

Week of June 29 to July 4

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Paris will be the venue, September 1 to 14, of a special United Nations conference designed to study and resolve the problems facing the world's poorest countries. The European Community is expected to take an active part in this meeting.

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FINANCE: EEC funds for about 50,000 jobs during 1980

To create or save a total of nearly 50,000 jobs all over Europe in 1980, when unemployment soared to record highs, stands out as a major achievement. Although it's hard to tell precisely, that is the estimated number of jobs established or retained as a result of the lending operations of one of the European Community's least-known institutions.

As in previous years the Governments, regions and enterprises of the Community members in search of scarce financing during a recession period turned increasingly to the European Investment Bank in Luxembourg.

The Bank's annual report, released recently, indicated that its lending operations rose to a total of £1,8 billion (3.4 billion ECU) in 1980, up from the £1,6 billion (3 billion ECU) registered in 1979. Most of that amount went to the Community member countries, but about 15 per cent of the total lent also went to Mediterranean, African, Caribbean or Pacific countries associated with the Community either through the Lomé Convention or other accords.

Always seeking to provide capital where it will do the most good, the Bank last year concentrated about 80 per cent of its lending in Italy, Ireland and the United Kingdom, but there was also an appreciable upturn in lending in Belgium and Denmark. This is because the Bank's primary task under the EEC Treaty is to assist regional development in areas with major structural or employment problems. More than four-fifth of its aid for regional development went to areas with unemployment figures at least 25 per cent above the Community average. Loans went for a wide range of investment including industrial development, irrigation, water supply and sewerage treatment, telecommunications, electricity and gas supply facilities and transport improvement.

The Bank's next main task, that of financing investments representing a common interest to several member countries or the Community as a whole, was centred largely on energy projects aimed at reducing the need for oil imports. The annual report indicated that the Bank's financing during the last four years will lead to a cut in the Community's annual oil imports of 50 million tonnes, equivalent to 11 per cent of the total imported in 1978.

On the job front, it is estimated that the projects supported by the Bank in 1980 represented the creation or safeguarding of around 49,000 mainly in industry and including an expected 16,000 created in plants to be established in Ireland alone.

This record for the Bank is a main reason why the EEC member countries recently decided to increase their funding for loan operations, a decision which should lead to even more jobs and development throughout the EEC.

EDUCATION: Europe counts noses

Ever since the Second World War, educational systems in Europe have experienced a rapid development. The level of education provided in schools and universities has improved considerably, has diversified and has opened access to more persons. But these achievements might soon be cast into doubt. The drop in birth rates registered in all the Member States of the European Community, with the exception of Greece and Ireland, creates some major uncertainties on the ability to continue providing a dynamic education. The decline in the number of students results in an accompanying reduction in the number of schools and teachers, as well as a drop in the funds available. This phenomenon was one of the three major topics discussed by the European Community Council of Ministers of Education held recently in Luxembourg.

No concrete decisions were expected from this meeting, but discussions were planned to provide guidance for a possible reactivation of an education policy which has been largely marking time at the European level for several years. To take into account the emerging demographic situation, the Ministers agreed on a need to readjust current educational policies. The two-fold aim would be to continue to guarantee the training, recruiting and retraining of an adequate number of teachers, and also to guarantee a high-quality education, especially in rural and centre city areas.

To accomplish this task, the Member States, have up to now attempted various approaches. Belgium tried to resolve the problem by reducing the number of students per class, thereby improving the quality of instruction. The Netherlands also used the same method, while at the same time seeking to promote adult education and decentralisation of schools. On the other hand, France, Denmark and the United Kingdom sought to substantially reduce the number of students preparing for a career in teaching.

The Community Ministers also discussed the links between the employment situation and educational and training policies. Everyone was in agreement that stress should be placed on the fact that such policies should more than ever take the situation on the labour market into consideration. Most importantly, an effort should be made to increase the integration of vocational training in new technologies in studies and also to promote permanent education and work-study programmes. Finally the Council charged the Education Committee of the Community to draft a report on the situation concerning the mutual recognition of diplomas earned in the different member countries.

PASSPORT: The European identity

Citizens of the European Community in the coming years will have another symbolic but intimate bond identifying them as a united people wherever they travel near home or around the world.

In a limited, but nevertheless important decision recently, the Foreign Ministers of the 10 European Community member countries agreed to a common format for their national passports to be introduced by 1985 at the latest. As a result, member Governments will begin issuing national passports which have the same appearance as those of other EC states. The passports will have the same size and on each copy the inscription "European Community" will be stamped on the cover. The deep-red colour of this passport is variously known as burgundy in English and bordeaux in French, but even there is some uncertainty about colours and wines on the opposite shores of the Channel, there is no doubt that these and all the other Community countries will use the same colour. While all Community languages will be used when referring to the words for European Community and Passport, the national language of the passport holder, as well as French and English, will be used for personal information. Each state will also be allowed to display its own coat of arms on the cover.

While such an agreement on a few details may at first glance not seem an extraordinary achievement the task of getting 10 different countries, each with their priorities and traditions, to agree took years of delicate negotiation. Already in 1974 the Community heads of state and Government decided to press toward a passport union. They visualised it as "an exterior sign of solidarity uniting the peoples of Europe". The negotiations became at one moment so difficult that they were interrupted from 1977 to 1980. One complicating factor was the desire of international aviation agencies and of some Community member countries to introduce in the near future a universal coded card for each traveller containing personal information that could be read automatically at airports with sophisticated optical scanning equipment. This interest had to be coordinated with the aim and design of the common Community passport.

In addition, Community authorities feel that the introduction of this uniform passport is not an end in itself, but only a first step toward the fulfilment of a complete passport union, granting full and equal rights and privileges to all Community citizens throughout the member countries.

Follow-up propositions are expected to be introduced on these other aspects of the passport union in the future.

There are still some unanswered questions as to how European citizens feel about a new passport which would affirm their links to one Community.

A public opinion poll conducted recently under the aegis of the European Commission - and based on a survey of about 10,000 persons between March 23 and April 30 - produced some rather encouraging results.

Public opinion in eight of the ten EEC countries favours the introduction of a European passport. Denmark and the United Kingdom remain reticent about the passport, while those most in favour include the Greeks, the Italians and Luxembourg nationals.

The survey also inquired about how people felt about the links existing between the Community countries, and how these had evolved during the last twelve months. The majority of those questioned felt that Community solidarity was on the wane. Only the Greeks and the Irish felt differently. Europeans tend to appreciate the Community because it has reduced the risks of a major war and has given consumers a larger choice of products being sold in shops and super markets. A number of EC citizens feel, however, that their country's membership of the EC has a negative impact on prices, agriculture and the labour market.

#### EUROPEAN COMMISSION: Putting the Community house in order

The European Community, which will soon count twelve Member States, will show the rest of the world how to tackle the different problems facing Humanity. This is a challenging but exciting task...

These rather ambitious thoughts are included in the introductory chapter of a new and very important European Commission report forwarded recently to EC capitals. The study deals with the mandate given to the Commission on May 30, 1980.

Under the terms of this mandate, the Commission was expected to recommend a number of structural changes which could prevent the emergence of any other "unacceptable" situations as regards the EC budget for any EC Member States. The mandate had its origins in the problem of the British budgetary contribution, which was solved on a provisional basis for the 1980 and 1981 budgets.

In its report, which follows more than a year of reflection, the Commission stresses that the debate should not be restricted to purely budgetary considerations, but also to place it in its proper perspective of confirming and developing Community solidarity. In its view, each Member State, when entering the Community, became a party to a political pact and is therefore committed to its full realisation. The Commission's proposals concern at the same time the future of the Community institutions, the modification of

existing policies and the orientation of new policies. It feels that only through an over-all Community strategy will new prospects for sound growth patterns and better employment conditions be found.

For the Commission, this strategy should be based on the following elements:

- a strengthening of the European Monetary System in order to guarantee monetary stability within the Community, the development of a modern and dynamic Community industry fully exploiting the vast domestic market represented by the ten Member States; the intensification of a programme of energy conservation and production of domestic, especially new, energies; finally, the development of new technologies and the creation of an active competition policy used as both an instrument for coordination and also for more uniform economic conditions throughout the Community.

To achieve these objectives, the Commission believes that it will be necessary to raise the current ceiling limiting the financial resources of the Community. But it also feels that a review will be required of the main activities of the Community, such as the agricultural, social and regional policies.

In the agricultural sector, the Commission proposes the alignment of Community prices on those of our closest trading partners, the establishment of precise production limits for each product that could be met through a diversified series of intervention mechanisms. It also recommends the adoption of aid policies to benefit small farmers.

These new guidelines should lead to reduction in agriculture's share of the total Community financial resources. A special mid-term financial mechanism should also be created to benefit the United Kingdom, which because of its economic structures, profits less than its partners from the common agricultural policy.

The Commission also proposes a series of other measures, on which we will perhaps return. But it wanted to underline the fact that all these measures proposed can be applied without lengthy delays if they are supported by real political will. The ball is now in the court of the Member States and the other institutions of the Community.

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- our articles, the mention of the source and a tearsheet would also be greatly appreciated. Thank you.

DEVELOPMENT: A new plan for the least developed states

While all Third World countries face serious economic problems, the difficulties facing the least developed states require special and immediate action. The specific economic and development problems of the least developed states will be studied in Paris, September 1 to 14, at a special conference organised by the United Nations. The Paris meeting is expected to endorse a "substantial new programme of action" designed to help the least developed states in their efforts to fight hunger, slow down their increasing balance of payment deficits, problems provoked by a soaring energy bill, and rocketing transport costs.

The United Nations has identified some 30 countries as falling within the "least developed" category. These nations share three common features: per capita gross domestic product is lower than 100 dollars, the share of industry in the GDP is below 10%, and only 20% of the adult population is literate.

About 22 of these least developed states are linked to the European Community through the wide-ranging trade and aid agreement, known as the Lomé Convention. The European Community is also expected to play a major role in the forthcoming Paris conference.

In a report recently forwarded for further discussion and debate to EC Foreign Ministers, the European Commission recognizes that while critical problems facing the least developed states should be dealt with immediately, a long-term development strategy will be necessary if these problems are to be attacked at their very root.

Special attention, notes the Commission, should be given to agriculture, in particular food production, the development of fisheries and water supply. Other areas that should receive priority treatment include the promotion of industrial and agricultural exports, and the development of local energy resources.

Training and education, transport, and the transfer of technology are also sectors requiring special attention.

Finally, the EC also calls for an increase in Western aid to the poorer countries of the Third World, adding that the conditions attached to such aid should be improved.