setback to **ING's** bid to take advantage of the E.C.'s single market in 1993 and fortify its defenses against fast-expanding German and French banks and insurers.

...

Europe's leading consumer electronics groups, **Philips** of the Netherlands, and France's state-owned **Thomson**, suffered a setback after the United Kingdom blocked a planned \$1.1 billion E.C. subsidy to promote high definition television, or HDTV.

They have invested heavily in HDTV technology but haven't found buyers for widescreen television sets as there are very few programs in the new European standard known as **MAC**.

—Bruce Barnard

### INSIDE EUROPE

Correspondents  
Bruce Barnard  
Robert J. Guttman  
Peter Gwin

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decision to go west. There is no Austrian ambition to create a kind of 'middle empire.' Austria today wants to be a catalyst, an agent who can interpret certain European sensitivities.

What Eastern Europe is really lacking today is the culture of conflict, the understanding of how to resolve conflicts. There is no conflict-regulating mechanism, no political culture that tells you that you have to respect your adversary, that it's no good to eliminate him physically. Despite the adoption of democracy, it takes a long time for a political culture to develop, and we want to be of help in this."

While their proximity inevitably focuses Austrian attention on developments in Eastern Europe, Vienna's concern revolves mainly around its export trade which in fact rose a very healthy 8.8 percent in 1990 and continued upward, adding another 7.9 percent during the first six months of 1992. In past years, its main business has been with Germany, Switzerland, and northern Italy.

"In a way it is the Community which has increased our dependence on Germany," said Jankowitsch, who was the foreign minister in Chancellor Franz Vranitzky's first cabinet back in 1986. "It isn't easy for us to do business with the E.C. countries, and of course the Community is protectionist to a point. It is precisely for that reason that we need to be members of the E.C.—to decrease German economic influence and to give us a much-needed window to the rest of Europe."

When the E.C. Commission recommended Austrian membership in the E.C., it noted at the same time that Austria's neutrality law would still have to be examined in terms of its impact on Community membership and security policy.

Chancellor Vranitzky has made it clear that, in the view of his government, this neutrality law should not conflict with E.C. rules, though Austria might draw the line on joining a military alliance.

Within Austria, there remains the question of popular approval. The government has agreed to a referendum on E.C. membership once negotiations seem to reach a successful conclusion. Formal discussions between Vienna and the E.C. are expected to start next year.

While Austrian public and political opinion on the issue varies and shifts, the latest poll—in mid-year of 1991—showed 53 percent of the population of some eight million favoring their country joining the Community, and that percentage appears to be rising as the government goes all out to explain the advantages of E.C. membership to its citizens. The sectors voicing their concerns most vociferously are the farming community and the Green Party.

Meanwhile, the Austrian economy has been performing well. Inflation in 1991 was held to a comfortable 3.3 percent and has remained that way. Unemployment for the first six months of 1992 stood at 5.8 percent, an excellent level compared to other European countries, and Austria has one of the highest per capita production rates in Europe. Wages generally are up an average of 5.5 percent. The Austrian government maintains that the country's economic performance last year rated among the world's best, right alongside Japan and Germany.

In fact, a recent study rated Austria among the richest of the industrial nations. In Europe, only Germany, Luxembourg, Sweden, Switzerland, and Denmark register a higher per capita income. The study credited higher investment levels and plant modernization for the country's continuing industrial well-being.

Germany, of course, looms large in Austrian trade, which makes sense to Jankowitsch.

"While the Germans, in my experience have not tried—deliberately—to use their economic influence in Austria to further their own economic gains, there is of course a high divergence in terms of the levels of interest. There is a certain coherence, but—basically—the only way to stand on your feet is to meet the Germans as equals in the single market.

"Then we will no longer be petitioners who want a little favor from the Community. Who speaks today for Austria? Our neighbors sometimes will. Sometimes the Germans. For that reason we absolutely need direct access to the Community as members. Then I think German influence will decrease."

The Austrian minister said he looked forward to the negotiations with the E.C. "because we think it is an advantage to know exactly what kind of Com-

munity we are going to belong to, because these projects inevitably involve changes in security and foreign policy."

And the Austrians are very much aware of the financial advantages of E.C. membership. A recent study showed that Community membership would bring Vienna around \$200 million to be used for regional development programs; a quadrupling of funds currently available.

As for Austrian public opinion, which appears concerned about the possible loss of sovereignty as a result of E.C. membership, Jankowitsch said the government was planning to introduce legislation to meet some of these worries.

"There is great unease that German old-age pensioners would come in and buy up Austrian real estate," Jankowitsch noted. "That is complete nonsense. We will introduce laws that will make it very difficult for foreigners to purchase real estate for speculative reasons. That is precisely in line with E.C. rules."

He acknowledged that certain sovereign rights would have to be ceded to the Community, but added, "There is no such thing as a sovereign nation in Europe today. You may have it in the U.S., but not in Europe. Here, everybody depends on everybody else. If you make a decision your neighbor is inevitably affected."

Jankowitsch didn't see immigration as a problem. "Out of 340 million people living within the Community today, only four million live permanently outside of their home states," he said. "That means that mobility within Europe is actually very low, and if people can find work in their own countries, they tend to stay home."

While Austria prizes its coming membership in the European Community, the impact on the Community itself won't be overly significant. The E.C. Commission, in its report recommending Austrian membership, said the country would account for only 2.6 percent of the enlarged group's GNP and that, within the first full year, it would represent a net increase of merely 1.75 percent in the Community's budget resources. ☐

*Fred Hift, born in Vienna, is a freelance writer and broadcaster based in New York City.*



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## A U S T R I A N C H A N C E L L O R

# Franz Vranitzky

Franz Vranitzky, who has served as Federal Chancellor of Austria since 1986, spoke with *EUROPE*'s Editor-in-Chief, Robert J. Guttman, in Vienna about Austria joining the European Community. Vranitzky, a former banker and Federal Minister of Finance, also speaks out on what Austria can offer the E.C., economic conditions in his country, the single market, the war in the former Yugoslavia, the changes in Russia and Eastern Europe, and other key issues facing Europe in the next decade.

## **Is Austria still actively trying to become a member of the European Community?**

Yes, it is. As far as Maastricht is concerned, we turned in our application as early as July 1989. And at that time, no one even talked about Maastricht. However, Austria was quite clear that joining the European Community did not mean us only joining an export-import club but a model for European integration.

## **When do you hope to join the E.C.?**

It is realistic for us to enter into negotiations by the first quarter of 1993. We also think that we are well prepared so that when negotiations begin we could do it in one year. Then we have to come back to the Austrian Parliament for legislation, and finally we have to have a referendum to ask the Austrian people. So, we could and should become a member by 1995.





**What will be the benefits for Austria of being a member of the E.C.?**

First of all, let's look at the economy. More than two thirds of our external transactions are with the Twelve, and so this is a degree of integration which is not matched even by each of the Community members. And since the Community did decide that there will be a single market by the beginning of 1993, it is quite clear that an economy that is so closely related has to react. But more than that we think that there are many issues in Europe that need and deserve international planning and international cooperation such as the environment. And it is our firm belief that most of those questions can only be answered and problems can only be solved if the solutions are done on a broad international basis. My third point is that, as far as political union is concerned, most of these activities will only be possible if there is a broad political consensus.

**What will the E.C. offer Austria?**

Austria is a country that always has subscribed to international cooperation, and we should become a member of an international institution, the decisions of which influence Austria. We want to be in the room where decisions are made rather than outside the room.

**Would you say the current mood among Austrians is in favor of joining the E.C.?**

It was more in favor a year ago. There is no doubt that in Austria today there is a good deal of discussion about the pros and cons of membership. The number of Austrians who expressed their views in the opinion polls that they are in favor of Austria joining the Community did not grow but rather shrunk. I have to add that the Danish vote, the foreign exchange turbulences, and problems within the United Kingdom's leading party have not contributed to more enthusiasm among Austrians. However, European integration will return with more progress than it seems today. We must not judge the mood of Austrians from today's point of view alone. But we will have to prove that membership in the E.C. is a step in the right direction.

**What are you doing to try to convince the Austrian public of the advantages of E.C. membership?**

There are a lot of activities. What we have done so far is a broadly based advertising campaign to attract the interest of the Austrian people. We have institutionalized a kind of hot line to the federal chancery where anyone can call if he or she wishes to ask questions. There are a number of brochures and books on the subject being published not only by the federal government, but by a number of local governments, trade unions, the federation of entrepreneurs and business people, the Austrian Central Bank, and by a number of universities. But still, none of those activities of course, can replace or substitute the information work and political work that has to be done by members of the federal government. We have to increase our efforts, taking into account that there has been a kind of a cooling down of Europeanism.

**Are you in favor of a European central bank and a single European currency unit?**

We will reach a stage in the development of European integration at which there will be a common central banking institution, and there will be a common means of payment. If it will be something like today's ecu for everybody, I would like to wait and see.

**Do you fulfill the criteria for monetary union?**

Yes, we do. There are only four or five countries in Europe that meet the criteria today.

**How will the single market affect Austria and Austrian business?**

It will affect Austrian business, but we have to add that in the meantime we have not only applied for membership in the Community but we are also together with EFTA countries in the Community. We have established the European Economic Area and this anticipates the integration effects, economically speaking. So by the beginning of 1993, if all EFTA countries have ratified the EEA treaty, then we will be a part of this party, and therefore, we

will benefit up to 60 percent of the integration effects.

**What has been the major benefit of the E.C.? Has it been in protecting peace in Europe?**

You have mentioned the most decisive and most important point. If we look at the history of Europe, it is quite clear that it has been a history of wars. It is throughout the history of this continent. It was France and Germany and England and the former Austria, Prussia, and Russia, who participated in European warfare. It is fair to say that because of the European integration we have seen since the end of World War II it is definitely unthinkable that, for example, France or Germany would declare war on each other. This is true for any of the Twelve, and it is true for any of the 19, if I include the seven EFTA countries. The most important goal that we have to strive for in Europe is that we include more and more countries into this model.

**Do you think that the E.C. and the U.S. and other countries are doing enough to try to end the war in Bosnia?**

I would be hesitant actually to blame the E.C. and the United States and say that they could have ended the civil war in Yugoslavia. As far as the E.C. is concerned, it does not have the instruments and tools to solve this problem. It is not even quite clear among the various peoples in Yugoslavia what each of them mean by a "solution." It is also very doubtful that military intervention could have given all the answers to these questions. What we have seen in Yugoslavia does more to indicate that there should be more purpose as far as political unity is concerned in the European Community, rather than blaming the E.C. for not having dealt with the problem.

**Is there a chance of the war spreading?**

There is a chance of it spreading. Yes. I do not say it is for sure. There is the possibility, especially if we look at the very grave and serious cause of the problem and with the Serbs and the Albanians not getting along with each other. On the other hand, we must not give up hope, and we must not give up



positive thinking. And therefore, I would not give up hope that many of those people over there have had about enough of shooting and fighting. But as I said, it is more hope than a belief.

**Do you feel that you are doing enough on immigration?**

Yes, I do. We have taken a great number of people who have fled from the war. It is not only that we took people from there, but we are also sending goods and all kinds of supportive systems to these places.

**Do you feel that Austria's neutrality is going to be an obstacle to joining the European Community?**

Not really. Now that the cold war is over, it is quite obvious that neutrality has become less important as a system of Austria's security. It has not, however, lost its importance completely. If we look at neutrality as the clear path standpoint of a country not to participate in a war, it still makes a good deal of sense. We are of course following the debate within the European Community to establish a common security system. And if and when we should join the Community, we then of course would be ready and prepared to participate in this common security system. I can imagine that we could join the E.C. as a neutral *and* participate in a common security system.

**Is Vienna still called the gateway to the East?**

Vienna always has been the gateway to the East and still holds this position under the current circumstances, which aren't the same as ten years ago. What we have seen and have offered to our friends and partners in Europe and North America is a kind of platform from which businessmen overseas and in Western Europe can operate in the former Eastern bloc countries. And many of them are using this platform. Many of them do so because there is a good infrastructure, and there is experience, the expertise to deal with Eastern European partners. So it's no wonder that there have been more than 6,000 joint-ventures established between various partners, Austrians and others.

**What do think the major problems facing Europe are today?**

Europe as a whole definitely will have to cope with the restructuring and remodeling of the various societies and political-economic systems in Eastern Europe. This will take much more cooperation than stands now. It will take Eastern Europeans much longer than everybody thought a year ago. And there will be some circumstances that will not be pleasant ones, such as ethnic rivalries, political instability, economic crises, migration, immigration, and the like. Western Europe will be challenged by these developments for a couple of years and will not only be challenged but will have to find answers to the challenges. Otherwise, we run the risk that instability could spread even into Western Europe.

**Vienna always has been the gateway to the East and still holds this position under the current circumstances, which aren't the same as ten years ago.**

**Would you say that instability is one of the major hallmarks since the breakup of the Soviet Union?**

Yes, I think so.

**Do you see Russia on the road to a market economy? Or do you see chaos for a few years?**

So far, they are on the road to a black market economy. Yes, I am afraid that we will see chaos for some time.

**What can the West do to help?**

All of us could and should do more in cooperating with them, and not in the way that we channel huge amounts of dollars or Deutsche marks or Austrian schillings into Russia but that we, project by project, case by case, indus-

trial project, hospital project, hotel project, infrastructure project, what have you, develop those with them so that their people can see that there is progress. In that, there is hope, and there is a reason for new expectations. This is the most important thing.

**Moving back to the subject of your country, how would you characterize the Austrian economy?**

Well, it is still in good shape. It is in its fifth year of prosperity. In 1993 it will of course be affected by the international slowdown. The forecast, roughly two percent growth in real terms, will not be bad if the forecasts for overall OECD countries come true. We have worked out some programs to support our economy from inside by public investments and the like, so that I hope that even if there should be substantial slowdown in the international economy that we can overcome this in 1993.

**Do you have any fear of Germany becoming too economically dominant?**

Even if I did, it wouldn't matter a lot. We have to face the fact that Germany is a big country with a strong economy and that it is serving as a locomotive when everything runs well and fine and that it is serving as a brake when everything is not as rosy as we are used to.

**Would you say there is a problem with anti-semitism in Austria today? Is it a fact of life?**

No less or no more than in any other country in Europe. I could not deny that there are some elements, but they are not strong. We have to be vigilant, and we have to be very careful to fight it in due time.

**Europe has seen Nazism, Fascism, and Communism. Is there a new "ism" sweeping Europe?**

A good deal of populism. It is an opportunist populism that exists here and in other parts of Europe. It is not positive. An opportunist populist is a person who just goes with whichever way the wind blows. And directs his political activities according to the rainbow and the tabloid. ☹





**IF TIME COULD BE  
IMPRISONED IN A  
BOTTLE AND GIVEN  
HUE, BOUQUET,  
TASTE, AND A HINT  
OF MYSTERY, IT  
WOULD BE A LOT  
LIKE COGNAC.**

# COGNAC

L I Q U I D

M Y S T E R Y

By James D. Spellman

For no other *eau de vie* captures the aura of the past better than a fine cognac that one swirls quietly in a tulip-shaped glass, gently warmed between the hands. When warmed to body temperature, the liquid yields a sweep of aromas, reminding one of oak-paneled libraries lined with leatherbound books and fireplaces alight with burning logs. When held to light, cognac glistens a gold-white reminiscent of autumn mornings. The depth and intensity of its taste—astrigent yet silken, a fiery bravado edge—is like no other.

“It is the Good Lord himself who slips down the throat in carpet slippers” is how cognac producer Pierre Ferrand describes it.

Cognac is said to have been born under “three good stars,” the salt, the land, and poverty. A hundred or so miles from the Atlantic Ocean, the Charente region is swept by maritime air imbued with sea salt. This affects the aging of the alcohol as the oak barrels breathe the air to oxidize the liquid. Lying south of the Loire, the area also benefits from its temperate climate zone and escapes the harsher temperature gyrations of northern Europe. Chalk and fossils in the land impart the grapes with unique flavors and help to define the levels of distillation.

A medieval trading center, the town of Cognac was known first for its salt and second for its wine. The origins of both products can be traced to the Romans who once lived here. When the French liberated the region from British control in the 14th century, Cognac lost an important wine market to Bordeaux, which remained under British control for about 100



years longer. Cognac's wine trade then grew with the Dutch, who would heat and concentrate the wine in Swedish-built copper stills. The result was called *brandywijn*, or "burnt" wine. The Cognaçais soon imitated the Dutch process in developing a unique spirit that was inordinately popular in London by the late 17th century. By the mid-1800s, Cognac was shipping millions of bottles worldwide, from the Far East to Tsarist Russia to Brazil.

The origins of the brandy start with the grape Ugni Blanc, a high-yielding grape variety, which is relatively weak in flavor but fairly acidic. The unique mixture of weather conditions in a growing season, which determines the ripeness the fruit attains before harvest, is what helps to differentiate vintages in regions such as Burgundy. The differences in vintages matter less for Cognac since distillation, aging in oak barrels, and blending temper these.

Within the region of Cognac, the most illustrious vineyards are located in the area called Grande Champagne, which lies closest to the city of Cognac and the adjacent town of Jarnac, and Petite Champagne, which lies further south. Fins Bois, Borderies, Bois Ordinaires, and Bons Bois form concentric circles around the Champagne regions. About 35,000 growers produce in these regions, with about 250 distilleries.

The thin, sharp grape juice first undergoes a two-week fermentation, which neutralizes the harsh acids. The fermented wine is then warmed before entering a copper, onion-shaped dome pot, where it is heated to 600 degrees Centigrade to burn off the alcohol. The slower the heating, the richer the "soul" yielded from the wine. About nine casks (66 gallons) of wine make one cask of cognac. The resulting vapor rises until it is caught in another smaller onion-shaped container that sits above the other. From here, the vapors are directed into a copper coil, which cools the gas until it becomes a liquid that drains into an oak cask.

The process of double distillation, according to a story recounted by the Cognaçais, is traced to the 16th century. The Chevalier de la Croix Maronne became increasingly angry at his unfaithful wife and decided to kill her and her lover. Exhausted after doing so, he fell asleep. In his nightmares, he heard a voice telling him that he would have to burn his soul twice as penance for the murders if he wanted to enter heaven. When he woke, he decided to distill his wine twice.

From the grape to the bottle, the entire process is tightly regulated. The wine has to be distilled twice to a maximum strength of 72 percent alcohol. The design, size, process, and materials of stills are carefully delineated. Only copper can be used to hold the wine and condense the vapor. The vats can only be heated with continuous external flames. Distillation must be completed by March 31 in the year after the harvest or the wine is dated a year later.

The distilled, clear liquid ages in 350-liter barrels cut from

oak trees that are at least 50 years-old and primarily grown in Limousin. The wood is dried in open air for more than five years before being made into barrels. Oak allows air to pass into the liquid to oxidize it. It also imbues the wine with tannin, which provides color and the so-called backbone of the wine's flavor. Hints of vanilla, cinnamon, and balsam are imparted by the wood's lignin. Some producers age their cognacs from the start in new oak, which can produce a sharper, more robust flavor that takes longer to soften, while others start with old oak, which does not temper the fruitiness and ensures lightness.

Several months to several years before the cognac is bottled, the aged brandy is diluted gradually with distilled water, or a blend of weak brandy and water, to bring its alcohol content down from 70–75 to 40–45 percent. Different years of cognacs are blended to reflect individual house styles. Some producers add boise, which are oak chips soaked in old cognac, and caramel to enrich the color, although purists disdain such techniques.

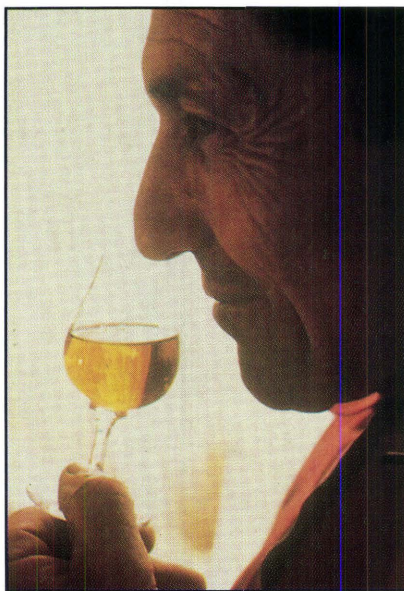
Cognacs made of distilled wines from two and a half to four and a half years-old are labelled V.S. (very superior) or have three stars. Reserve, V.S.O. (very superior old), or V.S.O.P. (very superior old pale) contain cognacs that are at least 54 months old. Extra, Napoleon, and Vieille Reserve refer to those blends that are at least six years-old.

Producers have developed distinctive styles for their cognacs. One standout is Delamain in Jarnac, headed by Alain Braastad. "In the aging process, it is important to preserve as much of the delicateness of flavor, lightness, and aroma." He eschews the addition of

caramels and boise and uses only the best-quality grapes from the Grande Champagne. "Great cognacs," he says, "age very, very slowly."

Cognac is a \$2 billion business for France, employing 45,000 people. Courvoisier, Martell, and Hennessy produce about half of all cognac in France. In the U.S., those brands and Rémy Martin account for about 92 percent of all cognac sales. More than 90 percent of France's production is exported, with the U.S. being the second largest market (19.9 million bottles) after Japan (26.9 million) and ahead of Hong Kong (14.3 million).

Brandy manufacturers in California (five) and Oregon (two) may be a new source of competition over the next decade for the Gallic brandy. Production is very small, averaging about 16,000 cases annually. But they are brandies with more fruity, aromatic, and complex characteristics than those from France. Indeed Rémy Martin has started an eight-still Carneros Alambic Distillery in California's Sonoma Valley. ☐



**Cognac is a \$2 billion business for France, employing 45,000 people.**

*James D. Spellman is a freelance writer based in Geneva and Washington, D.C. His article on the Belgian chocolate industry, "Sweet Belgium," appeared in the October issue.*





In France, Père Noël visits while families are still sleeping off the effects of the midnight Christmas Eve feast.



# Guess Who's Coming to Town?

**A**mericans can be

forgiven for not knowing that Santa Claus is living under an assumed name in the United States, that he has been traveling from country to country taking on new identities and aliases with the slick ease of a Chicago gangster. After all, ever since Clement Clarke Moore's poem, "The Night Before Christmas," was published in 1823, Santa and his retinue of flying reindeer have personified the spirit of Christmas in the United States.

But the rosy-cheeked, chubby man with the white beard who squeezes himself obligingly down chimneys to deliver sackfuls of toys is a foreigner by birth—a landed immigrant. His career began on the other side of the Atlantic 16 centuries

**B Y E S T E R L A U S H W A Y**



**In Scandinavian countries reindeer are not particularly novel, unless accompanied by a man in a red and white suit.**



ago, in what is now southwest Turkey. He went by the name of St. Nicholas there and became quite a celebrity as a boy bishop in the town of Myrna. The first presents he gave were three bags of gold to three poor sisters, to stop them from having to go on the street to earn their living. Apparently he tossed the gold through their windows with such gusto that it landed in their stockings which were hanging by the fire to dry. He was promptly chosen to be the patron saint of prostitutes and virgins, as well as of sailors, thieves, and children.

From Turkey, still in his bishop's robes, he traveled to Italy under the alias of *San Nicola*, and from there all over Europe. In the Netherlands, people know him as *Sinterklaas* and are convinced that he spends most of the year on holiday in Spain, with a Moor-

ish helper appropriately named *Zwart Piet* (Black Peter). *Sinterklaas* is not completely idle in the sun. He records which Dutch children have been naughty or nice in a big, red, leather-bound ledger. Two to three weeks before the Eve of St. Nicholas on December 5, he and his swarthy assistant pack up the ledger and lots of toys and set sail for Amsterdam, where a large crowd, including the Mayor, is waiting to welcome him. After a festive tour of the canals, *Sinterklaas*, wearing full bishop regalia, gets on his white horse and switches from V.I.P. to V.B.P.—Very Busy Person. He visits schools, hospitals, department stores, restaurants...and on December 5 hands

**Two to three weeks before the Eve of St. Nicholas on December 5, he and Zwart Piet pack up the ledger and lots of toys and set sail for Amsterdam, where a large crowd, including the Mayor, is waiting to welcome him.**

out presents, usually hidden or disguised in some clever way.

Quick-change artist and jet setter that he is, he manages to hot-foot it to Germany that same night and, calling himself *Sankt Nikolaus*, he fills the shoes children have left out for him with a variety of goodies. His assistant in Germany is a fur-clad fellow called *Knecht Ruprecht*, who sometimes substitutes a birch switch for the sweeties in naughty children's footwear. The Germans do not expect major gifts from *Sankt Nikolaus*.

They receive those on Christmas Eve from the Christ-child, who deposits them around the Christmas tree that has been kept hidden from the children until the magic moment when a bell tinkles and they are allowed to rush in and see it, beautifully decorated and blazing with lights.

It is just as well that Germany is a quick job, because Denmark also expects a visit on St. Nicholas's Eve, and this one requires an expert make-up and costume

change. *Julenisse* is our globetrotting friend's Danish incarnation—a tiny goblin dressed in red, wearing a pointed cap. He brings everyone their presents and, in turn, children leave out a plate of porridge to help him through his hectic delivery schedule.

Fortunately, there follows a bit of a rest in mid-December, because not all European countries use his services. In Italy, some presents are exchanged after an elaborate Christmas Eve banquet by drawing lots from the "Urn of Fate." But the main gift-giving is carried out on the day of Epiphany—January 6—by a benign witch called *Befana*. In Spain, Santa's work has been taken over by the three Wise Men, who bring presents during the night of January 6. (Spanish children kindly leave some barley out for their tired camels.) The Greeks do not bother with presents at all. Instead, they concentrate their holiday celebrations into an all-night feast that starts after mass on Christmas Eve and carries on until just before daybreak.

But elsewhere, the frenzied travels of the plump workaholic begin again in real earnest on Christmas Eve. *Père Noël*, as he is known in France, is expected to have come and gone by the morning of December 25, when the French finally stumble out of bed, still groggy from the gargantuan *Reveillon* feast they spent hours consuming after Midnight Mass the night before. And the U.K. expects him to have visited during that time, too, as a schizoid Santa Claus who has kept part of his original European persona, added some Dickensian "Father Christmas" overtones, and rounded it all off with some hearty ho-ho-ho-ing in the American tradition.

Considering that the United States and Canada also expect to have their stockings filled on Christmas morning by the "right jolly old elf" who whistles his reindeer team from coast to coast...well, then, it is no wonder that while we are all opening presents a bleary-eyed Santa heads straight for the North Pole, or Spain, depending on whom you believe, and goes completely incognito, and pretty well comatose, until this time next year.

"Happy Christmas to all, and to all a good night." ☺

*Ester Laushway is EUROPE's Paris correspondent.*





# CAPITALS

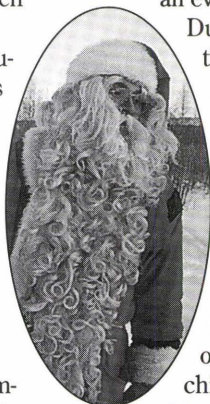


## AMSTERDAM

### THE SINTERKLAAS

For Dutch children, December 5 is one of the most important days of the year because that's when the festive evening of Sinterklaas takes place. Families gather to give each other presents and the children in particular receive the toys or goodies they have been longing for all year. In many ways, Sinterklaas is similar to Father Christmas in the American tradition. Actually, the American name of Santa Claus is derived from the Dutch Sinterklaas.

But lately the popularity of Sinterklaas is waning. Last year, for the first time in the Netherlands, Santa Claus/Father Christmas was officially received in Amsterdam, and he is gaining ground. According to a national survey, the number of Dutch celebrating "Sinterklaas" has diminished from 70 percent in 1980 to just over 50 percent in 1991. Shops and department stores that traditionally waited until December 6 with their Christmas displays, now ignore the presence of Sinterklaas and start selling Christmas articles as early as October. More and more families tend to give large, durable presents around the Christmas tree, while sweets and smaller presents remain popular for Sinterklaas. Following the example of the



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"Weinachts Markt" in neighboring Germany that attract an ever larger amount of Dutch visitors, cities in the Netherlands are now organizing Christmas markets as well.

Little is known of the life of Saint Nicholas, a 4th century bishop from Myra in Asia Minor. He is the patron saint of sailors, merchants, children, and of many cities, among them Amsterdam. In Dutch folklore, Sinterklaas is dressed as a Catholic bishop with a long white beard and arrives every year by steamer from Spain. According to legend, he resides in Madrid and is accompanied by a group of black, agile helpers, presumably Moors from Northern Africa. In a large book, he records the behavior of small children. At night, when he rides on his white horse over roofs, his helpers look in the chimneys to check whether the

children have left a shoe with some straw, a carrot, and water near the fireplace for the horse. If the children have behaved well, they receive a present; if not, they get a roll of birch twigs. (Even in apartment buildings, where no chimneys are available, children put their shoes at the central heating.)

On December 5, before returning unnoticed to Madrid, Sinterklaas leaves a basket full of parcels at every home's front door. For those who no longer "believe" in Sinterk-

laas and who actually perform his duties, making these gifts is a great deal of fun. Each gift has to be accompanied by a small poem that gives an account of the good or bad habits of the person who receives the presents. It's the one time every year that the Dutch, men and women, parents and children, old and young alike, tell each other the "truth" in a teasing, often humorous way.

It's been inevitable that the Sinterklaas-folklore has been commercialized. And it's for commercial reasons, too, that Father Christmas is gaining ground. However, being such an intricate part of Dutch culture, it's hard to believe that Sinterklaas will ever forget that so many children wait for his arrival in the Netherlands year after year.

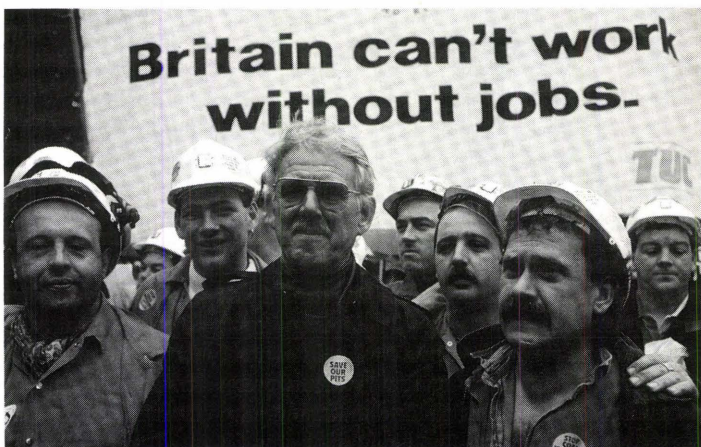
—Roel Janssen

## LONDON

### KING COAL IS DEAD

"O ld King Cole was a merry old soul" according to a famous English

Coal is no longer King in the United Kingdom.





nursery rhyme, but the decision to shut down 31 mines over the next few months indicates that coal is no longer King in the United Kingdom—and with 30,000 miners to lose their jobs there are few people feeling very merry.

Coal was indeed once king in the U.K., generating much of the 19th century's economic drive, which helped make the nation a major industrial power. Now it has joined other former pillars of the U.K.'s industrial body, such as ship building and steel production, on the scrap heap.

■  
**Coal was indeed once king in the U.K., generating much of the 19th century's economic drive, which helped make the nation a major industrial power. Now it has joined other former pillars of the U.K.'s industrial body such as ship building and steel production on the scrap heap.**

At its peak after World War I, coal mining employed over one million men. When it was nationalized by the Labor government in 1947 the industry still employed close to 750,000 people in 950 mines and was one of the single largest sources of employment for much of the midlands and north of England, as well as Wales and parts of Scotland.

At one time there were nearly 250,000 men employed in 70 pits in the Rhondda Val-

ley in Wales, but the recent cutback will leave just one mine operating, employing just 370 men.

By April next year, British Coal, the state body which runs the industry, will have only 18,000 employees operating 19 mines. British Coal chairman Neil Clarke blamed the cutbacks on a 13 percent fall in demand for coal over the past decade.

The industry has been in decline since World War II. In the 1960s, 400 pits were closed and 300,000 men made redundant. As alternative sources of energy such as oil and nuclear power became cheaper, the competition increased. Even the massive hike in the price of oil in the early 1970s and the fears about radiation from nuclear power stations were not enough to arrest the decline of this traditional industry.

The 1970s saw the first of a series of famous confrontations between the National Union of Mineworkers and the government. In 1972 striking miners demanding higher pay forced a government policy change and in 1974 another miners' strike led to the institution of a three-day working week to save energy as electricity generation was hit.

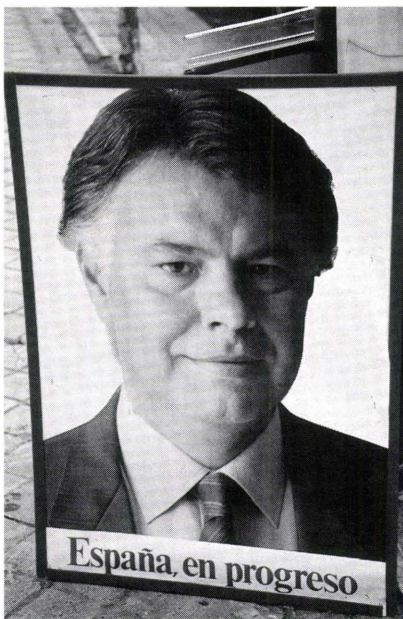
In 1984-85 there was a famous confrontation between the miners and the Thatcher government, which resulted in the defeat of the miners after a prolonged and often violent struggle over the future of the industry and, at least in Mrs. Thatcher's eyes, over who ruled the U.K., the government or the unions.

The outcome of this struggle, in essence, also proved to be the beginning of the end of the trade unions' power. Other bastions of organized labor soon followed the coal miners' union into defeat, notably in the newspaper industry.

Coal provides 70 percent of electricity generated in the

U.K. today, while gas is the source for only one percent. But the electricity companies say they intend to rely increasingly on gas and cheaper imported coal. By the year 2000, coal's share will have fallen to less than 50 percent while gas will provide more than 25 percent of power. This is a result both of the search for cheaper energy and the desire to clean up the environment.

One of the ironies of the demise of the industry is that while many people complained that mining was a



**Spanish Prime Minister Felipe Gonzalez will run for re-election in 1993.**

dangerous and life threatening activity, today some of the same people are protesting at the loss of those jobs.

—David Lennon

## MADRID

### GONZALEZ TO RUN IN 1993

**A**fter months of keeping the entire country in suspense on whether he would seek a fourth term after a decade in power, Spanish Prime Minister Felipe Gonzalez has announced he will run

again in general elections, which must be called before October 1993.

"I want to tell you that you can count on me," Gonzalez told 30,000 of the faithful at a late October rally in Madrid's bullring to celebrate the Socialist's ten years in office.

He went on to say that the country needed an additional 10 or 15 years of Socialist rule to fully modernize Spain, and he was just the fellow to do the job.

In interviews over the past year, Gonzalez had indicated he was tired of the Prime

Minister's post, and talk circulated that he would seek a top spot at the European Community, maybe even Jacques Delors' job.

Many analysts reckoned the former labor lawyer from Seville wanted to bow out next year, basking in the glow of the successes of "Spain's Year of 1992," which saw the Summer Olympics in Barcelona, the Universal Exposition in his Andalusian hometown, and Madrid's designation as European Cultural Capital.

But things have gone badly for the Spanish economy

over the past several months, with main indicators falling dramatically. The boom years of the late 1980s are clearly over, with growth projections of this year down to less than two percent.

The recent turmoil in the European Monetary System, and Spain's five percent devaluation of the peseta, added to the sense of impending doom and fueled speculation that the poll would be announced early before the economy got even worse.

Now however, Socialist leaders are saying they will carry out the full mandate, which may give them some



time to reverse a recent fall off in public support.

An opinion poll published in early October by prestigious Madrid daily *El País* showed the Socialists losing 20 seats of the 175 seats it now holds in the lower house of Parliament, while the main opposition party, the conservative Popular Party, would add 14 to its current 107.

The leftist coalition, United Left, would also benefit and add 13 seats to the 17 it now controls, according to the survey.

But the same poll showed Gonzalez still dominates the political landscape in Spain with 56 percent of voters choosing him as their candidate, compared with only 25 percent for Popular Party leader Jose Maria Aznar.

—Benjamin Jones

## BERLIN

## STOLEN ARTWORK

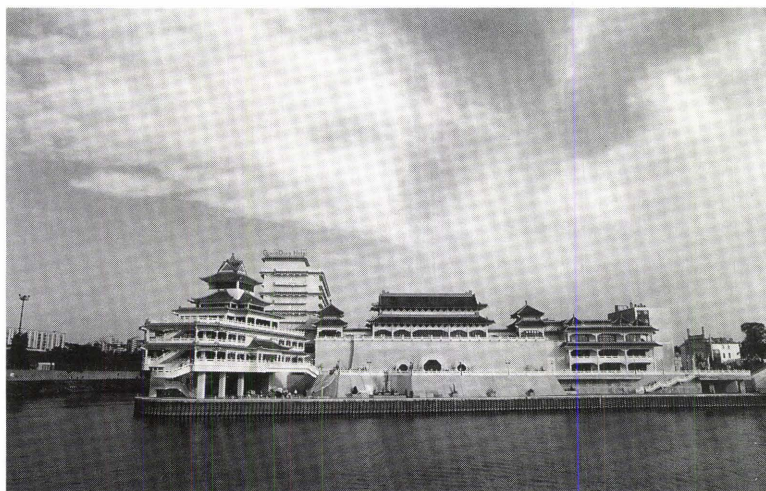
The Federal Criminal Office in Wiesbaden has registered some 75,000 art works that have been stolen worldwide and are being sought by Interpol. They include some 30,000 paintings, drawings, and other graphic works.

Among the stolen priceless paintings are 434 Picassos, 120 Rembrandts, 74 Rubens, 136 Dürers, 34 Spitzwegs, and 48 Cranachs.

In West Germany alone, the Federal Criminal Office registered in 1991 2,535 thefts. (There are no statistical data for the new five East German states.) Among them are Spitzweg's paintings "The Poor Poet" and "Love Letter," which were removed from the eastern wing of the Charlottenburg Schloss in 1989. Recently a spectacular theft

of eight Cranach paintings from the Castle of Weimar was reported. Two paintings by Lucas Cranach are world renowned—"Martin Luther als Junker Jörg" and, above all, the portrait of "Princess Sybille of Cleve." The paintings were not insured. Luckily, the thieves were caught recently, and the paintings were returned. Still, with an estimated value of \$99.54 million, this could have been the biggest art theft in Germany since the end of the war. Even more valuable than the spectacular robbery of the Cologne Cathedral treasure in 1975. The biggest unsolved case in the last years is still the Boston paintings theft in March 1990 estimated at \$711 million.

In Germany, only five percent of the stolen works of art are perpetrated in museums and castles, 10 percent in churches and chapels. Private homes are the most frequent victims of burglary. But the real number of art thefts is unknown. Private owners are



**Chinagora is the first Chinese investment in France, costing the Beijing government upward of \$80 million.**

often reluctant to report robberies to police, fearing unwanted publicity or prying questions from tax authorities.

The opening of Eastern borders has produced a dramatic increase in the theft of artwork. The former East Germany has become partic-

ularly vulnerable to plundering. Safety measures are often inadequate and offer organized gangs easy prey. Police are many times unprepared to deal with organized burglary. The number of solved art thefts in East Germany is almost zero.

Apart from the spectacular theft in Weimar, other museums and churches in the former East Germany were the targets of organized gangs. Seventeen historic and priceless wood-carvings disappeared from the Marienkirche in Prenzlau. The museums of Brandenburg and the castle museum of Wiederau were also victimized, as well as the Saint Petri Church in Dresden and the Russian Church in Leipzig.

As the theft in Weimar was shown, the museums and churches in East Germany lack 21st century security. The state of Thuringia (where Weimar is situated) emphasized that since 1991 it had invested \$3.16 million for security measures in muse-

thieves," comments the daily *Frankfurter Allgemeine Zeitung*.

—Wanda Menke-Glückert

## PARIS

## CHINAGORA—PARIS MEETS PEKING

Napoleon once described China as a "sleeping giant" and warned that it would be best to "let it sleep, because when it wakes up it will make the world tremble." Were he still alive today, the former emperor would probably cast a suspicious eye at the vast Oriental palace that has sprouted on the southern outskirts of Paris in Alfortville, where the Seine and Marne rivers meet.

Chinagora, built by an architect from Canton, looks like a Chinese Club Med. Its hanging gardens, tile-roofed pagodas, fountains and dragons, its shops, restaurants, exhibition halls, and the three-star Guandong Hotel (part of the Best Western chain) opened to the French public in October. As an inaugural attraction it is exhibiting 258 treasures from the Forbidden City, most of which have never left China before. They include furnishings like the red-and-black lacquered throne of the Emperor, sumptuous costumes, jewelry, and unusual objects like the Empress' gold-wire "nail-protector."

Chinagora is the first investment China has made in France. As such, it hopes to be more than just an exotic shopping mall that makes a good family outing on a rainy weekend. It is being promoted as a cultural and commercial showcase for China and as a center for fruitful economic exchanges between French and Chinese business ventures.

The idea for such a project goes back to the 1980s, when

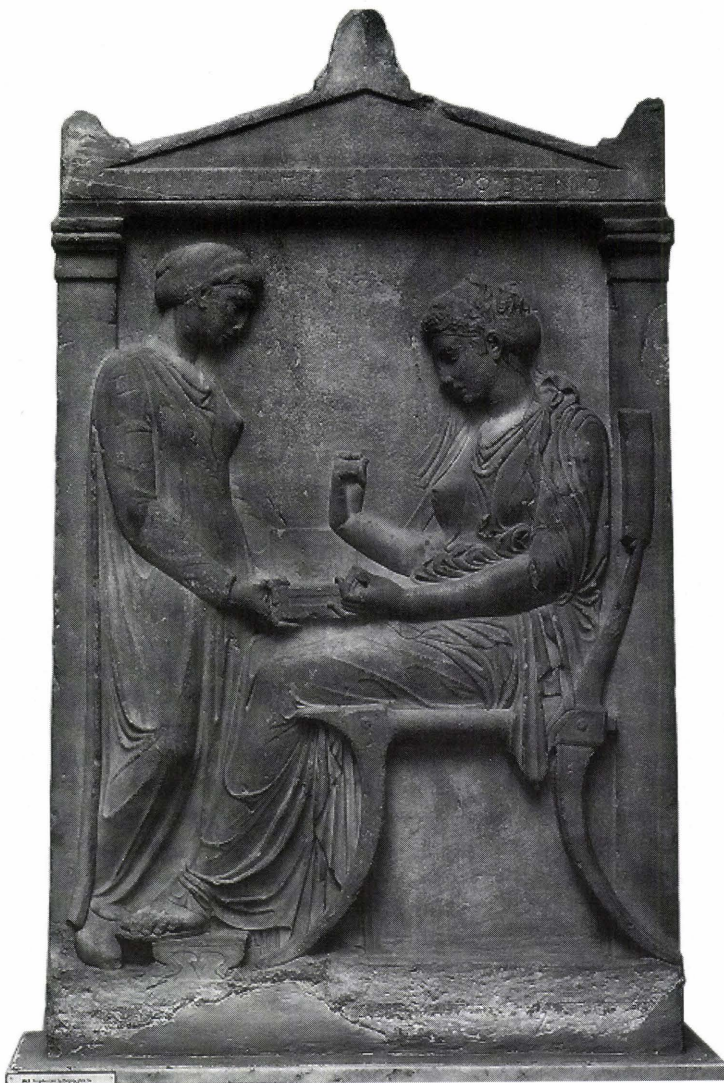


two French businessmen went prospecting for new opportunities in the Far East. They came back inspired by a business center they had seen in Macao and started scouting around for a suitable site. Alfortville, an industrialized suburb, had large tracts of land, formerly occupied by heavy industry, ready to be recycled for other uses. A waterfront area of 540,000 square feet, partly occupied by a vacant armaments factory, was chosen as Chinagora's location.

Right from the start, the project has had the full blessing and cooperation of the French powers that be. The land was sold to the Chinese at a friendly price, problems of access were disposed of with a minimum of red tape, and bank loans were granted without any undue fuss.

Even with such obvious good will from the French authorities, Chinagora still overshot its original budget and ended up costing the Beijing government \$80 million. But its high cost has not discouraged the Chinese. A whole series of other investments in France are already being planned by a company created two years ago for just that purpose. Combalance France, after having masterminded Chinagora's construction, is now concentrating on the creation of a Chinese garden in a small beach resort in the north of France. Negotiations are also underway with some southern French towns for other Asiatic tourist attractions.

There are some French cynics who share Napoleon's view of China and look on projects like Chinagora as the sinister start of a Chinese invasion of France. But businessmen with a more positive outlook see it as a definite sign that China is broadening its horizons and not only



**The Greek Miracle features 34 pieces of 5th century sculpture—22 of which have never before left Greek soil.**

looking for investments abroad but also ready to welcome foreign investors to its shores.

—Ester Laushway

#### ATHENS

### SCULPTURE FROM THE DAWN OF DEMOCRACY

Just after a U.S. election year it is appropriate that one should be reminded of the origins of democracy in ancient Greece. Two-thousand five-hundred years ago radical changes were taking place in government, philosophy, literature, and art and were being nurtured by the

ideas of people like Socrates, Plato, Sophocles, and Kleisthenes. And as exemplified by last month's election, these changes still affect today's world.

This golden age of exploration into man's mind and spirit can be traced through the sculpture of that time in an unprecedented exhibition at the National Gallery of Art in Washington, D.C.—The Greek Miracle: Classical Sculpture from the Dawn of Democracy, The Fifth Century B.C.

The exhibit begins with a work from the archaic period, *Statue of a Youth: Kouros* (530–520 B.C.). The figure's rigid features, arms at sides, sterile smile, and weight

evenly distributed are in deep contrast to the latter part of the exhibit, where the sculptures portray emotion and movement.

In the 5th century, Greece won a two decade war over Persia. The moral significance the Greeks attributed to this victory found its way into their sculpture. They reasoned sheer might alone could not bring victory and that some sort of moral conscience was needed. As a result the element of conscience was incorporated into the ideal hero. Thus, the pieces later in the century have a more human element. A marble frieze of *Nike (Victory) Unbinding Her Sandal* (425–415 B.C.) depicts just that. The sculpture's subtle gesture of removing a sandal suggests the artist wished to portray an intimate knowledge of the goddess. Humans were better able to relate to their heroes and brought them closer to their lives.

The Greek Miracle is in Washington from November 22 through February 7, 1993 and contains 34 pieces of 5th century sculpture, 22 of which have never left Greek soil. Twelve other pieces are from Europe's leading museums and The Metropolitan Museum of Art, where the exhibit can be seen from March 22 through May 23, 1993.

—Daniel P. Galo

#### ROME

### SPENDING SLOWS

All in all, the lira's departure from the European Monetary System seems to worry the members of the government in Rome more than it does the average citizen. Initial statistics indicate that Italians have limited their personal spending by three percent—an amount that is undoubtedly indicative of



some concern among Italian families, but on the whole isn't very high. The larger question is rather where are Italians saving money, or which sector of the economy is being hit? The simple answer is that Italians have cut back on non-essential expenditures, which has left the country with an ample margin of hope for a quick economic recovery. Surveys (including one conducted by Young & Rubicam) reveal that Italians have actually increased the purchase of durable goods. There has been an increase in the acquisition of culture and information, two "products" that, for better or for worse, constitute the solid pillars of technologically advanced democracies.

It seems as if in the midst of this season of unrest, attentions are centered on other, more frivolous matters. In Rome, for example, citizens are awaiting the unwelcome return, of the infinite flocks of migratory birds from Northern Europe. The birds, attracted by the warmer climate, will arrive to pass the winter in Rome. Attracted by the city's warmth, they will take over the trees in the parks in the center of town. And they have very precise schedules. Early in the morning they fly off "to work" in the fields outside the city, where they find food. At sunset, they return "home" to terrorize Romans and tourists alike. The sky above entire urban squares becomes black, evoking images from Alfred Hitchcock's famous and disturbing film, "The Birds."

People have only one choice—hurry past, preferably with a hat and an umbrella, since these friendly birds bombard streets and squares.

The civic administration seems helpless before this natural phenomenon of such vast proportions. The massive hordes of birds are relatively recent occurrences. In the past the storms of migratory

birds chose other routes. What to do? The only idea that has come to mind is to install powerful loudspeakers from which, at dusk, the cries of ferocious predatory birds, like eagles and falcons, are broadcast. It works...sometimes. The migratory birds, frightened or perhaps only bothered, move to another square. And the poor Roman and perplexed tourist can only ask themselves whether they haven't been transported into an Alfred Hitchcock sequel.

—Niccolò d'Aquino

## DUBLIN

### TABLE FOR TWO?

The pre-election promise of U.S. Presidential candidate Bill Clinton to appoint a special envoy to Northern Ireland to see how the United States might help in a peaceful settlement there came at a time when the long-running talks between the political parties in the North, the Dublin government, and London were reaching a stalemate.

Hailed as an historic breakthrough back in March 1991, when announced by then Secretary of State for Northern Ireland Peter Brooke, the elaborately structured negotiations have dragged on so long that many people no longer take any notice of them. They got off to a bad start when precious weeks were wasted in wrangling over procedures and time ran out before any meaningful dialogue between just the Northern Ireland politicians (let alone between Belfast and Dublin) proved possible.

A deadline was always hanging over the talks because the unionist parties would only agree to negotiate while the 1985 Anglo-Irish Agreement regular meetings between the Irish and U.K. governments were sus-

pending. But the Irish government always insisted that such suspensions had to be limited, otherwise there was a danger that the agreement would be seen as in some kind of permanent limbo, a state of affairs that the unionist parties would welcome but which would anger the nationalist community in the North.

■

**The hope is that while the talks for one participant were at times "as interesting as watching paint dry," the process can be continued after the Irish election and build on whatever mutual trust has been achieved during the long hours around the same table.**

■

The aim of the negotiations is to replace the Anglo-Irish Agreement with a new one acceptable to all the political parties in the North as well as to Dublin and London. The Sinn Fein party, seen as the political front of the IRA, has been excluded from the talks until it formally renounces violence.

The first strand of the talks involving the northern political parties since June of last year has produced no formula which would allow them to work together in running the internal affairs of their

strife-torn area and thus end the violence of the paramilitaries. The unionist parties are unwilling to give the nationalist SDLP, led by John Hume, a significant power-sharing role although many models have been discussed.

In the second strand of the talks between the Northern parties and Dublin, a stalemate has been reached over articles two and three in the Irish Constitution which state that the national territory comprises the whole island of Ireland but that the jurisdiction of Dublin is limited to the southern State until re-unification. The unionist parties insist that Dublin must waive what they see as an offensive claim which encourages the IRA's resort to violence before meaningful negotiations can begin on improving relations.

The Dublin government, on the other hand, says that the articles in question are "on the table" in the negotiations and can be changed as part of an overall agreement involving the whole island and relations between Dublin and London. Any constitutional changes would have to be approved by referendum in the South before they could be ratified.

Although the talks have had to be suspended because the latest deadline for a meeting of the Anglo-Irish conference expired, the very fact that northern unionist politicians, like Reverend Ian Paisley and James Molyneaux, sat around the table with ministers from Dublin to discuss the future of the North did represent an historic breakthrough.

The hope is that while the talks for one participant were at times "as interesting as watching paint dry," the process can be continued after the Irish election and build on whatever mutual trust has been achieved during the long hours around the same table.

—Joe Carroll



## LUXEMBOURG

LUXEMBOURG'S  
CONTEMPORARY  
PAINTERS TOUR FRANCE

After an 18-month tour through France, an exhibition of Luxembourg's contemporary painters opens here in the Tutesall and runs from January through February.

This is the first time that the country has organized a traveling exhibit outside of its borders, according to Prime Minister Jacques Santer.

A few decades ago, he said, most of the Grand Duchy's young artists turned "resolutely" to France and the Paris School to perfect their work. Today, that is no longer the case. Other influences, he said, such as those from Germany and Belgium, are having an increasing impact on Luxembourg's artists.

Rene Steichen, the Minister delegated to Cultural Affairs and Scientific Research, says the exhibition illustrates the emergence of a "European" art that does not negate or overwhelm the unique Luxembourgish perspective. Patrick Gilles Persin, the exhibit's curator, concurs and adds, "The painters' sources of their art are pluralistic, at the same time being Germanic, Flemish, and French."

Varying in age from 29 to 81, the 17 painters largely explore variations of abstraction, from controlled, stylized shapes to a total abandonment of any rigor, allowing simply the raw energy of applying paint to canvas to dictate the composition.

The oldest painter is Joseph Probst, who was born in Vianden in 1911 and lives and works now at Junglinster. His work is included in Luxembourg's art museum and the Paris Museum of History and Moderne Art. The two paintings shown in this exhibition ("Appareil" and "Atrait

Sensation") are painted in gentle tan, yellow, red, and gray tones. The hard, definitive, geometric aspects of Cubism have been softened and the shapes made more abstract and lyrical. His paintings project a feeling akin to the landscapes of the American painter Georgia O'Keefe.

In contrast, Doris Sander's work expresses an anger and exasperation with modernism.

"Abschied von Euridike II" uses black and white paint that is dashed like quick calligraphy strokes across the bleak gray and black canvas. In "Sans Titre," reckless applications of copper-red, blue, and black make the canvas seem like a palette in which the artist was working out the color on the brush.

Jean-Marie Biwer takes the sense of exhaustion one step further in two canvases, "Chronique des evenements recents I and II." White paint drips spilled milk across a background that is faintly stained gray-rose-black-white.

Unique among the painters is Fernand Rode with "Nicht offentlich." This is a Rousseau-like tableau of fern-like leaves, using the texture of the paint to reinforce the shapes as Van Gogh is famous for doing. It is a rich, verdant, green forest of leaves, disproportionately magnified.

—James D. Spellman

## BRUSSELS

## A BIGGER BRUSSELS

Brussels is bracing itself for January 1, 1993. The official opening of the European single market in the New Year will mark a relaunch of Brussels as the "political capital of Europe" aimed at drawing business and investment.

Next year will also be important for Brussels because Belgium will take over the E.C. Presidency for the last

six months of 1993, picking up where Denmark leaves off. So why are some Belgians looking glum?

The surprise is that although Brussels benefits enormously from the E.C. and markets itself as a seat of money, power, and influence, many Belgians are ambivalent about their capital's position at the heart of the European Community.

Their grumbling focuses on the transient Eurocrats who flocked to Brussels in the 1980s. Locals now complain about traffic jams, overcrowded restaurants, and stingy journalists who, it seems, are a good deal less spendthrift than their brothers and sisters in the bureaucracy, according to a recent report *En Ruimte*, a Brussels consultancy.

The study—commissioned by the Belgian external affairs department—estimated that Brussels benefited from \$29 billion last year, indirectly or directly spent by institutions, diplomats, lobbyists, and journalists. Together these groups total around 46,000 people, including what is now reckoned to be the largest press corps in the world.

The number is set to grow much larger if the E.C. takes in new members such as Finland, Sweden, and Austria. Like it or not, Brussels is set to become less comfortable, more crowded, but even more cosmopolitan.

—Lionel Barber

## LISBON

NEW E.C.  
COMMISSIONER

Portugal will start 1993 off by sending a new E.C. Commissioner to Brussels. Joao de Deus Pinheiro, a member of the Portuguese Parliament, has been the Portuguese Foreign Minister

since 1987 but will move to Brussels in January to take his seat on the European Commission. He replaces Antonio Cardoso E Cunha, who is going back to Portugal to head the organizing committee for Lisbon's world exposition in 1998. During his tenure in Brussels, Cardoso E. Cunha was the energy commissioner and was also in charge of small business, promotion, and tourism. At press, time it remained unclear whether Pinheiro would simply take over those duties, or if he would be assigned others.

Pinheiro has a strong background in the sciences, with a Ph.D. in chemical engineering and extensive experience with scientific and technological research. Before accepting the foreign minister's post, he served as Portugal's minister of education and culture from 1985 to 1987. As foreign minister, he chaired the E.C. Council of Ministers during Portugal's E.C. Presidency from January to June and is certainly no stranger to European Community affairs.

One issue awaiting Pinheiro and the other members of the Commission will be a criticism of the Community as being too intrusive into the affairs of the member states and the debate within the E.C. over the subsidiarity question.

While still in the Portuguese government, Pinheiro commented on this in an interview last year in *EUROPE*.

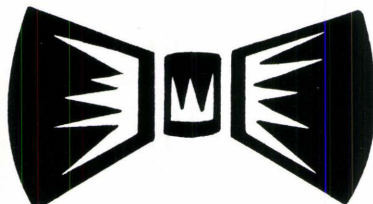
"We [Portugal] don't accept Community structures or directions being devised top down," he said. "However, if the approach finally designed for trade, monetary, and other aspects is considered federal, we don't mind that, provided it is a bottom-up—not top-down—approach."

He will soon be able to influence that approach—from the top.

—Jonas Weiss



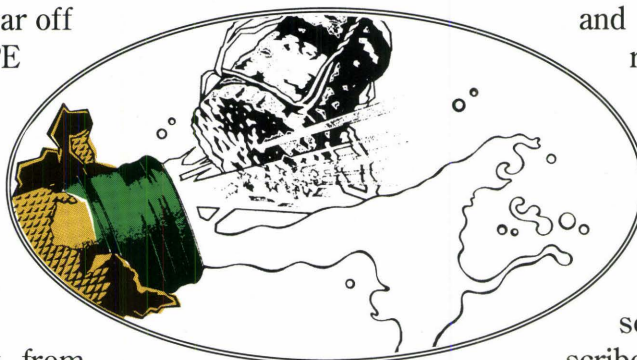
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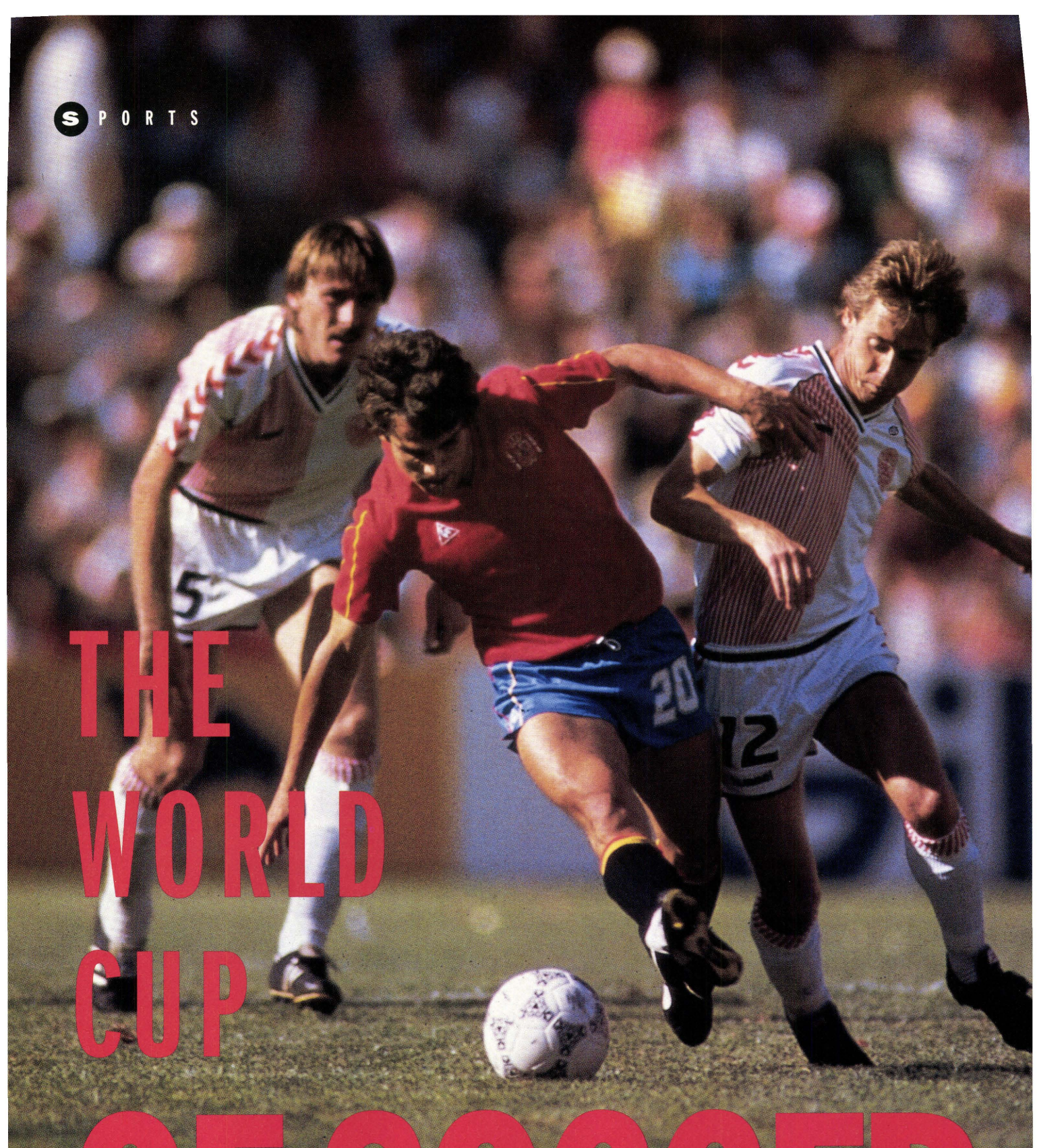
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A dynamic action shot from a soccer match. In the center, a player in a red jersey with yellow trim and blue shorts is leaning forward, his right foot near a white soccer ball. He is being closely defended from the right by a player in a white jersey with red vertical stripes and white shorts. Another player in a white jersey with red stripes is visible in the background on the left. The scene is set on a green grass field with a blurred crowd of spectators in the background.

THE  
WORLD  
CUP

# OF SOCCER



# America has it, but will we get it? BY MIKE MCCORMICK

I'm not gloating, but as a resident of Washington, D.C., I know what happens when the local team wins the Super Bowl. And, by virtue of a journey to Italy in 1982, I know what a World Cup victory means to a soccer crazy country. There is no comparison.

Super Bowl winners are heroes; World Cup winners are legends. The Super Bowl prompts metropolitan celebrations; the World Cup inspires national tributes, and the partying goes on for months.

In 1994, the World Cup will be played in America for the first time ever. From June 17 to July 17, 52 games will be played in nine U.S. cities (numbers in parentheses indicate number of games per venue): Boston (six), Chicago (five), Dallas (six), Detroit (four), Los Angeles (eight), New York (seven), Orlando (five), San Francisco (six), and Washington, D.C. (five). Some say it will be the biggest, most intense sports event in U.S. history, dwarfing the Super Bowl, the World Series, and even the Olympics.

"Olympic fans don't live or die for their country's field hockey team or the water polo team," says Alan Rothenberg, chairman, president, and chief executive officer of World Cup USA 1994. "We know about the passion of soccer fans. Tens of thousands of them are going to be here waving their flags and wearing their countries' colors and singing their nationalistic songs."

Rothenberg speaks from experience. He organized the soccer tournament in the 1984 Los Angeles Olympics which drew huge crowds to the Rose Bowl. In fact, it was the success of those Olympic matches that eventually persuaded the International Federation of the Association of Football (FIFA) to accept, in 1988, the U.S. bid to host the World Cup, a controversial move as soccer is a second-rate sport in this country.

Oddly enough, that's why the World Cup is here. FIFA wants to increase soccer's prestige in our wealthy country. But can the world's favorite sport find a place in America?

Rothenberg believes so: "We are a melting pot nation. I think the ethnic Americans are going to renew those same exciting rivalries.... Certainly it will elevate interest in the sport. And we hope it will be the impetus for the launching of a successful, outdoor professional soccer league, which has been sorely lacking in this country."

Blame the media for that. Print journalists ignore soccer, because it doesn't have baseball's tradition, basketball's fast-paced action, and football's machismo. But, most importantly, television hasn't touched it because soccer doesn't have any natural pauses—which are so critical for commercials.

That will change at the World Cup. In a move, unprecedented in America, but commonplace in Europe, ABC Sports and ESPN, will broadcast World Cup games without interruption. Commercials will be shown only at halftime. ABC will televise 11 games, including the final which will be held in the Rose Bowl in Los Angeles, while ESPN will show the remaining 41 games, 33 of which will be live. The Brussels-based European Broadcast Union Sports will handle the worldwide telecast, through its EBU Sports International division.

The television format is the result of an agreement between the networks, World Cup USA 1994, and three of the event's official sponsors—Coca-Cola, Snickers, and Master Card. They and other corporations will have their logo beside a clock in the corner of the screen for a portion of the game.

"I think it's the way of the future for a lot of events," says Rothenberg. "I'm going to see the logo, certainly subliminally I'm going to see it. That to me is more valuable than breaking the action."

Aside from providing backing for the television coverage, sponsors are a crucial part of this affair unlike the 1990 World Cup, which was underwritten by the Italian government. The American effort must pay its own way. At least the U.S. business community has recognized the event's significance.

Six of the 10 "official sponsors" are American corporations, up from three in the last World Cup. And three of the four "Marketing Partners" are American. Four "Marketing Partnerships" have yet to be sold, but Rothenberg says he's not worried.

FIFA pockets the "official sponsors" rights fees—amounts haven't been released, while World Cup USA 1994, collects the "marketing partners" rights fees, estimated to be \$7 million. In addition, each venue has its own organizing committee with a fundraising mission. In some cases, local governments have anted up for stadium renovations.

Most of the revenue will be derived from the sale of 3.5 million tickets. Rothenberg believes that close to one million foreign soccer fans will attend the event, though others think half that is more likely. There are plans in the works to create ticket, travel, and lodging packages for super fans who want to follow their favorite national team. The American soccer community, which numbers two million, gets first crack at the tickets in early 1993.

Of the 141 countries that were drawn into the World Cup in December 1991, 115 are still in contention. Elimination matches are currently underway to pare them down to 22 by next November. Defending champion Germany and the host United States are prequalified. Of the remaining slots, European teams will fill 12. However, some of the traditional powers may be left out.

"Norway and Switzerland have a good chance," says Team USA coach Bora Milutinovic. "It would be Norway's first time. And Switzerland was only in the 1954 World Cup. Denmark is out. Either the Netherlands or England will come, but not both. Scotland probably won't come, Portugal won't come. I hope Italy will be here. Ireland has a chance, so does Spain. And I think Greece will come for the first time."

What about the United States?

"We have good players, and playing in the country is a big advantage for us," he adds. "The dream of our team is to be world champion."

A longshot maybe, but at least the rest of the world wouldn't snicker as they do when our Super Bowl and World Series winners proclaim themselves "world champions." ☺

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*Mike McCormick is a writer based in Maryland. His article "Parallel Lanes" appeared in the July/August issue.*



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December—January

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the Community. The Census' advantages and limitations are reviewed, and a brief comparison of the several types of questionnaires is made. \$9.00

**Agreement on the European Economic Area.** *Commission, Brussels, 1992, 784pp.* Provides the full text of the Agreement which covers: free movement of goods; free movement of persons, services and capital; competition and other common rules; horizontal provisions relevant to the four freedoms; institutional provisions; financial mechanism; and general and final provisions. \$35.00

**Environment Statistics 1991.** *Statistical Office, Luxembourg, 1992, 237pp.* Presents data on population, land use, energy, air, water and material flows in the environment. Includes sections on conservation and public opinion. \$30.00

**Human Resources in Europe at the Dawn of the 21st Century.** *Statistical Office, Luxembourg, 1992, 606pp.* Contains conference papers concerning demographic changes in Europe and the world, how to maximize human resources, and future challenges. Papers are in their original language. \$55.00

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# ARTS & LEISURE

## ART

**Stieglitz In The Darkroom**  
*National Gallery of Art; Washington, D.C.; through Feb. 14.*

Whether Alfred Stieglitz (1864–1946) was a scientist who was swept into the world of art or rather an artist who was overwhelmed by the science of photography is debatable. What is not debatable is that Stieglitz had a profound effect on both the scientific and artistic aspects of modern photography.

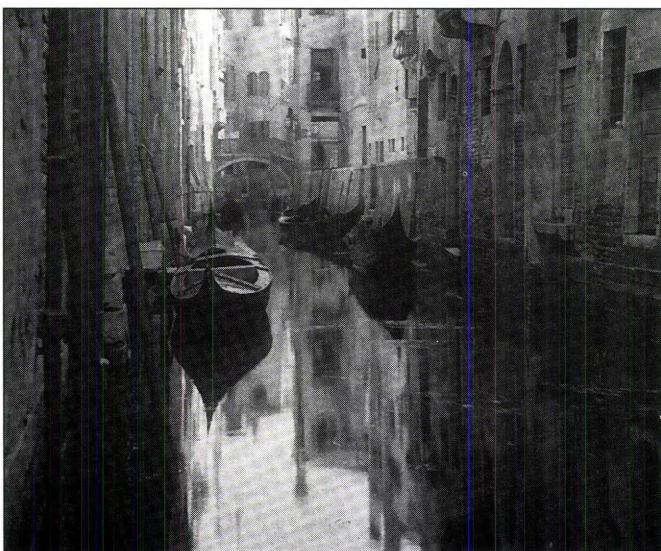
Born in Hoboken, New Jersey, in 1864, Stieglitz was sent to Germany by his father to study mechanical engineering at Berlin Polytechnic and later at the University of Berlin. While in school, he soon became fascinated with the technical aspects of photography and soon was responsible for his professor's darkroom. Drawing heavily from his studies in physics and chemistry, Stieglitz was continually experimenting with new methods of film processing, light manipulation, paper mediums, and developing chemicals.

Stieglitz in the Darkroom is full of examples of how he would take a single negative and produce four or five very different photographs—each with a completely different tone or mood—by changing the cropping, tinting, and film processing. As with “A Venetian Canal,” Stieglitz manipulated the negative and produced several different photographs of the same canal, yet each maintains an individuality.

Even as a student, Stieglitz



**Using a single negative, Stieglitz often changed the cropping, tinting, or film processing to create different images, as he did with “A Venetian Canal.”**



was said to always to be in restless pursuit of new innovations in his craft. After being told that photographs could only be taken in natural light, he photographed a generator in the basement of his school using only a dim bulb. He was also one of the first to produce photographs outside at night. His subject matter was also sometimes unconventional, as seen in his cloud series and the nudes of Georgia O'Keefe, Stieglitz' companion for many years.

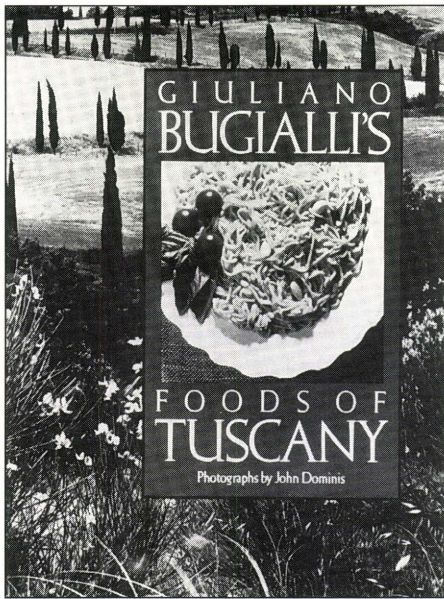
In addition to perfecting the scientific techniques of photography, Stieglitz worked to gain recognition of photography as an art form. In 1902 frustrated by the lack of serious interest in the art and science of photography he formed the Photo-Secession in New York City. This group of select photographers committed themselves to seceding from conventional expectations of photography and instead exploiting the creative potential of the medium.

Stieglitz soon opened a gallery in New York City to exhibit the works of the photographers of the Photo-Secession. The gallery, named 291 after its location on Fifth Avenue, was in essence a laboratory for photographers to study and perfect their craft.

Stieglitz' attention to minute details and his commitment to the scientific process provide the basis for his work, but it was his drive for “living creative expression” that produced his art.

—Christie Gaskin





## BOOKS

**Giuliano Bugialli's Foods of Tuscany.** By Giuliano Bugialli. Photographs by John Dominis. Stewart, Tabori & Chang, Inc. 304 pages. \$50.00.

Forget the coffee table. This book belongs on the dining room table. Just leaf through the full-color photographs of steamy focaccia, exquisite pasta, and delicate desserts, and you'll have a sudden urge to grab the nearest knife and fork. Oh, if only those pages were real. Pass the cheese, please; I'm hungry just opening the front cover.

This is a book that promises countless delightful repasts. A book to be savored. A book to prop up on a kitchen cabinet and lovingly explore (using a splash guard, please; at \$50.00, you wouldn't want to drizzle olive oil on even one word).

Author Giuliano Bugialli is in love with Italian food and his passion comes through on every page. A native of Florence, perhaps the best known of Tuscany's glorious cities, Bugialli grew up wanting to be not a chef, but a surgeon. The medical profession's loss is our gain, as Bugialli has made Italian

cooking an industry as well as an art.

*Foods of Tuscany* is his sixth book, which is bound to be as sought-after as the previous ones, thanks to loyal fans who flock to his classes in the U.S. and Italy, try their hand at making pasta creations while watching his videos, and set the kitchen timer so as not to miss a moment of his charismatic cooking

show (produced by Italian television and broadcast on cable in the United States).

This latest effort contains 150 recipes from old Tuscan families (including Bugialli's own) sprinkled with delightful tales of the region's colorful festivals such as Pisa's Luminaria, Florence's Lo Scoppio del Carro, or Siena's Palio horse race.

This is as much a travelogue as it is a cookbook. John Dominis' stunning full-color photographs positively glow with the Tuscan sun. There is the shot of the Feast of San Giovanni with fireworks bursting over platters of *Pane di Pollo* (Chicken Bread); an artfully arranged *Spaghetti ai Fiori di Zucca* (Pasta with Zucchini Blossoms) set against a Renaissance sculpture of Spring; and even a tiny photo of a bottle of sugar water balanced on an olive branch to catch flies (a natural alternative to pesticides).

The once-independent political units that now make up Tuscany were united—on paper, at least—in the 15th century, but as Bugialli bluntly puts it, "The people of these areas have an individuality that they do not intend to change."

Thus, there are selections from the rich countryside of Lucca, the culinary gold mine

of Siena, the one-time marshlands of Maremma (home of water buffalo and wild boar), and the distinctive Italian-Jewish cuisine of Livorno.

The city of Garfagnana offers *Pana con Olive* (Bread with Olives); Carrara, *Focaccia del Cavatore* (Focaccia of the Marble Workers); Livorno, *Spaghetti ai Gamberi* (Spaghetti with Shrimp or Lobster); the Chianti area, *Ciliege al Vino Rosso* (Cherries Baked in Red Wine), and Prato, *Brutti Ma Buoni* (Ugly but Good Cookies).

Recipes are clear, informative, and easy-to-follow, and Bugialli has managed not to confuse the novice or talk down to the expert.

Who wouldn't want to find this book under the tree on Christmas morning? Better yet, open it the night before, and whip up a batch of *Necci* (Chestnut Flour Pancakes) for Christmas breakfast.

Buon appetito!

—Elisabeth Farrell

**Serbs and Croats: The Struggle in Yugoslavia.** By Alex N. Dragnich. Harcourt Brace Jovanovich. 202 pages. \$22.95.

In this era of instant television pictures from around the world, some analysts are predicting a split screen event for President Clinton's inauguration in January. On one side of the screen will be the inauguration festivities; on the other side, pictures of thousands of Bosnians dying of starvation and exposure. Before the new administration has any time to settle in, it will be confronted with pressures to stop—militarily or otherwise—Serbian expansionism that threatens to unleash a Balkan war in Kosovo or Macedonia.

Those pressures have been building already, from some quarters in Congress, the press, and the foreign policy establishment. Governor Clinton's campaign rhetoric

included calling for a more activist policy in Bosnia. At first blush, this concern seems excessive for a country far removed from most American sensibilities (except in a few midwestern cities), and many would say, further removed from vital American interests. But even if Yugoslavia is geographically and politically more central to the countries of Western and Central Europe, its birth out of the collapse of empires in 1919 owes much to another Southern-born American President, Woodrow Wilson.

This is the point at which Alex Dragnich picks up his narrative. The premise of this political scientist who once served as cultural and press officer in the U.S. Embassy in Belgrade is the same as that which motivated Wilson and such British sponsors of Yugoslavia as Hugh Seton-Watson in 1919. As Dragnich as-

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serts, "the things that the South Slavs have in common logically should outweigh the things that divide them."

Unfortunately, logic seems to have played a minimal role in events there since 1919, and passions between Serbs and Croats have driven the young country's history.

The reader should be forewarned. Dragnich has little sympathy with Croatian political or territorial aspirations and even less for the central role of the Roman Catholic Church spurring those aspirations. He also has a visceral antipathy to German and Austrian policies from the Congress of Berlin through their hasty recognition of Croatian independence early this year.

Dragnich traces Serb-Croat rivalries back to the 1800s and describes how they grew in the first two decades of Yugoslav independence. But the real fissure, he asserts, came with World War II. After a military coup ousted a neutral-minded government in Belgrade, the Nazi's invaded Yugoslavia in April 1941 and destroyed the first republic. A satellite Croatian state, under the sway of the militant terrorist organization Ustashi, murdered thousands of Serbs, Jews, and Gypsies, which the author describes as "much a religious act as a politically dictatorial or militarily terroristic act."

The war brought another kind of civil war between two anti-Nazi guerrilla groups, the Serbian Chetniks and Josip Broz Tito's communist Partisans. Dragnich is highly critical of the British, who had the lead Allied role in the Balkans, for backing Tito over the Chetniks and of the United States for acquiescing in the policy. The author has no good words for Tito, either as a guerrilla leader or as the head of a re-united Yugoslavia in three decades after. He basically views Tito as an unreconstructed Leninist

who allowed only those changes that did not threaten either his control or that of the Communist Party.

Dragnich draws a conclusion in line with his sympathies toward the Serbs. He asserts that the E.C., pushed by Germany and Austria and then followed by the United States, made a serious mistake in its hasty recognition of the breakup of Yugoslavia. He says that all the Serbs gained from their loyalty to the allies in two world wars and their sacrifices in two Balkan wars was to be told to leave three million of their people at the whim of other masters. He is so eager to make this point that he does so twice in identical paragraphs six pages apart.

Unfortunately, even if one accepts his premise that the E.C., the United Nations, and United States have based their policies on a faulty reading of Yugoslav history, he offers no suggestions for dealing with the situation that now exists. By asserting that the post-World War II borders between the Yugoslav republics were not necessarily the correct ones, he takes a pass at the political question most bothering all other signatories of the CSCE treaty, that borders are not supposed to be changed by brute force, as the Serbs have been doing in Croatia and Bosnia. The larger moral questions of whether outsiders should intervene to stop alleged Serb genocide and current atrocities on both sides go without mention.

Ultimately, Dragnich assesses the Yugoslav tragedy in words similar to those heard increasingly from liberals in Central and Eastern Europe, including the Czech writer and former Civic Forum chairman, Jan Urban. The final tragedy is that a Wilsonian vision of a new country that can rise above the many differences of its peoples, on the model of the United States, may just be im-

possible in a Europe with less space and longer historical memories.

If that grim prophecy turns out to be true, and daily news bulletins give little hope to the contrary, then the E.C. and the United States face a grimmer future of tension and turmoil in the Balkans that threaten to divert both

from applying their wealth, talents, and energies to more pressing problems in their own societies and elsewhere in the world. That is why so many here are coming to fear the consequences of a split-screen inaugural for America and for Europe.

—Michael D. Mosettig

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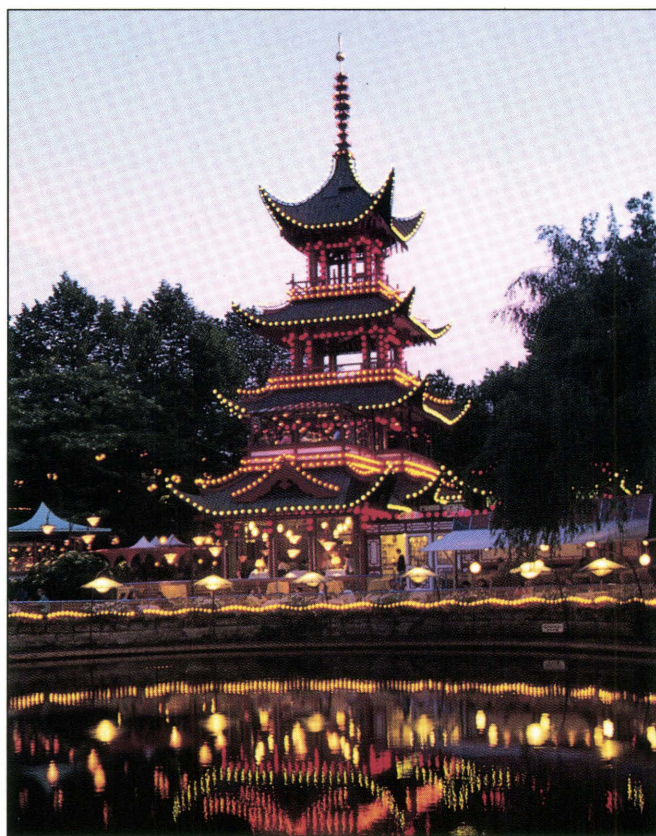
## WHAT TO DO IN DENMARK

*The following is a mini-guide to coming events this year in Denmark.*

**Royal Danish Silver Exhibition**—held at Rosenborg Slot (Rosenborg Palace), a 17th century Renaissance palace, through September 1993. This is one of the events celebrating the year of the silver wedding anniversary of Her Majesty Queen Margrethe II and His Royal Highness Prince Henrik. The royal Danish silver will be on display along with ceremonial royal costumes and silver items dating from the mid-17th century to 1930, including an exquisite collection of royal silver furniture from the 17th and 18th centuries.

**Nationalmuseet (National Museum)**—this museum was reopened after a six year, \$75.5 million renovation in June. A major exhibition entitled "The Vikings" which traces the lives of these warrior-travelers from 900 to 1200 A.D. will open at the National Museet on December 26 and run through March 15, 1993. More than 600 objects of art, literature, household goods, and weapons collected from 80 museums around the world will be featured.

**Louisiana Museum**—located in Humlebaek, a 30-minute train ride from Copenhagen. This museum houses an international modern art collection and frequently hosts film and concert series. Two current major exhibitions include 100 works by French painter Pierre Bonnard, spanning the years 1920 to 1947 when he lived and worked in Provence. The second major exhibit features works by an American and a founder of the Pop Art movement,



**Tivoli Gardens, Denmark's oldest amusement park, will begin its 150th Anniversary year in April.**

Jasper Johns, from 1960 to the present. To complement this exhibition, portraits of and a film on Jasper Johns by Hans Namuth, an American photographer, are also featured. The Bonnard exhibit ends on January 10 and the exhibit on Johns, on January 17, 1993.

**Ny Carlsberg Glyptotek (New Carlsberg Picture Hall)**—located on Hans Christian Andersen Boulevard, this museum houses a collection of works by Gauguin, Degas, and the Impressionists, in addition to Greek, Egyptian, Roman, and French sculpture.

**Hans Christian Andersen Center**—located in a restored townhouse in the picturesque old harbor of Nyhavn, where Hans Christian Andersen spent his adult life. This is an activity center which features not only readings and exhibitions but also theater performances depict-

ing his world-famous fairytales and his life. It is open daily from 10 a.m. to 5 p.m., except Tuesdays.

**The Royal Theater**—this theater hosts performances by the Royal Danish Ballet, and Royal Danish Opera. The offerings for December by the **Royal Danish Ballet** are a Christmas classic, "The Nutcracker" on Dec. 16, 18-19, 22, 26, 28; on Dec. 17 a sampling of works by choreographer, George Balanchine together in one performance, "Apollo, Tchaikovsky Pas de Deux, Tzigane, Tchaikovsky Piano Concerto No. 2"; a special performance "Ballet Gala" on Dec. 30. The performances scheduled by the **Royal Danish Opera** are: a production of Bizet's masterpiece "Carmen" on Dec. 21; a production of a classic opera by Giuseppe Verdi, "Don Carlos" on Dec. 19 and 29. There will also be a New Year's Concert scheduled on Dec. 31 at 5 p.m.

## FESTIVALS IN 1993

**Tivoli Gardens' 150th Anniversary Season**—from April 22 to September 19.

**Carnival in Copenhagen**—a boat carnival and children's parade are featured in this festival from May 29 to 30.

**Skagen Festival**—a folk festival hosted by the town of Skagen, which was famous as an artists' haven in the 19th century. From June 24 to 27, features planned and spontaneous free music.

**Roskilde Festival**—the biggest annual rock-n-roll festival in Northern Europe takes place in the market town of Roskilde, 19 miles west of Copenhagen. This event will feature around 100 bands on five different outdoor stages. From July 1 to 4.

**Copenhagen Jazz Festival**—an international event featuring both Danish and foreign musicians to perform in approximately 450 concerts in ten days, July 2-11.

**Denmark Salutes Uncle Sam**—for the past 81 years, on July 4 Danes have celebrated the United States' Independence Day in the rolling hills of Rebild National Park, near Aalborg town. This celebration includes song, dance, and a fireworks display and reflects Denmark's linked heritage with America.

**Aarhus Festival**—features a complete program of concerts, theatrical productions, exhibitions, sports events, and an old fashioned fair in the "Old Town" open-air museum. Takes place from September 4 to 12 at the town of Aarhus.

—compiled by Marlar Oo





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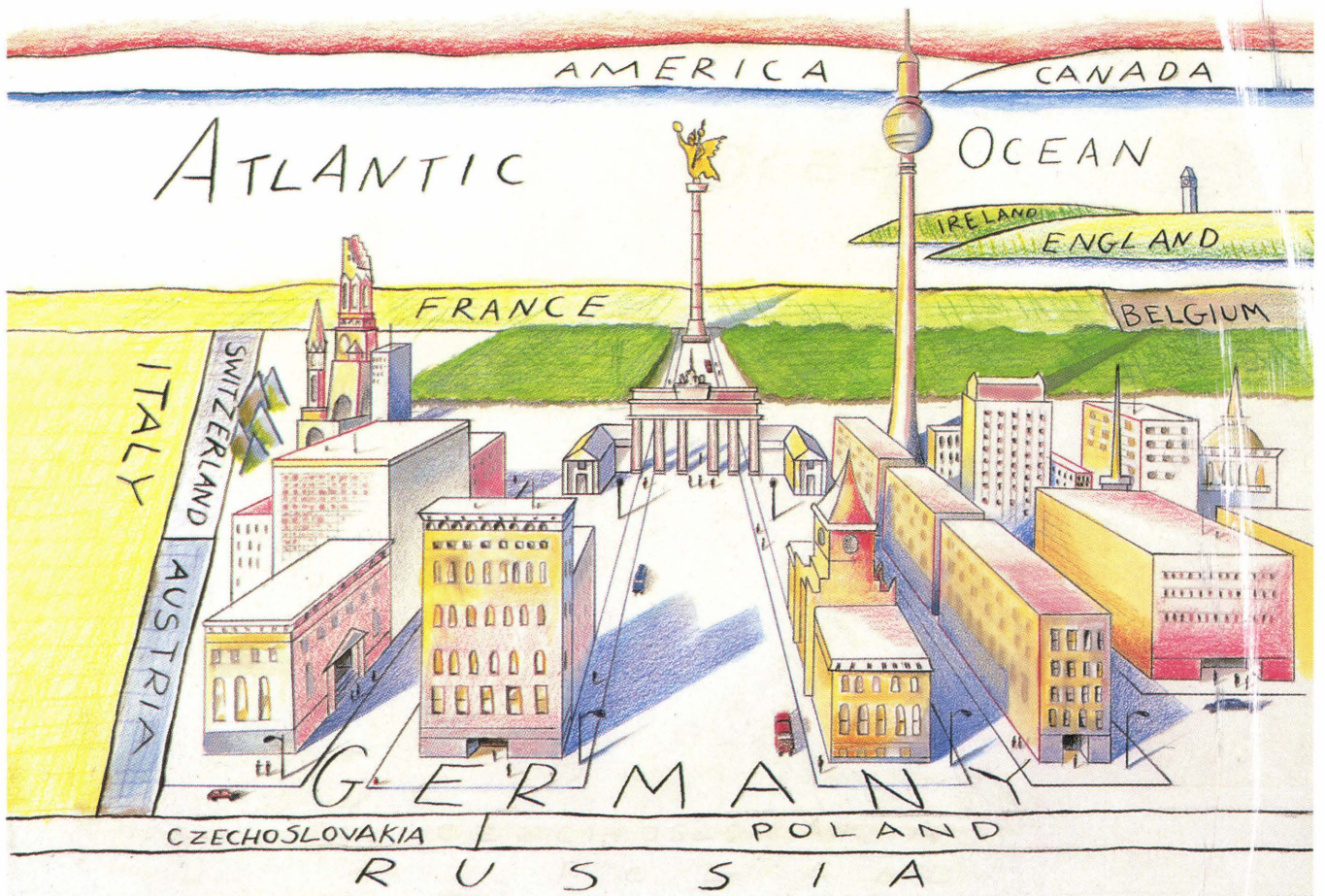
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