

Europe 81

Nos. 1/2

January/February 1981



'The place from which we could hope to influence world politics is inside Europe...'

LORD GEORGE-BROWN

The big apple rumpus



Pissarro goes to Paris

Dilys Powell on her friends the Greeks

Why Europe is right for British farmers

Gaston Thorn: the task ahead

EURO FORUM

Introducing Europe 81



Eight years after our entry into the European Community, the question of Britain's membership is still one of political controversy. Knowledge and understanding of the Community are still inadequate. Too much argument is based on prejudice rather than fact.

The magazine of the UK offices of the Commission has been restyled in an attempt to reach out to a wider readership than before. The basic aim of Europe 81 will be to spread information about Community decisions and policies, and to show their impact on the lives of the British people and those of other member countries.

Europe 81 will carry a number of new, regular features. Each issue will contain a Personal Column by a distinguished public figure: Lord George-Brown is our first such contributor. The eight-page insert, Euroforum, will provide authoritative news and commentaries from the Commission in Brussels, while articles like that by Emanuele Gazzo will look beyond day-to-day issues – of butter, of fish, of mutton and lamb – to offer a broader perspective. Dilys Powell, writing here on Greece and the Greeks, and Denis Thomas's appreciation of the Pissarro exhibition, illustrate our wish to extend our coverage beyond regulations, directives, politics and statistics.

We hope you will enjoy Europe 81.



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The bubble finally burst for Shotton steelworks, North Wales, just over a year ago. Over a 50-mile area, 7,000 workers were made redundant. After 78 years, iron and steelmaking on Deeside came to a stop. The British Steel Corporation, faced with massive losses and a shrinking market, could no longer maintain the heavy end of its Welsh steelworks or the majority of its 10,600 workforce. So Shotton had to shed two-thirds of its workers: the biggest-ever BSC redundancy and probably the largest of its kind at one site anywhere in the UK.

When Shotton steelworks closed, the

effects were felt in Chester, Liverpool and Rhyl, but most of all in the community around Queensferry, Clwyd, which has provided generations of steel workers.

Some were lucky: 3,600 still have jobs in the finishing works at Shotton, producing coated sheets of steel from coils which are made elsewhere. But the rest, who had been involved in iron and steelmaking and hot rolling, joined the growing ranks of unemployed. At Flint, five miles from Shotton, 30 per cent of the population are now without jobs.

Counting the costs is difficult. In financial terms, £65 million was needed to finance the

6,420 initial redundancies announced in December 1979. BSC contributed £37 million. The rest came from government and European Community sources.

But with the deterioration of trade, a further 872 redundancies were announced in project Slimline, early in 1980, in order to rationalise the finishing end, adding a few more million pounds to the cost of the collapse. In human terms, the cost is impossible to assess. Some employees, in their early 50s or even younger, will never work again.

Iron and steelmaking at Shotton had been in the balance for eight years, ever since the publication by BSC of its 10-year development strategy in 1972. The steelworkers set up an Action Campaign Committee to fight the Corporation's closure plans which ironically was, in its way, remarkably successful. As a result of the pressure it brought to bear, government decisions were reversed on two occasions and BSC withdrew its closure proposal totally in 1977. It said then that it would not review the situation at Shotton again until 1982.

But two years later that promise had to be broken because of escalating production costs and a world-wide surplus of steel-making capacity. It was taken into account, however, when redundancy agreements were negotiated.

The severance pay is considered to be the most generous made by BSC in such a situation – each man and woman received 50 weeks' pay. That, together with redundancy payments, which were supplemented by BSC to boost them by 50 per cent, meant that many men and women received handsome sums of money. BSC also ignored the statutory earnings limit of £120 a week, at its present level, when calculating redundancy payments. For those lucky enough to be receiving more than that, the payments were based on actual earnings and then boosted by half again. The average is £9,000.

In addition, most Shotton workers benefited from the European Community's Iron and Steel Employees Readaptation Benefits Scheme. For those who did not qualify, such as foundry workers, BSC dipped into its own pocket to ensure they were treated the same.

Benefits for ex-steelworkers are provided for in the Treaty of Paris, which set up the European Coal & Steel Community, and are now financed from part of the levy on coal and steel production. Governments and the European Community make equal contributions, and the benefits come in the form of income supplements, not lump sums.

The majority of redundant Shotton workers found themselves on the dole after the closure. Those under 55 (or women under 50) were able to claim earnings-related supplements for the first six months, to be extended a further six months to a maximum of 52 weeks with the help of ECSC funds. Those over 55 also received an earnings-related supplement, if unemployed, and if they were still out of work after six months their money was made up to 90 per cent of their previous earnings, ▶

CRISIS FOR STEELTOWN

As the run-down of the British steel industry continues, whole communities – as well as individuals – face difficult times.

Much of the aid available is from European Community funds. ROY STEMMAN has been to Shotton, in North Wales, to see how these benefits work in human terms

European Community funds can be used to cushion redundancy. Most Shotton workers have felt the benefit



After 78 years, the furnaces no longer burn on Doeside.

for a year, and up to 80 per cent for a further six months. The over-55s could arrange for the supplements to be paid into the pension fund, which is a popular option.

Some former Shotton men did find alternative employment; but for many it meant a drop in wages. In such cases the European Community benefits are used to make up pay to 90 per cent of previous earnings for 18 months (two years in the case of over-55s, or women over 50).

Similar benefits apply to individuals who are redeployed within BSC to a job with lower pay: for 20 weeks the under-55s (or women under 50) had their pay made up to exactly what they were paid before the move, and to

90 per cent of previous earnings for a further 70 weeks. Slightly longer benefit periods apply to men and women over these ages. These benefits apply to those who become self-employed, too.

With the world recession in steelmaking, many redundant workers have to face the fact that the skills which have earned them a living for so long are no longer going to provide an income. If they want to increase their chances of finding a new job, they need to re-train. The European benefits encourage re-training, making up a man or woman's pay to 100 per cent of previous net earnings for a maximum period of one year if they go on an approved training course. He or she also has the course

fees paid, plus a slice of the travelling and accommodation costs paid, if necessary.

BSC operates an early retirement pension scheme for men over 55 and women over 50, and the Corporation invited redundant workers whose 55th birthday fell on or before June 30, 1982, to remain in employment in order to receive the increased pension benefits available to them. So there are still up to 200 workers employed at Shotton who are technically redundant. What with that and natural wastage, the redundancy figures that have been issued do not add up. But the bleak reality of the situation is that, by the end of August 1980, 6,578 workers lost their jobs and a further 170 left Shotton at the end of

WREXHAM SKILLS CENTRE has received much of the fall-out from the Shotton closure. By September 1980 just over half the people taking its courses were ex-BSC men. A quick tally of bricklaying, tool-making, carpentry and joinery, vehicle maintenance, radio and TV, and ten other courses, showed a total of 124 Shotton men engaged on training programmes.

These men are all benefiting from the Community steel funds which make up their money to the same level as their previous earnings for a maximum of one year. But European money is also contributing to the cost of running such training centres – so they enjoy a double European Community benefit.

Training Opportunities Scheme (TOPS) is run by the training services division of the Manpower Services Commission, which offers 500 courses nationwide, and will contribute towards the costs of travel and

Learning new skills offers hope of getting another job

accommodation if an applicant needs to go to another part of the country to find a course of his choice.

Not everyone who wants to develop a new skill can be sure which is the best for him. A new wider opportunities course enables men or women to try a variety of tasks, so that they and their instructors can decide which course will suit them best.

After more than 20 years at Shotton, Anthony Purton (left) and Dave Parry take advantage of the facilities at Wrexham Skills Centre, which is helped from European Community funds.

The input of Shotton workers has made no difference to the Wrexham centre, except to lift the average age of students from the mid-20s to about 40.

Taking a TOPS course is no guarantee of a job – that is made clear to new students by Derek Tatham, the centre manager. In the past, seven out of ten men, once they qualified, succeeded in finding employment. But that percentage is dropping. The centre sends out follow-up forms to its former students to find out how they are doing, and Derek Tatham expects the next returns to show that only half of them have found employment.

The Wrexham Skills Centre is one of 80-odd training establishments around the country. For many redundant workers they offer a glimmer of hope. The Shotton workers have been quick to appreciate the advantages of learning new skills, and improving their chances of working again.



September 1979.

The financial assistance which came from the European benefits scheme for Shotton workers amounted to £17 million. A further £2.5 million was requested for the additional Slimline redundancies. The scheme is administered by a payments agency in Sheffield which began life as a National Coal Board office (it also pays redundant mineworkers and shipbuilders), and a staff of about 150 look after the iron and steelworkers alone – a reflection of the scale of redundancies in the industry. Since January 1973, Britain has received £1,743 million from the coal and steel fund in grants and loans.

But these sums of money, however large,

only cushion the blow: no one pretends they are a solution. Indeed, taking a man's job away with one hand and giving a handsome lump sum with the other can create problems. That is why BSC now offers a private and confidential counselling service to the people it makes redundant. At Shotton, the numbers were so great that the counselling had to run like a military operation. It was decided that the best way to cope was to appoint and train Shotton workers to counsel their colleagues. Trade unions were asked to nominate likely candidates; and out of 60 who were trained, 28 were selected for the task, most of whom were themselves being made redundant. They began their task late in 1979,

and at the height of the operation were counselling up to 200 people a day.

It was BSC's intention to phase out iron and steelmaking in the first three months of 1980, but the national steel strike put an end to those plans. Shotton works closed for the Christmas period in December 1979. The heavy end never went back into operation after that date. The strike caused difficulties for the counsellors, too. Consultations had been arranged through liaison officers in the various departments, but this was no longer practical with the works totally closed. However, the counselling service continued to operate, relying on people to make their own appointments by telephone, and being allowed in for interview ▶

through the trade union picket lines.

The job of the counsellors was to make sure that every worker was aware of the alternatives open to him (including re-deployment, re-training, self-employment and emigration) and their financial implications. They also explained the benefits that were available. A fully-manned Job Centre was established, computer-linked to give up-to-the minute information on job vacancies within a 50-mile radius. Representatives of the Department of Employment were on site, too, to register individuals for employment and take details of circumstances for unemployment benefit. The training services agency of the Manpower Services Commission also set up shop, as did the Professional Register, and the major banks and building societies were brought in to give financial advice.

For three months the counsellors listened to their workmates' hopes and ambitions, fears and apprehensions, helping them to make decisions. Some, they knew, were likely to 'blow' their redundancy money in a spending spree. Others would invest it all, aware that, without another job to provide income, it would soon be whittled away.

Because BSC invited its workforce to consider voluntary redundancy, many people who had not been given notice to quit their jobs also took advantage of the counselling service to see if it could help them too. As a result, almost 9,000 people passed through the hands of the counsellors. The counselling continues, on a very reduced scale, and will do so for just as long (up to three years) as people need help in adjusting to changed circumstances while receiving steel fund benefits.

The team supervising the counselling, under Stan Pimblett, are conducting a survey to see what has happened to the ex-Shotton workers. Their preliminary findings, in September 1980, were that 24 per cent had succeeded in finding new jobs outside BSC; 2 per cent had successfully set themselves up in business; 4 per cent were being re-trained; 10 per cent had taken early retirement; and around 60 per cent were unemployed. However, since some workers had decided to take a long rest before looking for another job, it will probably not be until the spring of 1981, when a questionnaire is sent out to the ex-steelworkers, that a realistic picture of the post-redundancy situation can be painted.

No one pretends that the future is going to be brighter. Two-fifths of the former workforce lived within a mile or so of the works, and there is no other major industry in the area. For many who travelled from the Flint area, Shotton is history repeating itself: it is their second dose of redundancy, having lost jobs with Courtaulds not long before.

But the Shotton workers accept that they are better off than most. The special BSC redundancy terms, bolstered by the European Coal and Steel Community funds, give them a financial advantage over other unemployed people and an inducement to turn their hands to other work. For them, at least, there is a chance to make a new life. ●

Community funds pay for Edna's course fees

EDNA GRIFFITHS listened to the worries of her workmates during three months of counselling, helping to point many of them in the right direction. It proved to be a rewarding experience. So she vowed to devote her time to social work, if possible, once her Shotton days were over.

For 19 years she was a clerk with BSC, in recent times serving the maintenance department's melting shop. For the last eight years she had been a union branch official. This experience, together with voluntary welfare work, made her an ideal candidate to be nominated as a counsellor.

Enquiry confirmed that there were vacancies at Wrexham College for social work training, but it was with some misgivings that she applied for the course because of her lack of qualifications. Five 'O' levels and two 'A' levels were expected of most applicants but there were openings

for mature students 'with experience of life'. On that basis Edna Griffiths was accepted, and she is now engrossed in a two-year course to gain the Certificate of Qualified Social Workers.

During the first year, the European Community steel fund is making up her pay to the same level as her Shotton earnings, as well as paying her course fees. She will be applying for a local authority grant to finance her during the second year.

Like many other households in the area, the Shotton close-down has hit the Griffithses hard. Both Edna and her husband Donald, who was manager of the instrument department, were made redundant. Donald had worked at Shotton from the age of 16, when he began serving his apprenticeship.

Once she is qualified, Edna Griffiths should have no difficulty in becoming a social worker in or around Queensferry. High unemployment and low incomes in the years ahead will, inevitably, bring new tensions and difficulties into many homes, putting new demands on social services.

For her, counselling the ex-steelworkers could grow from a three-month stint to a full-time job for the rest of her working life.



**MORE
COMMUNITY
HELP FOR STRICKEN
STEEL AREAS**

The European Commission has signed contracts for loans totalling £3.6 million to support new investment creating jobs in steel closure areas. A loan of £2 million, to finance expansion of production and freezing capacity goes to McKellar Watt Ltd of Glasgow. Another, of £1,600,000, goes to Lightning Fasteners of Birmingham, to modernise their factories at Peterlee, County Durham, and at Cleator Moor, Cumbria. A further £2,400,000 has been made available for use in areas hit by steel redundancies.

PERSONAL COLUMN



Lord George-Brown

One of the saddest things, to my mind, about present attitudes in Britain is the unwillingness of those in the best position to give our people a lead. Major political, social or economic issues are reduced to trivialities. You can count almost on the fingers of one hand the politicians, and industrial and trade union leaders, who are willing to commit themselves to a solid review of our options, much less commend a choice among them.

This seems to me to apply in all kinds of public policy, both domestic and external – but not, perhaps, more clearly or damagingly than in the question of our relation to the rest of Western Europe. If one disregards the Russophile left, few – from the Prime Minister to the most superficial political writer – are willing to convict themselves of the charge of being

'non-European'. Yet, such are the terms in which they talk and write, that the most non-European – even anti-European – climate that I have ever known has been built up in Britain.

The word 'European' is being distorted to mean bureaucratic, anti-social, obstructive actions directed against the British – in farming, textiles, fishing, steel, or any other area in which we are facing problems. The extent to which we have brought these problems on ourselves is hardly ever examined. The opportunities that Community membership has made available to us, but which we have failed to grasp or exploit, are scarcely ever admitted. The obvious fact that other Western European nations are prospering in precisely the same economic climate, is never examined.

But it is not the paucity of respectable economic argument that I most resent. It is the absence from political comment and leadership of any consideration of Britain's role in the world – our absolute dependence on the direction world politics is to take.

The imperative need is for Britain to influence that direction. The place from which we could hope to influence it is inside Europe. We have influenced world politics throughout our history, and mostly advantageously. But for pretty well all of the time that we did so, it was as a consciously *European* power. Our glorious 'imperialist' era spanned only a very short part of our national existence.

'The place from which we could hope to influence world politics is inside Europe...'

I saw – a little later than some, but still as early as 1950 – that Britain's future, like her past, would be determined by the way in which Western Europe developed. 'Europe' had to be re-defined in that way, because decisions so disastrously taken at Yalta and elsewhere had already pre-empted the wider choice. Through the Fifties – largely out of arguments, discussions and sometimes dissensions with Spaak and Monnet – I came to see how world changes would be determined by how Europe managed to exert its influence. The limited vision of the advantages for Britain as a leading force in a political and economic European community merged into the wider view of a world order guided and influenced, culturally and economically supported, by a unified and integrated Europe. Butter lakes, wine mountains, and later Sussex lamb and Golden Delicious apples, seemed to have a very distant relationship to all of that!

And so it still seems to me. What is happening in Africa, the Middle East and Asia will determine Britain's – and Europe's – future. Not the temporary trivia about which so many are disputing. Not whether Mrs Thatcher's £750 million – or was it a billion? – actually gets handed over on the due date in 1981. My grandchildren 20 years from now will know little, and care less, about that. But their whole lives will be conditioned by today's political events – events in which Western Europe is playing hardly any part.

The case for a federated, political Europe, with effective division of powers and responsibilities between its centre and its component parts, has never been more strongly pointed-up in modern times. The essence of the contribution that Britain, as the off-shore island, could make to that Europe was never more clear. Yet we never even discuss it. Why? Is it because we already know the answer – and are afraid to proclaim it? ●

□ The Rt Hon Lord George-Brown was Deputy Leader of the Labour Party from 1960 to 1970, Minister for Economic Affairs from 1964 to 1966, and Foreign Minister, 1966-1968.

Keeping it clean

Progress is being made in the EEC's efforts to clean up the environment and cut down waste. Two directives are now before the Commission, encouraging member states to bring forward policies for re-cycling and waste management.

The head of the EEC's environmental service, M. Michel Carpentier, has revealed that two major environmental initiatives are already in the pipeline. One urges member states to re-cycle paper and board, and to develop uses for waste paper other than as raw material for making paper and board. The other would instruct EEC members to improve their packaging, promote returnable containers, and use more re-fillable containers in an effort to cut out waste. They would also be urged to encourage the re-cycling of constituent materials.

EEC countries consume about 30 million tonnes of paper and board a year, but less than half the material used originates inside the Community. Some 9 million tonnes comes from re-cycled fibre – a recovery rate of about 32 per cent. The draft recommendation says that only 10 million tonnes of the 25 million

Europe's households throw away 90 million tonnes of waste every year... Beer cans and soft-drink bottles make up one tenth of the total

that could be recovered each year is actually being collected.

In Britain alone, as much is spent annually on importing paper and pulp as is earned from car and bus exports. And, to take just one example of conspicuous waste, 5 billion drinks containers out of the 6.8 billion used each year are thrown away.

It is believed by the Commission's experts that the ring-pull tabs on drink-cans are dangerous when thrown away carelessly. They can cause cuts on beaches, and are sometimes eaten by cattle and other animals. Officials say that the ring-pull system creates two pieces of litter instead of one, and that the mixture of materials hampers re-cycling.

According to EEC figures, Europe's households throw away 90 million tonnes of waste every year, and the amount is growing. Beer cans and soft-drink bottles make up one-tenth of that total. If only half the throwaway bottles used in Europe were made returnable, says the Commission, the EEC countries between them would save the equivalent of 800,000 tonnes of oil a year, in terms of the energy used to manufacture them. ●



SCOTLAND 'QUICK OFF THE MARK'

The Foreign Secretary, Lord Carrington, stressed the benefits of Britain's membership of the European Community in a recent speech at Edinburgh. He admitted that the agricultural budget system needed 'urgent' reform, but said the EEC was making benefits available to Scotland which could lead to the creation of new jobs, and to a build-up of industry with the help of the regional development fund.

Lord Carrington listed six projects that are currently receiving Community support. Scotland had been 'quick off the mark', he said, in securing loans of £500 million so far from the European Investment Bank.

New EEC policies now in the pipeline offered 'tangible benefits to the ordinary citizen', Lord Carrington added. Among them were cheaper air fares, mutual recognition of professional qualifications, and interchangeable social benefits between member states.

Northern Ireland: a Community region in travail

The European Commission office in Northern Ireland began its first full year of operation on January 1st. Geoffrey Martin, head of the Belfast office, reports

There has been no honeymoon period since the Belfast office opened to the press late last May. The major problems confronting the Northern Ireland economy, and the underlying political checks and balances in the province's relationships with both Britain and Ireland have already conditioned the office's essential role as the only direct link with Europe. The official line of communication must always go through London, and the press, already fallen victims to cuts in the expenditure of their parents in London or Dublin, have a relationship with Brussels which operates always at second remove. No Northern Ireland newspaper or radio or television station has representation in Brussels.

In the official jargon, the Northern Ireland Commission office is an 'antenna' of London. At the same time, its direct Brussels link, and the necessarily close relationships between it and its Dublin counterpart, have already tested the capacity of the small staff to handle the most sensitive of Northern Irish issues.

Northern Ireland, constitutionally part of the UK but geographically separate from Britain, confronts basic issues of unemployment, energy costs, terrorism and political stalemate on a daily basis. Its economy is based on agriculture, the major natural resource is grass, and its climatic as well as topographical factors have more in common with the Republic than with the rest of Britain. Its government departments, especially commerce, seek to attract industrial investment internationally, yet its shipbuilding, gas and electricity services do not have the advantage of association with their mainland counterparts. These paradoxical realities have led to a feeling of great frustration in the province, which is leading to particular inquisitiveness

'Northern Ireland is one of the five least-advantaged regions of the Community – on a par with the Mezzogiorno, the Irish Republic and Greenland'

about participation in the European Community, and which the presence of a Commission office has tended to raise to a higher level of interest.

In social matters, unemployment, at a total of nearly 100,000, is much worse than many of the equivalent 'assisted areas' in Britain. Housing problems, illustrated dramatically in a recent statement by the chairman of the province-wide housing executive, are on a parallel with the worst conditions anywhere in the Community. As seen in the context of Europe, the Northern Ireland region has had little real benefit from membership so far. It is, of course, one of the five least-advantaged regions of the Community – on a par with the Mezzogiorno, the Republic and Greenland. Its constitutional status is disputed by one other member state, which gives it special status from the other regions. Its political leaders have recently rejected once again UK Government initiatives to encourage the development of more satisfactory governmental institutions. And in strict financial terms, the Government continues to draw attention to the £2 billion flowing from the Exchequer to fund Northern Ireland every year.

An obvious question, therefore, is the extent to which, if at all, the European Community can advance the prosperity of the region. At the parliamentary level in the Community, relationships between the three Northern Ireland members of the European Parliament, who incidentally are returned from the single Northern Ireland Euro-constituency, and their colleagues are good, and tend to encourage other Euro-MPs to begin to look upon Northern Ireland in a new light.

Yet the three Euro-members are not the only stimulus for recognising a fresh economic framework for Northern Ireland within Europe.

At the formal opening of the Commission office in Belfast last October, Roy Jenkins, in the presence of the Secretary of State for Northern Ireland, the political leaders in the Province, and visitors from Dublin, departed from his text to address both parts of Ireland within the European fold. Remarking upon the significant benefits which have accrued to the Republic as a direct result of membership, and emphasising the economic base of the Communities' existence, he nevertheless touched upon the theme of Franco-German reconciliation, which he insisted was founded on economic rather than political association. Noting the relative prosperity of the Republic since 1973, and by implication the deprivation of the North, he invited comparison with the northern confidence displayed so remarkably in the architecture of the Belfast City Hall, until relatively recently a bastion of Unionist supremacy in Ulster.

The subtlety of the Jenkins message did not go unnoticed by the television-viewing public on that occasion. Perhaps the Community will have an opportunity to implement the principles of European co-operation in this disadvantaged region. ●



Northern Ireland's housing problems are among the worst in the Community.

'I am a great believer in the European institutions. But I do regret that they have not yet really learned to live and work together'

GASTON THORN has just taken over as President of the European Commission. In this interview he gives his views on what should be done to solve the present crisis in the European institutions.

The new Commission President takes up office after eleven years as a member of the European Parliament and another eleven years on the Council of Ministers – which he has presided over for no less than four six-monthly periods, one of which has just ended. He knows the European Council equally well from his period as Luxembourg Prime Minister between 1974 and 1979. What lessons has he learned from this vast experience?

'When I try to weigh up the different European institutions, I don't view them precisely from the vantage point of one or the other. This complicates matters, but it also helps, since the truth lies somewhere in the middle, even if not exactly in the geometric centre.

'To take the Parliament first, it has clearly not found it easy to come to terms with the other institutions. This occasionally leads it to make impossible demands through sheer frustration. The real cause is the attitude of the Council of Ministers, which has little real sympathy with the Parliament. It does not understand Parliament's problems and sometimes even behaves as if it were oblivious of its very existence. To start with, things would be vastly improved if ministers attended sessions more often and were more ready to listen to members' problems.

Powers of the Parliament

'I have many times reminded my colleagues in the Council of Ministers that it was they who wanted the Parliament to be directly elected, and yet they still persist in reminding all and sundry that it has no real powers. This is a mistake. I can think of no surer way of driving a parliamentary assembly to schizophrenia. It would be far better for the Council to establish clear and constructive relations with the Parliament. It should guide Parliament's business by seeking concrete suggestions, within definite time limits, on this or that major problem, such as the common agricultural policy. Otherwise the Parliament will only be provoked into asserting itself by developing its nuisance value.

'To be able to do this, the ministers must in turn play their proper role. The Council is not really a Council any more. Primarily, this is because it insists on reaching unanimous decisions. This means that, contrary to the Treaties, it is always obliged to search for a consensus. I made this point recently to Helmut Schmidt, who asked my views on how to resolve the present crisis in the European institutions. I wondered how efficient he thought the German government would be, for instance, if the Bonn cabinet had to approve every decision unanimously.

'The system has another defect. There is not just one Council, as there should be, but a whole series of specialised Councils, with the result that soon the Foreign Ministers themselves will hardly be prepared to discuss anything beyond political co-operation. As soon as subjects like agriculture, energy or monetary matters come up, they

refer the problems to their specialised colleagues. This is no way to arrive at European policies.

'I remember the time we used to tease Maurice Couve de Murville because he would telephone General de Gaulle every time a difficult problem cropped up. Yet it was quite natural that he should turn to the person holding the decision-making powers. And the General would decide. Today, the specialised ministers do not even dare telephone their colleagues at the Treasury – so their patiently worked-out compromises risk being reduced to dust by junior Treasury ministers at their next meeting.

'How do we get out of this impasse? The first thing to be done is to face our problems squarely instead of beating about the bush. Basically, the Council of Ministers stopped working properly when ministers stopped speaking frankly to each other. Nowadays, whenever things get too difficult, there is always someone who will suggest postponing discussion to the next meeting. The same ambiguous tone is used when addressing the outside world. "The Council was unable to take a decision," a spokesman announces. But what really happened? Which country refused to agree? And on what particular point? No one knows – or at least, no one says.

'The only way that politicians, and the press, can thrash out these difficulties and overcome them is for them to be brought out into the light of day. This also means there can be no hiding whose fault it is when there is persistent failure to agree.

'It is far too easy to blame the civil servants. Yet if they do not do their job properly, it is surely the responsibility of their political masters to remove them. Nor is it helpful to refer problems up to the European Council, the next decision-making level. As President Giscard d'Estaing has rightly said, the European Council is bogged down with technical matters, instead of getting on with its proper job of laying down broad policy guidelines for the Council of Ministers.

'I discussed this problem with the late Georges Pompidou who tentatively suggested having a department of European affairs in each government, with the job of drawing together the scattered threads of the specialised ministries. I think this is still a good idea, provided that the department is headed by a minister sufficiently senior to have real authority over his colleagues.

'The third institution is the European Commission. Sometimes I feel like making people read the Treaty of Rome because they seem to misunderstand its texts or, all too often, to ignore them. It is clearly laid

'The Council of Ministers stopped working properly when ministers stopped speaking frankly to each other'

down in the Treaty that only the Commission has the power to propose legislation. Yet over the last few years, it has used these powers frugally. I agree that its motivation has been laudible – only to put forward proposals likely to be accepted by the member states.

'There are, however, two extremes to be avoided. One is to adopt a provocative attitude and denounce the Emperor's nakedness by putting forward proposals which the Commission knows very well will not be accepted by the "wicked governments". The other extreme is no



After long experience in the council chambers of Europe, Gaston Thorn faces urgent problems as head of the European Commission. He says: 'We have just two years in which to succeed.'

more desirable to my mind, and that is to get together the national experts as soon as the Commission has a bright idea and ask them what form they would like it to take. The Commission is not a secretariat to the Council of Ministers, any more than it is to the European Parliament. It must accept its responsibilities.

'Of course it would be gratifying if the Council of Ministers accepted the Commission's proposals just like that. But that is not the object of the exercise. The Commission's first duty is to draw up clearly what it considers to be in the Community interest. It is then, and only then, that it should consult Herr Müller in Bonn, Mr Smith in London, Monsieur Dupont in Paris, to find out what their governments think. Today, the European Community is all too often reduced to the sum of the views of national experts.

'The Treaty of Rome specifically confers another function on the Commission: to ensure that Community decisions are properly carried out. Yet an alarming number of decisions remain more or less dead letters. Of course, if any special interest is affected by decisions not being enacted, it can take the matter to the Court of Justice and get it put right. But for the others . . .'

All the Treaty, yes; but does that mean nothing *but* the Treaty? Gaston Thorn has no intention of accepting such limitations. For a start, he realises that European unification cannot be assumed to follow on automatically from economic integration, as Jean Monnet thought at one time. In one of their last conversations together just before Monnet's death, they came to the conclusion that an essential ingredient for effective development of the Community was a constant injection of political will.

Furthermore, in Gaston Thorn's view, it would be an insult to the memory of the founding fathers to believe that if they were starting again now, in 1981, they would do the same as in 1950. In those days, the biggest problem was the Ruhr, even though Monnet's basic idea

was to unite Europe around its more modern industries. 'If we carry on devoting most of our energies to industries in crisis,' says Gaston Thorn, 'the Community will end up as a hospital for lame ducks.'

Another consideration which has struck Gaston Thorn is that it is the chapters in the Rome Treaty on 'negative integration' which are worked out in most detail – that is, removing barriers to the free movement of goods, services and people. When it comes to 'positive integration', developing common policies, the texts are largely silent, except for the articles on agriculture, transport and development aid. How can this gap be plugged? The fate of the Tindemans report or the more recent one by the 'Three Wise Men' is hardly encouraging, thinks Gaston Thorn. Nor does he feel it would be useful to convene another Messina-type conference, like the one which led to the Treaty of Rome.

Joint plan for Europe?

'Why not make better use of a body we already possess, the European Council?' says Gaston Thorn. 'We could make enormous progress if Mrs Thatcher, President Giscard d'Estaing, Chancellor Schmidt and their colleagues got down to drafting a plan of how Europe should develop over the next five to ten years, and identify the implications for national policies.'

But this is not Gaston Thorn's immediate problem as he moves from presiding over the Council to heading the Commission. He warns:

'Over the coming months, there are urgent problems to be solved – the budget and its funding, the CAP, further enlargement and relations with the countries bordering the Mediterranean. It would be shortsighted to dismiss these as just economic problems: after all, if we cannot solve even these problems, how can we expect to cope with political ones? It would be blindness itself to think that we can rely comfortably on inter-governmental co-operation to resolve these difficulties – to say that we will think about Europe tomorrow, later on, when we have time. In the dangerous world of today, Europe is of prime importance. We must devote ourselves to it here and now.

'It is in this spirit that I take up my new functions in Brussels. We have just two years in which to succeed.'

Our men in Brussels

Christopher Tugendhat

The last Commission, which I had the privilege to work in, had the difficult task of beginning an adaptation of the Community to the needs of a new era. It provided a new focus for the work on economic and monetary union through the establishment of the European Monetary System. It had to deal with the new budgetary problems arising from the increased authority of a directly elected Parliament, the escalating costs of the CAP, and the particular difficulties for the UK. It had to prepare for enlargement. It had to represent the trading interests of the Community in a world of increasing protectionist pressure. It had to carry out a major reassessment of its own organization and methods of work.

It is not possible to prophesy what the next four years may hold for the Community. But one may perhaps attempt to identify some of the likely major challenges which will face us.

First, and immediately, there is the need to carry out the mandate to produce, by June 1981, a report on the re-structuring of the Community budget, designed among other things to prevent the recurrence of unacceptable situations for any member state. The work on this was begun in the last Commission, but the key decisions will be taken by the new one. This report will, I hope, spell out the options and point the way ahead in an imaginative and independent way. The credibility of the Commission – and indeed the future harmony of the Community – depends to a large extent on our doing so.

The Community also faces major economic problems, which the Commission will have to tackle. The decline of old industries – steel, shipbuilding, textile – carries implications for Community action both internally and externally. The Commission has to represent the trading interests of the Community in dealings with Japan, the USA, and developing nations. It has to seek to direct our attention to the need for more industrial innovation in Europe, to an increased application of our skills and technology to areas where we can be competitive and where our future lies. It has to ensure that national pressures do not lead to the erection of new barriers to a free market for goods within the Community. It has to seek to secure co-ordinated action on the problems of energy shortage.

The list could go on. It is clear that we face a challenging period. We will depend on support in the European Parliament and the Council of Ministers for success. But in times of difficulty it is sometimes the case that a new sense of cohesion, of common purpose and of vision can be found. It is my hope that such will be the experience of the Community in the years immediately ahead.



'The Commission has to ensure that national pressures do not lead to the erection of new barriers within the Community'

Ivor Richard

During the past weeks, as I have been preparing to take up my appointment as one of Britain's EEC commissioners, I have not only been reviewing the recent history of the Community but also thinking about some of the problems Europe will be facing in the next four years. Given the multiplicity of problems the Community has had to face in just the past eighteen months it is not surprising that doubts are being expressed about the future. These doubts must be examined and resolved.

As the Community grows, with Greece now a member and with the likelihood of Spain and Portugal joining during the lifetime of the new Commission, it is to be hoped that the next four years will be a period of radical and constructive change. Enlargement of membership ought to be regarded as an additional reason for us to re-appraise the aims and policies of the Community.

It is quite clear that if the Community is to succeed – and I believe it can – then some fundamental changes will have to be made. Due to a combination of historical and political factors, the EEC is, as Roy Jenkins once said, 'a largely agricultural community with political trimmings and an incomplete common market in industrial goods'. Consequently, the bulk of Community resources go to benefit farmers and food processors. This leads to considerable distortion of costs and benefits between the various member states.

Over and above this, Community resources are not being used to solve the real problems now facing Europe. In the 1980s these are likely to be industrial rather than agricultural. Against the background of a major world recession, the challenge facing the Commission will be to develop more effective economic and social policies; to meet the challenge of industrial re-structuring and the development of new techniques. There will have to be a change in emphasis from agriculture to industry and budgetary changes must be made to achieve this.

Important as these economic questions are, they should not divert us from Europe's political context. The ideals of a united Europe rest on political as well as economic considerations. The world of today, with its problems of Afghanistan, the Middle East and Poland, is a dangerous place. Super-power rivalry, the scramble for energy resources, and the widening gulf between North and South, make the coming decade hazardous. But it is a world in which Europe can play an important part. My experience as British Ambassador to the United Nations convinces me that the more closely the Community can work together, the greater its influence becomes.



'Community resources are not being used to solve the real problems now facing Europe'

EURO FORUM

OPINION

Europe. à la carte

The idea of what has been called Europe à la carte, or two- or three- or four-speed Europe, has a certain spurious attraction. This idea has proved tempting in the past, particularly for those who wished to enjoy the benefits of membership without accepting the necessary disciplines.

In my judgement, acceptance of such a notion would ineluctably lead to the end of a real Community.

Without a common discipline or readiness to make sacrifices for the common good, the elaboration of common policies, which inevitably requires give-and-take, would be virtually impossible. In particular, the system of common financing which we now enjoy would become unworkable.

Earlier this year the row over the budget threatened the common system in this sense; for if one member state made it clear it would like to see a ceiling on its putative deficit in respect of the Community budget, then others indicated they might like to see a ceiling on the putative surpluses enjoyed by others.

Obviously, no member state could accept a large and permanent imbalance; but to have a rule whereby all countries paid into the budget no more than they took out, or whereby their net receipts or contributions were limited to a fixed annual amount, would make an absurdity of all financial discipline by breaking the link between policies and their budgetary consequences. It would subject the sense of Community to intolerable strain.

It was for this reason that, in finding a temporary and *ad hoc* solution to the

budgetary difficulties of the United Kingdom, we firmly maintained the principle of the present budgetary system while looking to its future reform.

The same point applies to agriculture. To abandon common prices in favour of national prices would mean the creation of barriers to trade between member states and the eventual abandonment of the common market in agriculture. This would quickly make it difficult to maintain the common market in industrial goods. We have already seen the way in which the system of monetary compensation in agri-

'A Community to which member states had different degrees of commitment would surely end by destroying the Community'

culture has set up tensions and centrifugal forces which at one time threatened to tear the policy apart.

Equally important is the political argument. A Community in which some states did some things and others did others would tend to produce groups of alliances within the Community, and a working directorate of those who com-

mitted themselves to most policies. Some member states would thus be more equal than others, and the present balancing mechanisms enshrined in our procedures would effectively be set aside. There is already talk of this or that axis within the Community.

A Community to which member states had different degrees of commitment would surely end by destroying the Community.

ROY JENKINS
President of the
European Commission 1977-80

TALKING POINT

Like any of its citizens, the European Community can look back on the past year with a mixture of satisfaction and regret. Similarly, it surveys the prospects of 1981 in much the same way as most households, with a combination of anticipation and anxiety.

On page iii, retiring Commission President Roy Jenkins lists some of the recent achievements but also identifies some of the problems which will have to be faced this year. Prominent among these is one to which none of us is a stranger, balancing the books.

The Community's budget caused no small amount of problems last year, before a solution was finally found to what was called 'the British problem'. But the issue at stake was, and is, more sweeping than that.

While the details are complicated, the problem in its broad outlines is a simple one. Two of the Community's three sources of income - customs duties and agricultural levies - are declining, while a ceiling has been placed on the third source, VAT receipts. At the same time, the range of potential spending options widens all the time as Community solutions to the member states common problems are more and more perceived to be appropriate.

Restoring balance, not only between income and expenditure, but also between the choice of areas for spending the limited funds, could well be the outstanding issue of 1981.

THE MONTH IN EUROPE

Co-operation to make our skies safer

Community member states are to help one another free of charge to investigate accidents involving large aircraft. This was agreed by Transport Ministers when they met in Brussels on December 4th.

Modern aircraft are becoming increasingly complex, and individual member states cannot afford to maintain specialist staff and technical facilities on permanent stand-by to investigate major accidents. Pooling resources therefore make sense.

In addition to accidents involving large aircraft, the member states agreed to keep one another informed of the results of incidents involving light aircraft, which account for nine out of every ten accidents.

Italian earthquake

Community help for 'quake victims

Emergency aid was promptly voted by the European Commission to help victims of the Italian earthquake last November. Commission representatives have been in close touch with the Italian Government on the uses to which the aid is being put.

The money was primarily to cover the immediate provision of transport and temporary housing, as well as the costs of 15,000 tons of cereals, 1,000 tons of meat and 900 tons of olive oil. Immediately after the disaster struck, the Commission had announced an initial amount of 1.5 million ECU in emergency aid.

In addition to these two amounts, the Commission has proposed that provision should be made under the Community's budget for a sum to be set aside to finance interest rebates on long-term loans which could be made to Italy from Community funds to help rebuilding of the disaster zone.

This proposal was sent to the Council of Ministers and the European Parlia-

ment for approval, since they are responsible for approving the Community's budget.

In addition to financial assistance, the Community sent specialist teams from its joint research centre at Ispra in the north of Italy to help with the rescue operations.

Roy Jenkins said of the tragedy: 'Nothing can make up for the human and material losses so tragically suffered by the people of the afflicted area. The Community and the Commission wish, by the actions we are proposing and taking, to demonstrate our feelings at this difficult time and to bring immediate relief of the needs of the population, in addition to the contributions of national governments.'

External relations

Community leaders show solidarity with the Poles

The Community's Foreign Ministers agreed just before Christmas to sell food worth up to £140 million to Poland, with subsidies amounting to £17 million. The Poles will also be offered loans on advantageous terms to help them pay.

Facing an economic crisis, the Poles had earlier asked the Community for details of its surplus beef and butter stocks.

It has been reported that the member states are prepared to sell 20,000 tonnes of butter and 40,000 tonnes of beef to Warsaw. The sale would be financed by bilateral subsidised credits between individual Community governments and the Poles.

The heads of government, in their final communiqué after their thrice-yearly meeting, also repeated key passages of the 1975 Helsinki Final Act designed to promote detente in Europe.

In particular, they pointed out that 'very serious consequences for the future of international relations in Europe and throughout the world' would ensue if the signatories, which include the Soviet Union, broke their commitment to respect the right of

every country to choose and freely develop its own political, social, economic and cultural system. This statement was issued amid reports that Eastern bloc troops were surrounding Poland's frontiers.

After reviewing the progress made in their Middle East peace initiative, launched at their last meeting in Venice in June, the heads of government agreed to have another round of contacts with all the interested parties in the New Year.

Turning to the economic situation, they noted that the repeated increases in the price of oil forced upon the consumer countries were the main cause of the world recession.

The Community leaders also stressed the need to tackle unemployment, and recommended that a special effort be made to help young people find jobs and ensure that their training is geared to the requirements of the labour market.

They also endorsed the operation of the two-year-old European Monetary System, but decided to delay transition to the second stage, which would include the creation of a European Monetary Fund.

External relations

EFTA favours closer links

The 20-year-old European Free Trade Association is keen to further economic co-operation with the European Community, according to a statement issued after a recent EFTA ministerial meeting in Geneva.

EFTA, which groups Norway, Sweden, Finland, Iceland, Austria, Portugal and Switzerland, is the Community's most important trading partner. In 1979, EFTA countries took just under 25 per cent of Community exports, while more than half of EFTA's exports went to the Community.

The Community and EFTA collectively make up a free trade zone comprising 17 countries and more than 300 million consumers. Their mutual trade accounts for a quarter of total world trade.

Renewed interest?

Norway's Prime Minister, Odvar Nordli, recently paid an official visit to the European Commission in Brussels. The visit coincided with a call from the European Movement for re-consideration of Norway's position outside the Community. Norwegians rejected Community membership in a referendum in 1972, after the Oslo government had negotiated membership terms.

Dearer living

The OECD has reported that in its 24 member states, which include the Community countries, consumer prices rose by 12.6 per cent over the year up to September. The most fortunate were the Swiss, with a mere 3.8 per cent rise, compared with the Turks at the other end of the scale with 86.7 per cent. The Germans fared best among the Community countries, managing to keep the increase to 5.2 per cent, while the Greeks recorded a figure of 24.4 per cent.

THE NEWS IN BRIEF

Parley with Peking

The Community and China are planning to stage a trade week in Brussels next April, the first of its kind. Community businessmen will have a chance to discuss trade expansion with a 100-strong Chinese delegation.

Target date

January 1984 looks a likely date for Spain and Portugal to join the Community. Lorenzo Natali, who is conducting the negotiations with the two Iberian neighbours on behalf of the European Commission, said in Madrid recently that this date would be realistic for Spain.

Gaining ground

When the 1980 figures have been finally tabulated, the United Kingdom is expected to show a trade balance with the other member states for the first time since it joined the Community in 1973. This is due to increased exports and a reduction in imports.

Newsmakers

Jenkins assesses achievements of his presidency

Roy Jenkins, President of the European Commission for the past four years, identified five principal achievements of his Commission's term of office when he spoke to the press after his last European Council meeting in Luxembourg.

The first was the establishment, largely on Mr Jenkins' personal initiative, of the European Monetary System in which the Member States' currencies – with the exception of sterling – fluctuate within agreed margins. Mr Jenkins also pointed to the direct election, for the first time, of the European Parliament, and he warned that the Parliament would now have to be treated with a proper degree of respect.

On the international front, he listed the successful conclusion of the multi-national trade agreement in the framework of GATT, and the signing of the second Lomé Convention with 60 African, Caribbean and Pacific states. He also felt that protectionism had been successfully held at bay.

The fourth achievement, he felt, was the completion of the negotiations which enabled Greece to become the tenth member of the Community on January 1st last, as well as the steady progress made in the negotiations for the accession of Spain and Portugal.

Finally, Mr Jenkins said he was pleased with the increased momentum achieved in the field of political cooperation, the system whereby the member states co-ordinate their foreign policy.

However, he emphasised a number of areas of difficulty, in particular regarding the imbalance between spending on agriculture and on other policies in the Community's budget.

Queen expresses her support for Community

H.M. the Queen took the opportunity of her first official visit to the headquarters of the European Commission in Brussels

on November 24th, to underline her strong support for the goals of the European Community.

'It would be difficult to exaggerate the importance of the Community's task of bringing together the peoples of Western Europe,' she said.

Her Majesty paid tribute to the founders of the Community. She said that 35 years of peace had brought a deeper co-operation and understanding between old allies, but also a lasting friendship between old adversaries.

She added: 'Coming together in this way has given our countries a new weight in the world. Economically, the Community has made its mark in world production, trade and finance, and as friend and helper of those countries which are still in the early stages of material development.'

'Politically, the pooling of the traditions and experience in world affairs of nine separate nations has given an authority to their common policies and views which individually they could not have been expected to wield. Both the Community and the world are gainers from this.'

'Evidence of our success lies in the desire of other free nations in Europe to join our great enterprise. We shall welcome them, confident in the knowledge that this will strengthen democracy and stability on our continent.'

Keeping the chair

Mr Michael Murphy, an Irishman, has been re-elected President of the Community's Court of Auditors. Mr Murphy was the first President of the Court which was established in October 1977 to audit expenditure of the Community's budget.

The institutions

Adapting to a Community of Ten

Now that Greece has become the tenth member of the Community, the Community's institutions have taken on a new look.

The European Commission has 14 members instead of 13, Mr George Kontogeorgis being the first Greek to

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take his place around the table on the thirteenth floor of the Berlaymont building in Brussels, where the Commission holds its regular Wednesday meetings.

The Council of Ministers is now being attended by 10 Ministers instead of 9. Greece will hold the six-month rotating presidency for the first time in the second half of 1983. Similarly, 10 heads of state or government now take part in the thrice-yearly meetings of the European Council or 'summits'. The Greek Prime Minister, Mr George Rallis, attended the last European Council, which was held in Luxembourg on December 1-2.

There are now 24 Greek members in the European Parliament, bringing the total to 434. They have been nominated by their national parliament, but they will be directly elected, like their colleagues from the other nine member states, once elections can be arranged.

The Economic and Social Committee, which has an important consultative role in the Community's decision-making process, and which brings together representatives of industry, the trades unions and special interests, has welcomed 12 new Greek members, bringing its total strength to 156.

Both the Court of Justice, which is the final arbiter of Community law, and the Court of Auditors, which watches over the management of Community finances, now have 10 members each.

Social Affairs

More security for the self-employed

Self-employed Community citizens who move to another member state to work are to enjoy the same social security benefits as nationals of the country where they settle.

This important extension of agreements between the member states to reciprocate social security benefits was reached by Social Affairs Ministers who met in Brussels in November.

Since 1959, employed workers who moved to another Community country

have been treated as nationals of their adopted country when they apply for social security benefits. But, until now, self-employed workers have been excluded.

The social security benefits include sickness and maternity, invalidity, old age, death and, under certain conditions, unemployment.

Family allowances are not yet covered because the Ministers could not agree on a separate but related issue as to whether the family of a migrant worker should be paid allowances at the level which applies in the country where the family resides or in the country where the workers is employed.

At present, all member states apart from France apply the latter system, but a number of member states, including France, are now in favour of the other form of reckoning.

At the same meeting, the Ministers agreed to extend for a further two years special aid from the Community's Social Fund for certain categories of workers.

The measures, which were introduced a number of years ago but were due to expire at the end of this year, provide for special re-training programmes for workers in the crisis-hit textile and clothing industries, for migrant workers, women and young people under 25.

Environment

Demand for more care in siting nuclear plants

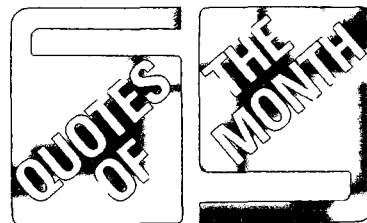
The European Parliament has lent its support to a proposal by the European Commission that a Community member state which plans to build a nuclear installation near a border should consult neighbouring countries in advance.

Such a consultation procedure is seen as necessary because an increasing number of nuclear power plants are being built in border regions. At present, a quarter of the 120 nuclear stations which are being planned, which are being built or which are already in operation are located within 25 miles of a frontier.

The Parliament has come out in support of the Commission's proposal, presented to the Council of Ministers

'The obvious decline in Europeans' interest in Europe—especially that of the Germans—is in stark contrast to the benefits that all members of the European Community have already acquired'. Helmut Kohl, Chairman of the German CDU party.

'If anyone wishes to harm the European Community, all he has to do is allow the common agricultural policy to carry on—no good will ever come of that.' Hans Apel, German Defence Minister.



'How much longer is the Council of Ministers going to allow the Parliament to wander about among three cities like a circus?' Willy Brandt, Chairman of the German SPD party.

'I am convinced that Britain can only realise her full potential as a member of the European Community.' Lord Carrington, British Foreign Secretary.

'Britain would become an industrial wasteland if the country withdrew from the Common Market.' John Raisman, Chairman of Shell UK.

earlier this year, for the implementation of strict safety standards and for a consultation procedure between states. The Parliament would also like to see a system of conciliation where prior consultation fails to produce agreement.

German Christian Democrat Hanna Walz, who chairs the Parliament's energy committee, stressed the importance of agreed standards for nuclear plants if the Community is to make any headway in meeting its energy shortfall by nuclear means.

Although the resolution before the Parliament had broad support, it was strongly opposed by a number of French members who felt there was already adequate provision for consultation.

But Luxembourg Socialist, Victor Abens, could not agree with them. He pointed to a nuclear installation being built only 10 kilometres from the Grand Duchy, and he reckoned that if there were a serious accident two-thirds of

Luxembourg's population would have to be evacuated and four-fifths of its economic activity would be affected.

At present, member states are merely obliged to inform the Commission of investment projects relating to new nuclear installations, or to replacement or conversion of plant. It was because of this limited system of consultation that the Commission decided to act. It is now up to the Council of Ministers.

Trade

Strategy agreed to tackle huge deficit with Japan

Faced with a mounting trade deficit with Japan which could climb to \$10 billion this year, the Community's Foreign Ministers agreed at a meeting in Brussels on November 25 to act together to persuade the Japanese to restore balance in their trade with the Community as a whole.

The decision followed a series of meetings with Japanese government representatives over preceding months which failed to satisfy Community representatives that the situation would be remedied.

The Community maintains that the Japanese export drive, and particularly its concentration in a small number of sectors which are sensitive in the Community—televisions, for example—puts a strain on the normal development of world trade. It fears a further surge of Japanese exports to compensate for balance of payments problems brought about by increased oil prices.

The Ministers have given the European Commission a mandate to engage in further talks over the next two months, with the Japanese, aimed at persuading them to moderate their exports to the Community as a whole and not simply to certain member states.

The Community is also demanding that no new measures be taken by the Japanese to restrict imports of Community goods. Indeed, it wants a commitment from the Japanese to a substantial and early increase in imports from the Community.

At home, greater efforts will be made to persuade European industries to develop more positive attitudes to Japanese competition, not only by over-

hauling their own industries but also by taking a greater interest in the Japanese market. A great many Community jobs are dependent on a successful outcome.

Energy

No oil shortage despite Iran-Iraq conflict

Although world oil production has been cut by between one million and one and a half million barrels a day—total world production is around 65 million barrels—because of the conflict between Iraq and Iran, there is no immediate prospect of shortage.

The Community has about 125 days supply in stock, compared with an agreed minimum requirement of 90 days supply.

Community Energy Ministers have called on the oil companies to use the oil they have in stock so as not to upset the market.

They made it clear that the present market situation cannot justify any further price increases. They agreed to take all necessary measures in liaison with the oil companies to avoid importing oil at abnormally high prices and to ensure that the oil companies do not purchase abnormal quantities.

The Ministers also reaffirmed their resolve to further encourage measures to save oil and its substitution by other forms of energy, particularly domestically-produced.

Third World

Dutch want food aid stepped up

A substantial increase in food aid to the developing countries is to be a major priority of the Dutch government during its six-month presidency of the Community's Council of Ministers in the first half of this year. It has called on other countries to join it in meeting the UN target of increasing aid to the developing nations to 0.7 per cent of their gross domestic product.



Agriculture

Reflections of the Commission on the CAP. The Commission examines the principles and results of the policy and presents its orientations for future reform. Ref: COM(80)800

Fisheries

A Commission Review of the Common Organisation of the Market in Fishery Products. Ref: COM(80)724

Harmonisation

Proposal for a first directive on trade marks. Ref: COM(80)635

External Relations

The Community of Ten: Welcome to Greece. Ref: European File, 17-18/80

Regional Policy

Commission Report on social and economic developments in the EEC Regional Policy. This is the first general assessment made of Regional Development in the EEC since 1973. Ref: COM(80)816

Industry

Small and medium sized industry. The Commission outlines, in this communication to the European Parliament, a framework for Community action. COM(80)726

Social

Council directive on the protection of workers from the risks relating to exposure to chemicals, physical and biological agents at work. This directive consists of a series of framework measures which should serve as a basis for future legislation in this field at both national and Community levels. Ref: Official Journal of the European Communities, L327 of 3.12.80

Economic

Annual Economic Review 1980/1981. Ref: European Economy no. 7/1980

Further information available from the Information Unit, Commission of the European Communities London Office, 20 Kensington Palace Gardens, London W8, Tel. 727 8090.

EUROPE AND YOU

Learning the lessons of Three Mile Island

The accident at the Three Mile Island nuclear power station in Harrisburg, USA, in April 1979 sent a warning shiver down the spine of public authorities both in America and Europe. There was an immediate increase in public concern over the safety of nuclear power stations within the Community, most of which, like the Three Mile Island plant, use pressurised water reactors.

The European Commission responded to the concern by setting up a high-level group of independent experts in the nuclear safety field. The group was charged with advising the Commission on all problems relating to nuclear safety in the Community, including its implications where radiation protection is concerned, and to evaluate the way the Community is currently handling these problems with a view to suggesting improvements.

In their report, published in December, the experts point out that although European reactors are designed so as to make them less vulnerable to the type of operator error largely responsible for the Three Mile Island accident, the incident did provide some important lessons for designers and operators of nuclear power plants. The report calls on the Commission and the member states to review both aspects.

The experts' report makes a large number of recommendations, some of which support measures that the Commission is already taking or planning to undertake, and others which the Commission feels could provide a very useful basis for new activities.

Among other things they recommend:

- the development of a common procedure for recording individual radiation exposure levels accumulated by nuclear power station maintenance workers, who travel throughout the Community to work. The Commission is currently examining the problems and plans to study the possibility of recording this data at Community level;

- the establishment, in consultation with the power station operators, of a European Equipment Reliability Data

System which would pool knowledge on the types and frequencies of failure occurring in different kinds of equipment or complete nuclear power systems;

- the establishment of a system for the rapid exchange of information on abnormal events, or accidents occurring in nuclear power stations, to allow fellow operators to check their own station for similar abnormal occurrences;
- attempts to find a common approach to the tricky problem of the siting of nuclear reactors, especially those sited near borders with other member states. The Commission has already proposed a mandatory consultation procedure.

- the compilation of a list of conventions and agreements between member states on information and assistance in the event of an emergency. The group also advised the Community countries to review their own contingency plans in the light of the Three Mile Island accident and to ensure that nuclear emergency plans are closely integrated with other emergency plans;

- the organisation of seminars on simulators and control room layout, to exchange information and expertise and to ensure that power station staff have adequate emergency drill;

- the promotion of regular exchanges of information on improved maintenance procedure between reactor designers and operators in various member states;

- if necessary, the provision, in advance of any accident, of technical help to the news media, in particular local radio and television networks, which are able to spread emergency information quickly over a wide area, including across national frontiers.

Commenting on the report, the Com-

mission's special Interdepartmental Co-ordinating Committee on Nuclear Safety pointed out that, in March 1980, the Council of Ministers approved the new 1980-83 research programme for the Community's Joint Research Centre (JRC) which includes the setting up of a European Equipment Reliability Data Bank.

The JRC also has a project, dubbed Super Sara, to simulate the Three Mile Island accident, and is examining the feasibility of the establishment of a standardised system for rapid exchange of information on abnormal events, which would supplement the data bank on equipment failure and accidents.

On the question of a common approach to siting, the CCSN noted that since the TMI incident, both the US and certain European countries tended to take account in their choice of sites accidents whose probability was very low but whose consequences for health and safety of populations would be extremely serious.

The Commission's Energy Directorate has in the past convened a special working party for exchanges of information on siting of all types of power stations, not just nuclear.

Finally, on the recommendation for better technical help for the local news media, the CCSN has asked the Commission's Information Directorate to take what action it deems fit.

Butter: mountain or molehill?

Recent press reports alleging that the European Commission had agreed to sell large quantities of subsidised butter to the Soviet Union, sparked a new row in the European Parliament over the Commission's policy of subsidising European exporters to sell surplus Community farm products abroad.

Agriculture Commissioner Finn Olav Gundelach denied the allegation and firmly rejected criticism of the Commission's management of the Community dairy market.

Mr Gundelach pointed out that surpluses were kept down in 1980 in spite of increasing dairy production, and that the cost of disposing of surpluses did not increase. Over the last two years the

Commission's dairy management policy has reduced very high intervention stocks to almost working levels, the Commissioner told members of the European Parliament.

Compared with the position a year ago, public stocks of butter are now 43 per cent lower; skimmed milk powder stocks are 27 per cent lower. The Community's dairy export drive has strengthened world prices, which has enabled the Commission to cut the level of export refund it pays to exporters to make up the difference between the Community price and the generally lower world price. As much as 25 per cent has been knocked off the butter export subsidy and 48 per cent off the refund for skimmed milk powder exports. The Commission has also been able to reduce aid it gives to farmers to use excess stocks themselves as animal feeds.

'With a record like this, I am not willing to accept any criticism of how we manage the market,' Mr Gundelach said.

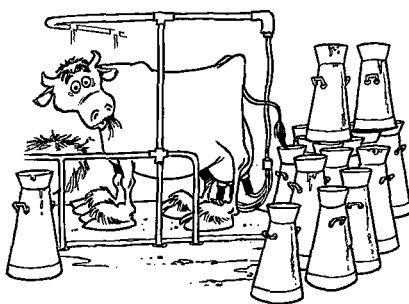
The Commissioner also sharply objected to the link being made in the public debate between sales of subsidised butter to the Soviet Union and the decision not to operate the cheap Christmas butter scheme at the end of last year for European consumers.

Export is still by far the cheapest means of disposing of surplus butter stocks, Mr Gundelach said. To subsidise Christmas butter would have called for a large supplementary budget, which was politically out of the question. 'We cannot have it both ways,' declared Mr Gundelach. 'We cannot save money as we are asked to do and finance Christmas butter.'

Mr Gundelach pointed out to the parliamentarians that the Community does subsidise very large quantities of butter for European consumers. Around 700,000 tonnes – one third of total Community consumption and twice the quantity of total Community exports – was subsidised in 1979.

Firstly, there is a general butter subsidy from which all European consumers can benefit if member states decide to take advantage of it. Only four governments (Denmark, Ireland, Luxembourg and the UK) have done so. The Community contributes up to 31½ pence per kilo (or about 14½ pence per pound) with the member states adding a quarter again. In the UK the government gives nothing and the Community contribution is therefore lower – 28 pence per kilo (around 13 pence per pound). In 1979, 374,000 tonnes of Community butter was subsidised in this way.

Secondly, there is the social butter



subsidy which is available for poorer consumers, again provided the member states make use of it. Only Ireland has so far done so. The Community contributes a subsidy of 38 pence per kilo (17 pence per pound). A total of 5,000 tonnes of butter were covered by this scheme in 1979.

Thirdly, there are schemes subsidising the use of butter in food manufacturing which cuts the costs of cakes and biscuits, for example, and the use of butter fat in ice cream.

Cheap butter is also available for charities and other similar bodies throughout the Community. Last year, 24,000 tonnes of butter, subsidised at the rate of £1.07 per kilo (or 49 pence per pound) was covered by the scheme. Ser-

vicemen and their families get a similar reduction on their butter purchases.

Finally, there is the Christmas butter scheme itself, which was used in 1978 and 1979 because of the high level of Community stocks. All member states were eligible for the scheme, but under different conditions. The average Community subsidy was around 56 pence per kilo (26 pence per pound).

The Commission has not ruled out bringing back the Christmas butter scheme in later years, but has worked out that the cost of the scheme to the budget could be as high as £567 million this year, and it feels that this is just too high. This figure includes not only the cost of subsidising cheap butter at Christmas but also the cost of buying in normal supplies of butter which are left unsold because the cheaper Christmas butter is available.

Comparing the cost to the budget of disposing of each extra tonne of butter, the Commission has found that while Christmas butter costs around £1.28 per pound and the general butter subsidy between £1.08 and £1.90 per pound, exports at current refund rates cost the Community taxpayer only about 45 pence per pound.

Riding on the CB wave

Cars, vans and lorries all over Europe are sprouting new aerials as the citizen's band – CB – radio craze catches on. Hundreds of thousands of European motorists have now fitted small transmitter/receiver sets in their vehicles, adopted personalised code names and can now chat to each other to while away the long hours on the road.

CB has become a truly large-scale phenomenon, resembling the spread of free or pirate radio stations and reflecting, it seems, an obvious and authentic need for freer and closer communication outside the established channels.

But CB users pose a number of technical and legal problems to the authorities. Most Community member states showed considerable hesitation at first when faced with a flood of CB-ists threatening to home in on radio frequencies normally reserved for ambulances, taxis, model airplane enthusiasts and even television broadcasts.

In 1977, the European Conference of Postal and Telecommunications Administrations recommended the harmo-

nisation of technical regulations governing CB sets. But since this was only a recommendation, considerable disparities have continued to exist between legislation in the different member states.

The European Commission is currently studying the different rules governing the use of CB sets. The French government recently proposed legalising CB radios with a maximum strength of two watts, fewer than 22 channels and broadcasting on a frequency of 27 megahertz.

In some Community member states all types of CB sets are legal, although the user is required to buy a licence each year, rather like a TV licence. In other member states, where there is as yet no legislation, a court order is required before broadcasting is allowed.

When the Commission has completed its study it will look into the possibility of making a proposal to the Council of Ministers harmonising the standards and rules governing CB sets used in the Community.

This will help open up a Community-wide market for CB sets, which should help to keep down prices and give enthusiasts a greater choice of equipment. Community legislation is also desirable because, by their nature, CB fans are mobile, frequently driving from one member state to another.

EUROPEAN REVIEW

Better wine but still too much

The European Community's vine growers are producing more and more quality wine. But they are still producing too much of both good and mediocre red, white and rosé.

This is the conclusion of a report drawn up by the European Commission which surveys the situation of the Community's vineyards.

The acreage under vines is continuing to fall in favour of more concentrated cultivation of good quality grapes. However, a further cut-back will be necessary if wine surpluses are to be done away with because production is still increasing and consumption is sliding.

Since 1976, around 100,000 hectares have been taken out of production, partly as a result of Community measures aimed at cutting costly surpluses. There are now around 2.5 million hectares yielding wine. More than half of the land taken out of production was in France.

The production of lower quality table wines continues to fall, but the yields on higher quality vines are growing. In the 1979/80 season, around 175 million hectolitres were produced, while consumption was only 126 million hectolitres. Around 6.7 million hectolitres were exported.

Consumers urge changes in air fares

The Bureau of European Consumers (BEUC) has called on the European Commission to press ahead with its efforts to introduce greater competition between the Community's airlines.

BEUC, a lobbying group which represents national consumer organisations at Community level, wants the competition rules of the Community's founding Treaty of Rome applied to air travel. These rules were drawn up to ensure free and fair trading in all sectors.

BEUC claimed that, because of agreements between established airlines, there is a

total absence of price competition on most routes, and also that airlines who would like to offer price competition are being excluded from the market and are refused permission to operate cut-price services.

Recently, Sir Freddie Laker, who introduced cut-price services on trans-Atlantic routes, was refused permission to introduce similar services on more than 30 European routes. He may take his case to the Community's Court of Justice in Luxembourg.

The European Commission has already produced a Green Paper setting out some of its ideas on cheaper and more flexible air fares, and is currently working on the details.

Number of jobless now well over 7 million

Having topped the 7 million mark for the first time last September, the number out of work in the Community rose by a further 350,000 in October.

The largest number of unemployed is in the United Kingdom (just over 2 million), with Italy (1.8 million) and France (1.6 million) close behind.

Striking a chord for Europe

Musically-minded members of the European Parliament have won the support of their colleagues for the declaration of 1985 as 'European Music Year'. 1985 was chosen because it marks the tercentenary of the birth of three of Europe's greatest composers - Johann Sebastian Bach, Georg Friedrich Handel and Domenico Scarlatti.

The proposal, which had wide support on all sides of the House, was made formally in a report drawn up by a German Christian Democrat, Professor Wilhelm Hahn. 'Culture should be a link between the peoples of Europe,' he told his colleagues. 'Music transcends frontiers,' said Gaullist

member Vincent Ansquer in support.

A British Socialist, Richard Balfe, who is related to the Irish composer of the same name, proposed that the European Music Year be sponsored both by the European Community and by the Council of Europe, which has already organised European Conservation Year and European Architectural Heritage Year. This view was endorsed in the resolution adopted by the Parliament.

Orphans helped to continue their schooling

A Community fund which enables children of workers killed in the coal, iron ore mining and steel industries to finish their education has just announced a number of new scholarships. The Paul Finet Foundation is to make grants to 218 children over 14 years of age who are in secondary or vocational schools, or who are attending university or other higher education establishments.

Paul Finet scholarships are available to the children of workers in the iron, coal and steel industries who have died either as the result of an industrial accident or occupational disease.

The Foundation does not automatically assist all children, but reserves its available funds for those who really need them and who are the most likely to benefit from their studies. The scholarships are awarded annually and are renewable, so that the recipient can rely on the Foundation to help him or her for the full period of education.

Euro guarantee for electrical gadgets

Housewives - or their husbands - who buy domestic appliances from two of Europe's leading manufacturers will now have the benefit of a European guarantee.

The French company

Moulinex and the German firm Bauknecht have agreed to provide this Community-wide guarantee at the instigation of the European Commission, which is trying to reduce trade barriers between the ten member states.

The goal pursued by the Commission is to persuade manufacturers of domestic appliances who do not already do so to extend the guarantee they give to customers in those member states where they organise their distribution to all appliances which bear their trade mark, wherever they come from.

The first European firm to give such a guarantee was the Italian group Zanussi in 1978.

Community and Arabs in new talks

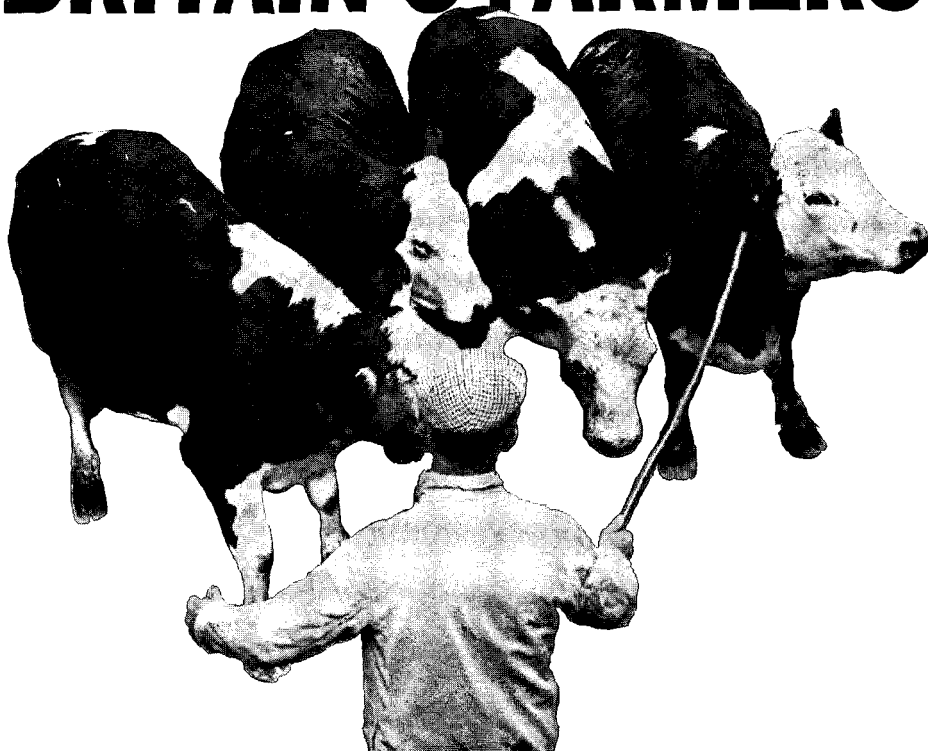
The so-called Euro-Arab dialogue which is designed to promote closer co-operation between the Community and the Arab states was re-launched at a meeting in Luxembourg at the end of November. The two sides first came together five years ago but no meeting had taken place for two years.

The Luxembourg meeting, which was held at the level of junior ministers and officials, was significant not only for the relaunching of the dialogue but also for a number of other reasons. Claude Cheysson, member of the European Commission, was able to point out that, for the first time, the Arabs had agreed to include energy questions in the scope of the dialogue.

It was also the first time that the Community had official contact with the Palestine Liberation Organisation. The Arab delegation was led by a representative of the PLO, which currently holds the chairmanship of the Arab League.

In a communiqué issued after the meeting, the Arab delegation urged recognition of the PLO by the Community as the 'sole legitimate representative of the Palestinian people' as an essential step towards a just and lasting peace in the Middle East.

WHY EUROPE IS RIGHT FOR BRITAIN'S FARMERS



An industry view by Scott Johnston

In parts of the farming industry, recent experiences have given currency to the view that British farmers would fare better outside the European Community. On the contrary, I believe that all the evidence tends to the view that farming in this country would be ill-served by Britain's withdrawal.

Some would argue – within the EEC or out of it – that the United Kingdom should seek to return to the old deficiency payments principle. This view is often advanced by consumer and other non-farming interests.

Indeed, it is seen as something of a triumph that we maintained the deficiency payment principle to a limited extent under the beef variable premium scheme; that we have a full-blooded deficiency payment scheme available for those countries which wish to opt for it under the new sheepmeat regime. And there is certainly, in some quarters, the view that this might lead ultimately to a wider acceptance within the Community of the deficiency payments approach.

I believe that hopes of a return to a deficiency payments system on any terms which would be at all acceptable to farmers are illus-

ory – whether we are in Europe or not.

Throughout the greater period of our membership of the EEC, British producers – through the operation of the green currency system – have been denied the price levels which membership of the EEC should have entailed. The green currency system was introduced as a consequence of the wide divergencies which began to appear in the early 1970s between the value of the currencies in member states and the continuing instability of exchange rates.

Its effect, wholly unforeseen, was to give back to governments of member states discretion in fixing farm support levels for their own producers.

Given this freedom of action – and despite pressure from the Commission to restore unity to the market and phase out the distortions created by different price levels in member states – British governments consistently set farmers' prices at levels which the industry regarded as unacceptably low.

Thus, over wide and significant areas of policy determination, government had freedom to act as if it was not in the EEC at all. And

I can find little evidence for the view that our support prices would have been higher if we had in fact been outside.

But the green currency situation has changed. The scope for action by the Government to increase British farm prices is clearly subject to considerable restraint imposed by membership of the EEC.

It is a matter of judgement whether that is a real constraint or not – whether the Government would want, as a matter of continuing policy, to establish a significantly higher level of support prices. We have some evidence. The Government's view of an adequate price guarantee for lamb (155p for 1980/81) falls significantly short of what the EEC is prepared to finance (181p). And where the Government still retains freedom of action – in determining the liquid milk price – its performance in the industry's interest has been such as to result in a continuing erosion in the net incomes of producers.

But there are other considerations which are relevant – and these relate to import arrangements. For the main agricultural products, membership of the EEC has meant the introduction in Britain – for the first time since the Repeal of the Corn Laws – of variable levies on imports designed to ensure that imported produce cannot be sold in this, or in any other Community country, below a predetermined threshold price.

Further, since intervention prices within the Community are linked to threshold prices, imports should not, in principle, come into Britain from its partners in the EEC at prices unrelated to the threshold price for third country imports.

This was, of course, distorted during the period when all institutional prices in Britain – including threshold prices – were held down by the British Government's green pound policy. That, in effect, resulted in the subsidising of imports into the UK from other EEC member states.

What seems clear, however, is that no British government, outside the EEC, would be prepared to adopt the degree of management over imports (the degree of preference for home production) which is central to the Common Agricultural Policy. Even for sheepmeat, where no variable levies are either in existence or contemplated, membership of the EEC meant moving from a UK tariff of 0.83p per lb. on New Zealand and other imported lamb to a 20 per cent tariff *ad valorem* from July 1977 (10 per cent under the new regime – but linked to higher internal guaranteed price).

There is a widespread belief amongst the public in general that the sole result of joining the EEC has been to put up food prices in the shops. So withdrawal from the EEC would be seen by the public primarily as a means of reducing food prices to consumers; and the most probable scenario in that event would be the introduction of measures designed positively to reduce food prices to consumers.

That would clearly involve dismantling the existing arrangements for imports from over-

seas. Indeed, it is perfectly possible to envisage imports into Britain of surplus commodities from its erstwhile Common Market partners subsidised by EEC export refunds. These are an integral part of the CAP and are instrumental in securing, for example, the controversial export of EEC butter to the USSR.

In short, I believe it is illusory to suppose that withdrawal from the EEC could possibly insulate British farmers from the effect of commercial pressure imposed by the sheer magnitude of farm output in Continental Europe.

It might be argued that it would not matter to producers – in or out of the EEC – if a much more liberal import régime were to be introduced, provided that farm incomes were secured by a system of deficiency payments – and it is sometimes argued that the CAP might be developed in this direction.

But what are the realities?

The deficiency payments system was introduced in Britain following Ministry of Food de-control in 1954. In essence, the system allowed consumers in Britain to take advantage of the cheapest food prices on offer on world markets, whilst the taxpayer contributed the difference between the world price and the British guarantee.

But it was a system which, however successful in stimulating output from British farms, had within the seeds of its own destruction.

Throughout the 1960s, as we increased our own self-sufficiency ratio the cost to the Ex-

chequer rose and standard quantities were progressively introduced or proposed in an effort to limit Exchequer liability. Where we attained complete self-sufficiency – as with eggs – the government got out of the support business altogether. And it is worth noting that, for commodities in which we have always been self-sufficient or near it – notably liquid milk and potatoes – we always operated a system more akin to the managed market than a deficiency payments system.

The attempt to maintain a full-blooded deficiency payments system was in fact abandoned in the early 1970s by the then Conservative Government, whose agricultural policy – quite independently of whether or not we joined the EEC – was to move to a managed market system.

The reason was simply that the increase in agricultural output in Britain had made that system too costly in terms of public expenditure. Indeed, it is possible to argue that once deficiency payments are being made on, say, 80% of total consumption, it is more of an instrument of social policy (the rich paying through taxes to keep food prices down) than an instrument of agricultural policy.

It is precisely because the EEC is at or near self-sufficiency for the major commodities that the prospect of the introduction of anything like a full deficiency payments system would be quite prohibitively expensive – and a return to such a system in Britain outside the EEC would be equally unimaginable in Exchequer terms.

We are at the start of what is bound to be a difficult debate on the future of the CAP. Meanwhile, it would be unrealistic, in present circumstances, to suppose that withdrawal from the European Community could offer any real or lasting solution to the current problems facing British agriculture. ●

□ Scott Johnston is Director and General Secretary, National Farmers' Union of Scotland. This article is abridged from the November 1980 issue of *Farming Leader*.

Why Europe needs the British

EMANUELE GAZZO puts in a word for the member state whose insularity is 'a positive factor'

If we want the European Community to have its own cohesion, and to become the expression of the sum of converging wills, each of us must make his own contribution to it.

If this benefits one particular partner or another, so much the better, since that partner will soon have the occasion to reciprocate. The enrichment is therefore mutual, even if it is not necessarily quantifiable.

This is how the idea of a Community ceases to be theory and becomes a reality. Let us remember what Jean Monnet said in a speech at Harrogate in October 1957: 'We know that you British respect facts, not theories.' Those who worked for Europe from the beginning of the 1950s have built a factual reality. No-one can deny their success.

In January 1970 the President of the Italian Republic, Signor Saragat – a socialist – said that Britain was necessary to the Community because it was a great democracy whose presence brought with it a guarantee of the democratic evolution of European society: a contribution of great moral value. Britain also brought to the Community something else – a dowry made up of all the political, economic and cultural ties created during centuries of history, with peoples from other continents.

The presence of Great Britain in the Community gives it the size necessary for it to speak and be heard in the world at large. This contribution of knowledge and experience is indispensable if we wish to create a European foreign policy, a policy of détente from a position of strength, and a generous policy of co-operation with the Third World. Britain's contribution is of decisive importance.

For two centuries Great Britain was the country of free trade, and at the same time of

'It is illusory to suppose that withdrawal could insulate British farmers from the sheer magnitude of farm output in Europe'



industrial innovation. The first commercial computer in the world was built in Manchester in 1950. In the years 1965 to 1970 there was much talk of a technological community for which Britain would supply the expertise and the rest of Europe the market. The situation has changed; but Britain remains a technological giant. Outward-looking policy, technological innovation, and fall-out from British research, are valuable assets for making the Community the open and exemplary body which its founders envisaged.

The Community expects much of the British. They have a lot to contribute, in partnership with the other member states, in drawing the features of the Community's face. Their country is considered by many people as the country of reform, of courageous experiments in social policy and human relations, which can enrich a Europe that seeks reform not through dogma but through change in the relations between nations and peoples.

'We know that you British respect facts, not theories'
—Jean Monnet

Economically, the high degree of sophistication and prestige over a whole range of activities in the service sector – in particular money markets and commodities, insurance and transport – is a guarantee of the potential contribution Britain can make to the Community.

But there is still something else – something that is not measurable, which goes beyond foreseeable calculation. To quote Jean Monnet once more: 'Western civilisation needs England, and Europe needs the capacities of the English people, to maintain the unique contribution they have made to this civilisation.'

The capacities of the people are the same as the character of the people. Their insularity, contrary to what is sometimes thought, is a positive factor, since it introduces something that is lacking in most Continentals: the characteristic of independence, the feeling of something rounded off. The distancing, the feeling of being set apart, involves a high degree of sensitivity in communication, and strict control over the activities of central government.

If the British will abandon certain prejudices and suspicions – if they make the European adventure *their* adventure, a journey into a new world in which they will sometimes be able to show us how the ship can be steered or the sails can be filled – then they will come to see that Europe is also their Europe.

□ Emanuele Gazzo is founder and director-general of the Europe International Press Agency, Brussels, and a well-known commentator on international affairs.

Under-or over-the Channel?

Will the Channel Tunnel ever be built? And if it is, who will find the resources to make it a success?

Though it has not been publicised in recent months, the project is still very much a starter. Expert opinion is hardening on the practicality of building either a tunnel or a bridge – but in either event a fixed link that will at last join Britain to its Continental neighbours.

As for the finance, EEC involvement is thought to be inevitable. A Channel link would be an important part of the Community's common transport policy. There is an acknowledged Community interest in transport development across frontiers, and a readiness to set up a financial mechanism to help make it happen.

Transport accounts for 6 per cent of the Community's gross national product, 15 per cent of all capital investment, and nearly 40 per cent of capital investment in the Community's economy. Transport demands will double by the year 2000, and the networks will have to take account of increasingly complex trade patterns.

The Channel tunnel project could qualify as a project of Community interest, defined as being of value over and above the benefits it would provide on a purely national level. Increasing economic integration requires a more global approach than individual governments can provide on their own. And the long-awaited 'Chunnel' would be a spectacular example of economic integration of a material, concrete kind.

A study by the European Channel Tunnel Group (ECTG) has come out in favour of a tunnel between Dover and Calais, comprising a passenger and freight rail tunnel with a



'I'm all for reviving the Channel Tunnel, but not if it still comes out in France, dammit!'

David Langdon from NOW!

smaller service tunnel alongside.

However, of the various schemes under review, the most favoured is reported to be an Anglo-French proposal to drill a single railway tunnel under the Channel, for which British Rail has drawn up detailed plans. BR estimates that the single-tunnel scheme, operated jointly with the French railway network, SNCF, could carry some 8 million passengers and 8 million tonnes of freight a year. Raising the necessary capital – something over £800 million – would not be too difficult, it is argued, even in the present state of the European economy. Five merchant banks have

been holding meetings in recent weeks to discuss ways of finding the money, possibly with some form of EEC back-up.

The alternative contender would be a bridge. This option has many supporters, including one of the world's major bridge-builders, Freeman Fox and Partners. In the view of FFP's Dr William Brown, a bridge with unprecedentedly long spans would minimise risks to shipping – the most common objection to the bridge idea – and a design is ready for a structure using only eight piers, with spans of 2000 metres each.

Light-weight wind deflectors fixed along the edges of the carriageway would protect vehicles from side winds. Toll charges based on present-day ferry rates would bring in some £300 million a year, based on a capacity of at least 80,000 vehicles a day.

The engineering technology is available for either alternative. One obstacle could be opposition by some trade unions. The Transport and General Workers' Union, the biggest in Britain, opposes plans for a tunnel. The union's deputy general secretary, Alex Kitson, has told MPs on the Commons select committee considering the project that he can see no economic or social advantages in it for the UK.

The TGWU, which is opposed to Britain's membership of the EEC, regards a Channel tunnel as a scheme for integrating Britain more closely with Europe. The union's transport group are also reportedly uneasy about the effect on jobs in other sections of the transport industry if a tunnel is built. However, the National Union of Railwaymen and the Transport Salaried Staffs Association both support the proposal.

THE BIG APPLE RUMPUS

These are not exactly mouth-watering times for English apple-farmers, faced with a renewed assault on their home market by the French Golden Delicious. In this report, JOYCE BETTS—getting to the core of the argument—tries to be fair to both sides

My greengrocer is one of an increasing number who have been trying to boycott the Golden Delicious. He says he doesn't believe in supporting a takeover by the French apple-growers. Anyway, he adds, the public haven't got a taste for the French apple—they keep asking what has happened to the good old English varieties like the Cox's, the Blenheim, the Bramley and the Worcester.

From my inquiries, I find they are still very much around. Last year, in fact, they accounted for nearly two-thirds of all the apples consumed in the United Kingdom. Most of the other one-third went to the French 'invader', Golden Delicious.

So English apples *are* to be found in the shops. But it's those French ones that seem to get all the publicity.

Compared with their rivals' sales drive, English fruit farmers have been slow off the mark. Lately, though, there have been signs that they are beginning to make more of a fight of it, by sharpening up their marketing. Mr Richard Venables, head of the Apple and Pear Development Council, based in Tunbridge Wells, has called for 'more orderly marketing, and more careful grading' of English apples. He says the apple-growers are to bring in a scheme which will help to avoid inefficient merchandising, so as to 'bring top-quality fruit to the consumer in the condition that she has a right to expect'.

But will this be enough to satisfy the English growers? Theirs is an up-and-down, precarious business. There is often either a bad crop or a glut, depending on the behaviour of our unmentionable weather. Either way, the fruit farmer loses. When we went into the Common Market, it was obvious that some Continental growers, with their much better fruit-growing climate, would have the edge on us.

For six years after Britain joined the EEC, English growers were shielded from direct competition by financial compensation. When that agreement was phased out, and the market lay open, the French were ready with the now-famous Golden Delicious. It had, as they say, a lot going for it. It grows without effort; it gets nice and big; it is resistant to blight, easy to pick, grade, pack and despatch. Add to those advantages the back-up of a professional marketing effort and you have a typically modern product—mass-produced, quality-controlled, and competitively priced.

French apple-growers qualify for the kind of EEC price-support that ensures food producers stay in business. So, of course, do ours. But last year, only 8,000 tonnes of British apples were bought-in under the CAP support scheme—far less than the Golden Delicious.

The 'intervention' price is so low, in relation to production costs, complain some UK fruit farmers, that it is hardly worth their while carrying on. So last year a further 1,000 hectares of British apple orchards were turned over to other use.

What is more, say the English growers, the French are also helped by government support and advantageous interest rates, which helps them to keep their prices down. They would like the same kind of help from the British Government. Finally, the Golden Delicious is so high-yielding, they complain, that it distorts the whole idea of fair competition, in a market where—as it seems to the English farmers—the more you produce the more you make, whether you sell it all or not.

This argument does not go down well in France. 'It is quite unfair,' says the Agricultural Attaché to the French Embassy in London, M. Jacques Danel, 'to lead the British public to believe that there is great over-production of apples in the EEC, when in fact the figures available for the last seven years show that there is an overall balance between production and demand.'

'Every apple which comes to Britain is bought by the British trade before it leaves France,' adds M. Danel.

He admits that French orchards yield 16 tonnes of apples per acre, compared with England's 5 tonnes, thanks to 'efficiency and high investment'. But France, he tells us, has

'If British growers think that hidden subsidies are their only problem, they are kidding themselves'—Peter Walker, Minister of Agriculture

'absolutely no intention of destroying the apple industry in England. That would be bad for us too'.

Less diplomatically, perhaps, the leader of the French apple growers, M. Charles Calléja, has been telling us that, just as other tastes and products change over time, so must it be with apples. If this means grubbing out the Cox's and planting Golden Delicious, he adds, that

The effects of over-production can mean scenes like this—French fruit growers, in the Vaucluse district of France, dumping their unsaleable apples in giant pits. Last autumn, thousands of tonnes of Golden Delicious met a similar fate.



could be the way for British fruit farmers to stay in business until 1999.

Some have already gone in that direction. I learn from the Apple and Pear Development Council – a non-political body, by the way – that about 700 hectares, or 1700 acres, of English farmland is now given over to growing Golden Delicious. Half of this is in the

West Midlands; the rest is in Hereford, Worcester and Kent.

To these farmers, at least, the old saying applies – if you can't beat 'em, join 'em. One

Where the crunch comes – the local greengrocer's shop.



'Polish up your English'

The brightest taste in apples



big apple-grower whom I spoke to at his farm shop near Matfield, Kent, grows Golden Delicious as well as a wide range of English varieties. 'There's no getting away from it,' he told me, 'the Golden Delicious is a very good apple. Actually, I think it tastes even better when it's grown over here. In France they have to irrigate their orchards. In England we've got God's lovely rain. That's what makes the difference.'

But there are signs that British apple-growers are becoming more aware of the need to improve their own performance, under pressure from their French competitors. A new body, the Central Council for Agricultural and Horticultural Co-operation, has been called in to give advice on how to cope with the swings and roundabouts of the fruit-farming business. When prices of English apples fell two years ago, growers were advised to start growing bigger – and if possible better – apples. They did just that – but the French got in early in the season with apples that were a good deal cheaper than the British farmers' new, improved product.

There were mutterings about 'unfair competition', which the French growers denied, and the cry went up for some kind of subsidy to help the farmers out. But these are not the best of times to go to the Government for money. And Mr Peter Walker, the Minister of Agriculture, went so far as to say that 'if British growers think hidden subsidies are their only problem, they are kidding themselves.'

The fruit farmers seem to have got the message. They have turned to better organisation and marketing as the most practical way of getting themselves out of their difficulty. In this they are being helped by a formidably active body, the Women's Farming Union, who have made a start in helping to pull the fruit farmers' operation together. There is to be a big effort to promote the English apple in terms of a brand. At the same time there is to be a drive to keep inferior English apples out of the shops and markets: patrols of volunteers will keep a look-out for sub-standard, misshapen home-grown apples, and point out to the offending shop-keeper or stall-holder the need to show the English product at its best.

The signs are that more and more people are coming round to the view that the only way to secure a prosperous future for English apples is to match the competition all down the line – with tighter quality control, improved presentation, and professional marketing.

At the Conservative Party conference in October, the Agriculture Minister called the English apple 'a splendid example of a product where every consumer test has shown that it is the best available in Europe'. But he added that we have failed to market, package, present and promote that product as we should.

It all costs money. But, say the activists, if you've got a good product, why not invest in it? I doubt if any French apple-grower would disagree with that.

STRASBOURG NOTEBOOK

ADAM FERGUSSON, Member of the European Parliament for West Strathclyde



There are two fundamental axioms of Community development. One is that only crisis produces change. The other is that, when decisions are taken by consensus, difficult ones either cause a crisis or are indefinitely postponed.

These propositions aptly apply to the seat of the European Parliament. After more than two decades of procrastination the nettle remains resolutely ungrasped, the bull's horns determinedly ungripped.

Crisis, fortunately, can itself be induced. Eighteen months of traipsing round Europe like a travelling circus have wrought a new determination among a majority of the Members. The clowning, they believe, must cease. And our mood in 1981 is to carry to its conclusion the autumn initiative in which we challenged the Council to make its mind up once and for all on a single seat, in accordance with Article 210 of the Treaty of Rome. 'If they won't,' we have said, 'we will.' And nothing but a truculent silence has followed so far.

Will we, though?

We all know how lunatic the present arrangements are – the expense, the inefficiency, the strain on the staff, the fatigue, not to mention the general wonderment at home that we are prepared to put up with it. And we see the danger (just as the enemies of Community development see it, all too clearly) that through declining public interest, falling attendance and the inability to do our work, inefficiently or otherwise, the Parliament will dwindle to a constitutional cipher.

It should all be enough to concentrate our minds pretty effectively, with the prospect of another battle with the collectively narrow-minded Council. But there are doubts.

These centre on whether the loudly-trumpeted symbolism of Strasbourg will provoke the same equivocation within the Parliament as has been evident in the Council. The difficulties which certain German delegates had last year, in crossing the Rhine frontier from Kehl, are a commentary on Strasbourg as a symbol of Franco-German *rapprochement*. That apart, the only question that ought to concern those who would like the Parliament to settle down permanently in Strasbourg (than which

it is hard to imagine a pleasanter town), or indeed in Luxembourg, is whether the Commission itself would be prepared to move there as well.

The choice of seat, in short, should not be a matter of symbolism, or horse-trading, or national pride, or civic pride – all of which have dictated the present nonsense. Accessibility from all corners of the Community, from Greece to Greenland, is only one of the criteria which must govern a final choice. For it cannot be sensible to promote as the future capital of a united Europe a provincial town whose external communications must remain so poor, where no permanent international press corps or media offices are likely to be established in this century, to which only minor permanent diplomats are likely to be appointed, or from where the Community's own executive could be absent.

A parliament with the most rudimentary power to initiate legislation – confined by the Treaty to suggesting its own method of election – must depend on its physical ability to exercise moral and political authority to be effective at all. If nobody listens to it, or can hear and read what is said there, it might as well go home. And if its members are so run off their feet that their words are not worth listening to in the first place, it might as well stay there.

The Council has until June 15 to think about it.

'We have challenged the Council to make its mind up once and for all on a single seat, in accordance with the Treaty of Rome'

The arrival at the January plenary in Strasbourg of 24 Greek MEPs gives rise to speculation about the physical changes needed there. For the present – perhaps until they are replaced with directly-elected members later in the year – they are expected to sit together. Since the chamber is already full to bursting, they will presumably be gathered behind the Council or the Commission, in one of the extreme sectors reserved for functionaries.

From there, almost out of sight of the President of the Parliament, the Greeks will be able to study at leisure the features and behaviour of the various parliamentary groups who have spent the past months wooing them as political partners. I fancy they could change their minds several times before the August recess.

The accession of another language will make for bigger difficulties. Not only will a new interpreter's box be needed in the chamber and in every committee room, but each existing box will have to be equipped with machinery and personnel to provide an extra service.

As all parliamentary documents are printed on paper whose colour differs according to language, an extra colour now joins the parliamentary spectrum. New space will be required for laying out and collating documents. And the general work-load on the parliamentary machinery will increase by something like another 12 per cent.

Because of the language problems, last year the number of separate parliamentary publications amounted to more than 101 million items. The mind boggles, though, at the physical problems of welcoming Spanish and Portuguese delegates to Strasbourg in due course.

Is it not time to consider the construction of a new, larger chamber, with commensurate offices, somewhere else? In Brussels – just for example?

Within a couple of years the entire financial foundation of the Community will have to be constructed afresh, because the old bricks and mortar have crumbled. That will be the real moment of decision. Either the EEC is an agricultural benevolent society and a Franco-German mutual administration association—or it still has something of the potential we saw so long ago. Only when those re-negotiations, for everybody, from scratch, are complete will we know whether the dreams are dust and whether the moment has come for Britain to slink away from its 'European destiny'.

— Guardian

The suggestion that the EEC should use its food mountains (now largely mythical) to aid the Third World shows a lack of knowledge unfortunately shared by too many Britons.

The European Community already gives away vast quantities of food to poor countries. Last year it gave one and a quarter million tons of wheat, 45,000 tons of butter/oil, 150,000 tons of milk powder, and 720,000 tons of cereals.

In Cambodia, where the power politics of rival Communist factions have caused the death of perhaps half the nation, the European Community has contributed 40 per cent of all aid since help began last autumn. The 150,000 tons of European milk powder have saved the lives of tens of thousands of children who would otherwise have starved to death.

The butter, which has been sold cheaply to Russia, is also available in this country at half the shop price to old people's homes, hospitals, etc, and £11 million worth were bought by such establishments last year.

If people knew the true facts, opinion polls might not be so disheartening to those who regard the European Community as a bulwark of security in an increasingly dangerous world.

*Derek Prag
Member, European Parliament.
Hatfield, Herts.*

— Letter in the Daily Telegraph

British employers' total opposition to the EEC plan for worker participation is perplexing to other Europeans. They think that we have the worst industrial relations in the Community.

The Germans in particular (on whose two-tier board structure the EEC's original fifth directive was based) consider that our approach to industrial relations is old-fashioned. The French, Dutch, Belgians and Danes, who also have well-established formal structures for worker participation, are equally puzzled by their absence in Britain.

— The Times

There should be no fear of dairy farmers in Greece adding to the Common Market's problem of a surplus in dairy products. There is obviously scope for tremendous improvement in the cows' milk yield in that country which at present averages only 330 gallons. Indeed, its cow milk production cannot be much more than one per cent of the EEC's annual milk production. However, lest it be thought that here is a further market for dairy products from the rest of the Community, the point should be made that sheep and goat's milk still account for more than half the country's milk production. The Greek consumer will not necessarily wish to change his taste to suit the requirements of other Community states.

— Daily Telegraph

The lovelorn British bull has sparked off a new Common Market row. French breeders have refused to mate their cows with British bulls—a move described by Yorkshire Euro MP Tom Megahy as illegal. Not so, decided a French judge. 'Regulations refer to free movement of goods,' he said. 'This is a service.'

— Daily Mirror

According to comparative statistics covering 1977 which have just been published, Denmark is the European country with the highest proportion of women who work up to the age of 40, and Britain has the highest proportion between the ages of 40 and 60.

— Europa

WHAT'S IN THE PAPERS

A group of anti-EEC Conservatives has tabled a motion, entitled '1066, the Common Market, And All That' which lists English victories won against countries now in the Community from Boadicea's campaign against the Italians in AD 61 to Waterloo in 1815.

The motion goes on to urge that the House of Commons 'does not believe that history came to a full stop when the United Kingdom joined the Common Market; will continue to remember the defeat of the Armada in 1588 even if Spain subsequently joins; would much sooner learn its history from Messrs W. C. Sellar and K. J. Yeatman than from the Common Market Bureaucrats'.

— London Diary, The Times

For the first time, a British Government will be engaged in negotiations on the reshaping of the Community from within. All previous re-negotiations have involved special pleading, however justified, on Britain's part. Now the Government can join in as a full and equal partner.

— Financial Times

Most Britons, despite eight years of EEC membership, preserve the most paranoid conception of how the Community works.

— Guardian

Mr Angus Maude, Paymaster General: The purpose of the Government information service in respect of Europe is to make clear the economic facts to the British people. I am perfectly satisfied that if the Labour Party wishes to have a confrontation at the next general election on the question of withdrawal from Europe, the good sense of the British people will defeat them even more handsomely than it otherwise would have done.

— Hansard

More than 20 per cent. of British manual workers work more than 48 hours a week. This means an average of eight hours overtime, by far the highest of any EEC member. In Italy, by contrast, only 9.9 per cent. work more than 48 hours, in France 8.6 per cent., Germany 6.3 per cent., with the rest trailing away to around 3 per cent.

— Daily Mail

The challenge for Mr Michael Foot remains. When our trade with Europe, notwithstanding the recession, is better than our trade with the rest of the world, when industry is in grave difficulties and unemployment mounting over the 2 million mark, is this a time when he will risk losing whatever remains of the confidence of our European partners, and, ultimately, throwing away the advantages that our trade enjoys within the Community, so jeopardising the jobs of thousands of workers? This is a question Mr Foot must ask himself with the utmost seriousness if he is to have any credibility.

— The Tablet

The TUC is to tell the European Commission that it does not believe that British equal pay legislation complies with Community law. It argues that the Equal Pay Act of 1970 does not contain a clear definition of equal pay for work of equal value, and therefore does not 'effectively eliminate discrimination on grounds of a worker's sex.'

The Act makes it illegal to discriminate by paying less for similar or like work done by men or women, and in the TUC's view this has made it possible for discrimination to continue widely.

The European Commission has already said that it is of much the same opinion as the TUC. Last July it informed the British Government that this country was in default of Article 119 of the Treaty of Rome because of the failure to legislate for 'equal pay for work of equal value'.

— Guardian

The British glass industry, already suffering from the recession, yesterday attacked EEC demands that Britain should import heat-treated milk from the Continent for sale in cartons in supermarkets and shops.

The Glass Manufacturers' Federation said that while the British Government wanted the glass industry to maintain the returnable bottle systems for drinks, the EEC Directorates of Agriculture and Competition were trying to force the Government to accept the import of long-life milk in non-returnable cartons.

— Financial Times

The Common Market is already protecting employment, and Europe's economic weight is now being mobilised more effectively to negotiate trading agreements with the rest of the world. Although the deals with Taiwan shirt-makers and American chemical firms never satisfy everybody in Manchester and Milan, they have kept the world's trade routes reasonably open. In practical terms this is probably the most important single thing that the Community has done recently.

— Sunday Times

From London to Paris—



two painters at the Grand Palais

If the art scene is anything to go by, cultural relations between Britain and France have never looked more cordial. The past twelve months have seen a succession of major exhibitions, each of them involving the two countries in close professional collaboration.

The 1980 Post-Impressionist exhibition that packed the Royal Academy until the end of March was supported by no fewer than 40 French museums and private owners – the biggest single group of lenders, representing many of the key paintings of the Post Impressionist movement. In May came the highly-acclaimed Salvador Dali exhibition, direct from the Pompidou Centre. In London, as in Paris, it was a huge popular success – a quarter of a million people saw it, and the crowds of the last day were as big as they had been on the first.

In October it was London's turn to mount an Anglo-French art event: the Pissarro exhibition at the Hayward Gallery, marking the 150th anniversary of the painter's birth. The biggest Pissarro exhibition for 50 years, it is now on its way to Paris, where it will be shown at the Grand Palais from January 30 to the end of April. It will be joined there from February 7 by the distinguished Gainsborough exhibition, which has been on view at the Tate Gallery since last October.

Both artists – Gainsborough and Pissarro – are highly regarded on either side of the Channel. But there are Gallic elements in Gainsborough which may intrigue the French public, just as Pissarro's paintings of London

scenes have delighted visitors to the South Bank. For all the Englishness in Gainsborough's work, his first teacher was a French artist resident in London, Hubert Gravelot.

Gravelot was noted as a draughtsman and engraver who brought wit and flair to the art of English book illustration. He took on the young Gainsborough, just up from Suffolk, as a pupil, and schooled him in the rococo style. From Gravelot, too, the youthful Gainsborough seems to have acquired the habit of dressing wooden dolls to help with the figures in his compositions. The French influence is apparent in the Boucher-like artifice of his early portrait settings, and in some of the later landscapes.

Gainsborough was never in France. But Pissarro visited England on several occasions over the years, and declared himself at home there. At one time in his life, he even considered settling in London, which he admired for its order and good sense, though not for its flagrant commercialism. He first crossed the Channel in 1870, when, like Monet, he sought refuge from the Prussian advance on Paris.

Top: Pissarro's 'La Place du Théâtre Français, Paris, 1898. Right: Gainsborough self-portrait, 1754.

He took lodgings in Palace Road, Norwood (then known as Chatham Terrace) until his return to France in June 1871. He found Norwood 'charming', and the suburban streets most paintable. Among the paintings he took back with him were views of the Crystal Palace, Dulwich College and the railway station that then existed at Lordship Lane. With Monet, he discovered Constable and Turner on visits to the National Gallery.

Both painters submitted pictures to the Royal Academy in 1871, and both were rejected. However, the Paris dealer, Durand-Ruel, who was also in London at the time, managed to place a couple of works by each artist in the French section of the International Exhibition at the South Kensington Museum. Pissarro received his first English notice, in the *Art Journal*: 'By C. Pissarro there are two winter subjects of much natural truth.'

A valuable collection of Pissarro drawings, etchings and papers passed, by descent from the painter's son Lucien, to the Ashmolean Museum, Oxford. It was there that the idea of the big Pissarro commemorative exhibition was originally proposed, to be welcomed by the Arts Council, by the Réunion des Musées Nationaux, and by the Museum of Fine Arts, Boston, where it will be shown after Paris.

Pissarro, the last Impressionist to be given his due, would be pleased. In a letter to Lucien a few weeks before he died, he reported that he was having no luck in exhibitions: 'What do I get for all the trouble of sending my works, running risks, re-gilding old, ruined frames, insuring the parcels? Isn't it idiotic?'

Ever philosophical, the old man added: 'This doesn't surprise me; it is not easy to understand how to look at pictures. It will probably be the same story in London, if not worse. For they really don't care for anything in painting except a brilliant brush stroke!'

That was in 1903. He might think that, by now, London has made amends.

DENIS THOMAS



A friend in Greece is a friend for life



DILYS POWELL gives a personal assessment of the country and people who have now become the tenth members of the European Community

No country moves into the future with more enthusiasm than Greece. The advance has been sudden and swift. In the mid-1920s Greece still slept in the shadow of time. After the Balkan wars and liberation from Turkish occupation, after the problems of the Great War and the shock of the Asia Minor disaster, she had scarcely learned to assert her

independence. Only in Athens were things beginning to stir. But life was gentle and easy. At its centre it was a ravishing city, set in its trio of mountains and frequented by flower-sellers leading donkeys with brilliant loads of almond blossom, anemones and wild tulips. Perhaps it really was the Paris of the Mediterranean. . .

In fifty years Greece has transformed herself. Athens today is a busy modern city: wide boulevards, fashionable hotels, seductive shops, dense traffic. And Athens, in the manner of modern capitals, spreads. Suburbs creep out towards the foothills of Hymettos, the coast is populous all the way to Sounion (where Byron scratched his name on the marble of Poseidon's temple) and far beyond. In summer the beaches and their bathing establishments are crowded for miles with Greeks as well as tourists.

No doubt the transformation was already showing itself in the 1930s. The more adventurous foreigners were thinking of an unfamiliar place for a holiday. People who earlier would have unhesitatingly gone to Italy for art galleries and museums and architecture were considering the possibility of temples and classical sites. But it was not until after the last war that Greece became popular with sun-lovers and swimmers, walkers and campers, many of whom had only the remotest interest in the country's great past. Travel, of course,

had become easier and, with airplanes, faster. Young people had more money, and a trip to Greece no longer seemed like an excursion to the Hindu Kush. Perhaps the war itself had something to do with the new popularity. Greece had fought and starved; there was a kind of antique heroism in Greek resistance, first to Mussolini's Italy, then to Hitler's Germany. The world became sharply aware of Greece. And the disaster – for few countries underwent suffering as appalling – re-established the idea of Greek splendour.

But, more and more, it has been contact with the people which has strengthened ties between Greece and the rest of the world. Hospitality to a Greek has a meaning far beyond the polite formal gesture. Travellers off the beaten track will know that the word can imply opening the best bottle of wine in the house for the stranger who arrives in the village. Climb the bare slopes of Crete's Mount Ida and shepherds, hungry for talk and news, will feast you on sheep's cheese and what else their frugal means afford.

You may think that such virtues belong to the past, that Greek delight in the modern will have erased the old traditions of simple friendship. But newcomers to Greece are still astonished by the welcome they encounter. People might suppose that Greece is becoming a commercial country, and it is true that districts once dark and distant now are bright with shops and booths – and can be reached by plane. In the old days a coastal steamer arriving at night at an Aegean island would be greeted by a porter or two, the shouts of boatmen and the misty halo round the shore lamps. Today electric lights glitter above the souvenir stalls. Business is brisk. But nobody presses a sale; manners are quiet; and it is not unknown for the boss's wife in the restaurant where you have complained about being kept waiting to come over and sit with you and invite you to stay in her house. And she means it.

It is the persistence of personal warmth beside the bustle of the 20th century, it is the co-existence of past and present, which gives

Greece much of its special charm. The past is there in Athens. Desmond MacCarthy used to say that one of the beauties of the metropolis was that at the end of every street you saw the Parthenon. With new building, with the eruption of tall blocks of flats that is no longer true; but the Acropolis is still there, and its museum, together with the National Museum, has the noblest classical sculptures in the world. Outside Athens the mountains and the plains speak of history and mythology. Here the Greeks defeated the Persians, there Herakles slew the Hydra; Pausanias came this way; here Agamemnon drove up from the sea to meet his death.

The memories are sometimes more recent. Between Corinth and Mycenae there is the site of a famous battle in Greece's War of Independence. And the monuments are not all classical; the Crusaders were here, and the envoys of Constantinople. Mistra on its hill dreams of Byzantine glories. In some tiny chapel hidden in a Cretan valley you may find dark smoky frescoes, the emblems of devotion. There are the monasteries: the whitewashed severity of Patmos, the secrecy of Nea Moni on Chios. Greece may hurry into the age of the factory and the mine – and she has great natural resources – but she constantly draws spiritual strength from her past.

It is easy to be deceived by the serenity of the Hellenic landscape. Greece has been torn by wars and by earthquakes, but also by politics. In the Second War there was lethal dissension among the guerrillas who fought against the Nazi occupation. The aftermath was a civil war of terrifying intensity, fought in Athens itself as well as in the mountains which today watch with such aloofness the labourers in fields and vineyards. But the Greek spirit has survived; the warmth has always survived. At the time of the Cyprus troubles (it was before the Turkish invasion brought troubles of another sort to Cyprus) the British were unpopular in Greece and especially in Crete, which is always sensitive to the situation of another island.

Nevertheless, a solitary Englishwoman travelling in the Mount Ida country was received with every kindness, sheltered and cared for, and at a subsequent visit treated as if she were a member of the families she had earlier visited. Perhaps something in that landscape is partly responsible for the individuality of the Greek character. There is no landscape quite like it, no country where the crests of the mountains echo one another in such an elegance of line, where the ranges rise out of the sea with such an air of inviolability.

And the constant presence of the sea has shaped the lives of men; sea carves into the mainland, sea breaks the islands into fantastic many-fingered forms. In calm weather those islands seem not so much to float as to balance above the surface. Then fury, sudden and unpredictable. It takes courage to live so closely with the sea. The Greeks have acquired suddenness of temper. But they have learned also the stability of their mountains. A friend in Greece is a friend for life. ●

BOOKSHELF

Coping with the 'new legal order' in Europe

The Substantive Law of the EEC By Derrick Wyatt and Alan Dashwood. Sweet & Maxwell, £13.00.

European Community Law in the United Kingdom By Lawrence Collins. Butterworth, £14.50.

European Community Treaties Advisory Editor K. R. Simmonds. Sweet & Maxwell, £11.50 (hardback), £8.50 (paperback)

Human Rights and Europe By Ralph Beddard. Sweet & Maxwell, £8.25.

Is there a great divide between the United Kingdom and the other member states of the European Community? Legally speaking, at least, there are some important differences. In all the other member states the legal powers of the government are defined in a written document, as are the legal powers of the European Community itself. Here in Britain there is no written constitution. The British Parliament is supreme and not confined within any framework of written rules.

For Mr Enoch Powell, Mr Tony Benn, and almost certainly Mr Michael Foot, this completely unfettered and supreme power of Parliament is one of the hallmarks of British political genius. For others, it is a potential threat to the liberty and rights of ordinary people, particularly if Parliament is taken (wrongly, in my view) as synonymous with the House of Commons.

How, more particularly, has entry into the European Community modified the absolute sovereignty of the British Parliament?

Under Article 2 of the European Communities Act 1972, rights arising from the Treaties, including secondary legislation, 'are without further enactment to be given legal effect' in the United Kingdom. What has followed from this is that British citizens can now rely on the Treaties as a guarantee of certain personal freedoms, such as the right to be allowed to leave the country in search of work elsewhere in the Community. Other rights include the right to import or export goods, and arguably, to transfer money. Article 119 of the EEC Treaty has established the right, as between men and women, to receive equal pay for equal work.

One effect of having a written constitution, even in the limited sense implied by the EEC Treaties, is that the role of the law courts is

greatly enhanced. Within a purely national context, Parliament can and frequently does legislate to reverse court decisions. One can point to several instances of this in connection with court decisions felt to threaten or weaken trade union power. Within the context of EEC law, superior as it is to national law, the rulings of the European Court cannot easily be over-ruled, although they may be, for a time at least, defied. To over-rule the European Court by amending Community legislation is not at all easy, because of the cumbersome nature of decision-making in the Community. As for amending the Treaty itself, this would be a major political operation, to say the least.

Can we, then, regard the European Court as an embryonic supreme court of a United States of Europe? The similarities are clear. But there are also important differences. The most important of these differences is that the Court of Justice of the European Communities is, for the most part, a court of reference – not a court of final resort. Many of its most important decisions, outside the field of competition policy, have been those referred to it by the national courts. An example of this is the *Defrenne* case, which established the direct right of EEC citizens to equal pay for equal work referred to above. Interestingly, the national courts are not compelled by the Treaty to refer points of EEC law to the European Court, at least not until a case reaches the level in national terms from which there is no appeal. In practice, of course, they are often willing to refer at a lower level.

This leads us to a most important point about the 'new legal order', as jurists like to call it, created by the Treaties. This is that, primarily, EEC law is for the national courts to apply. The recent litigation over the so-called lamb war between Britain and France, for instance, was adjudicated by the European Court on an initiative by the Commission. When the Court pronounced against France, it seemed to most people to involve a hopelessly unequal confrontation between the French State and a rather obscure EEC institution with even less battalions than the Pope.

A much more balanced impression of the effectiveness of EEC law might have been gained if the French importers of English lamb had brought an action in the French courts. To take on their own national courts is not something governments do lightly. And on the whole, the national courts in the member states have not been slow to enforce within their own borders the Treaty and the legislation made under the Treaty. This is the real strength of Community law, and it is reinforced by the equal readiness of national courts to accept the rulings of the European

One for the road



Free movement of labour within the EEC is to be made easier by the introduction of a common European driving licence for private and goods vehicle drivers. By 1986 our familiar green licences, issued from Swansea, will be replaced, for newly-qualified drivers, by the new pink European version.

The idea of a Euro-licence has been under review for five years, but Britain has been pushing for various amendments to the Commission's draft directive. This is because the British believe their own regulations, particularly those covering lorry drivers, are most conducive to road safety.

Even now, following the June agreement, approval has been withheld until the Euro licence has been debated by the British Parliament.

The plan is that from January 1, 1983, anyone moving from one EEC country to live in another will be able to exchange his private driving licence for that of his new country of residence. At present, in the UK, he is required to take a new driving test. This would no longer be necessary. In the three years following January 1, 1983, a common format Community driving licence will be introduced for newly-qualified drivers, printed in the language or languages of the country which issued the licence.

Those countries which insist on special tests for heavy goods vehicle drivers – principally the UK – would, after January 1st, 1983, issue licences without testing to EEC immigrants who could produce proof of experience of driving such vehicles.

It is the new heavy goods vehicles regulations that have caused most concern for Britain. In the UK we divide drivers into 25 categories and carry out stringent tests to ensure that they are qualified to drive vehicles of particular types and sizes. The new licence would have only five categories.

British objection to the Euro-licence scheme in the past has been that an EEC immigrant who qualified for his heavy goods vehicle licence on a 7½-tonne vehicle could

swap it for a British licence entitling him to drive a 40-tonne vehicle without further testing. The 'proof of experience' requirement which has been written into the draft directive removes this objection.

Under the draft scheme, governments would still determine the minimum age at which driving licences would be issued; so other EEC countries could reject the validity of British or Irish licences, for example, that were issued to drivers under the age of 18.

But there is more to the proposal than a common licence to ease the flow of European labour and traffic. The Commission's draft directive also sets out the test requirements for EEC citizens, and that would mean changes for UK drivers. To get the new licence a driver would have to pass a theoretical as well as a practical test and satisfy certain minimum standards of physical and mental fitness.

The British Government, however, is in no hurry to harmonise the driving licence arrangements. Though it has agreed to licences eventually being issued under a common format, it regards the Brussels directive as a short-term measure which would have 'very little impact on our lives, apart from cutting down red tape for the ordinary motorist who changes his or her country of residence,' as the Transport Minister, Norman Fowler, put it recently.

He said in the Commons: 'I think the system we have developed in this country is right for us and useful for road safety standards.' He added that members of the Community were not yet ready for the more ambitious licence which the European Commission envisages. That may come, eventually, said Mr Fowler, 'but only on the basis of a general raising of testing and licencing standards.'

Court on matters of EEC law, as called for by Article 177 of the EEC Treaty.

Notwithstanding the views of some jurists to the contrary, it seems difficult not to conclude from any comprehensive study of the Treaties that EEC law is deeply entrenched in the legal systems of all the member countries. It would seem to follow that the British courts are no longer directly subject solely to the national legislature. In practice, certainly, both the making of law and its interpretation are increasingly becoming the work of a more or less close partnership between national institutions and the institutions of the EEC.

Enough has now been said I hope to show how very important is this whole subject of EEC law and its impact on the ordinary citizen. The books listed above make an admirable introduction, and discuss in depth the issues mentioned above. Lawrence Collin's *European Community Law in the United Kingdom* has an excellent analysis of the direct applicability of Community law and of the relationship of the European Court to the national courts. Wyatt and Dashwood's book provides a useful summary of EEC law as a whole. Sweet & Maxwell's *European Community Treaties* is an up-to-date version of a very successful compendium. Last but not least, Beddard's *Human Rights and Europe* concerns a subject which is becoming increasingly important in the field of European Community law also.

ROBERT SHEAF

□ Robert Sheaf, barrister, is Legal Information Officer at the Commission's London office.

Power & Decision in Europe By Stanley Henig. Europotentials Press, £8.95

The author, a former MP who is now head of the School of Social Studies at Preston Polytechnic, examines the political institutions of the European Community and concludes that, far from amounting to a supra-national or federalist organisation, they leave basic decision-making powers in the hands of member states through the Council. 'The main future change is likely to be a bigger role for the European Parliament.'

European Co-operation Today Edited by Kenneth J. Twitchett. Europa, £12.95

An up-to-date commentary on all the principal European organizations, from the European Communities to the Warsaw Pact, dealt with by specialist contributions, and with a bibliography on European regional institutions.

The Faces of Europe Edited by Alan Bullock. Phaidon Press, £16.00

A handsome tribute to the cultural entity of Europe, from politics to fine art, produced to the highest standards of one of Europe's most distinguished publishers.



Members of the new Commission assemble at Gaischel, Luxembourg. Front row, left to right: Karl-Heinz Narjes (Germany); Frans Andriessen (Netherlands); Etienne Davignon (Belgium); Christopher Tugendhat (Great Britain); François-Xavier Ortoli (France); Gaston Thorn (President); Georges Kontogeorgis (Greece); Claude Cheysson (France); Lorenzo Natali (Italy). Second row, left to right: the late Finn Gundelach (Denmark); Wilhelm Haferkamp (Germany); Michael O'Kennedy (Ireland); Antonio Giolitti (Italy); Ivor Richard (Great Britain).

Mme Veil hits at the pessimists

Madame Simone Veil, president of the European Parliament, said on her recent visit to London that she was convinced the European Community's foundations would be undermined if Britain left the Common Market.

Speaking at a dinner given by Lord Hailsham, the Lord Chancellor, Mme Veil said that, in the present climate of uncertainty, citizens of the European countries were right to expect the Community to help them by joint action.

However, she added, because of domestic problems, each of the partners had little room for manoeuvre in Community negotiations. It was not easy to find compromises without which common solutions could be achieved. Mme Veil continued:

'These difficulties, of which we are all aware, undoubtedly explain the picture of disillusionment which the pessimists are only too ready to put forward, namely of a Community paralysed, incapable of shouldering its responsibilities and hence depicted as the scapegoat for national problems.

'It is essential that in future, progress on political co-operation should go hand-in-hand with progress on the Community's domestic front. The gradual co-ordination of the external policies of the member States clearly presupposes that there exists between the latter a convergence of interests which will grow as the

Community becomes more unified.'

Mme Veil added: 'We have reason to hope, therefore, that the Nine, and now the Ten, will join together to build a stronger Community. When I say "together" I mean with the United Kingdom in particular.'

COMMUNITY BRIEFS

Social fund grants

Young people are the major beneficiaries of the latest Social Fund grants made to the UK. The second allocation of the 1980 Fund, announced by the European Commission, gave £71.87 million to Britain, of which £37m was earmarked to be used for the benefit of the young. The fund was set up to assist vocational training, re-training and re-settlement schemes in EEC countries, particularly for school-leavers and the unemployed.

The UK grant also included regional aid (£24m); help for the handicapped (£8m) and migrants (£1.2m); and a grant for those involved in the textile industry (£38,000). £7.6m had already been given to the youth opportunities programme in Wales for 1980, in recognition of Wales's 'exceptional problems'.

Since Britain joined the European Community, over £537m in grants has been given to the UK from this fund. Concern about young people

throughout Europe is reflected in the fact that 39 per cent of the 1980 Social Fund grants went to under-25s.

£20 million EEC loan

The state-owned British Nuclear Fuels is to receive a £20 million Common Market loan to help finance major works at Capenhurst, Cheshire.

The money will go towards the cost of the company's share in the Urenco Gas centrifuge uranium enrichment plant which is being built in co-operation with German and Dutch interests. The European Investment Bank has already loaned £10 million for the project.

EEC backs Scottish coal

The National Coal Board is to borrow £48 million from the European Coal and Steel Community to finance development work at the Longannet colliery complex in Scotland and purchase of underground plant and equipment.

The loan, on low-interest terms, is the first to be agreed by the Community under an arrangement to stimulate the mining industry, which is seen by the Commission as having a growing role to play in meeting Europe's energy needs.

Christopher Tugendhat, EEC Commissioner for Budget and Finance, who announced the loan, said in Edinburgh that, by the end of the century, coal production in the Community would have to rise by 25 per cent if energy targets are to be achieved.

The UK now produces half the Community's coal.

Of the loan, £22 million will be

used to exploit new reserves and to extend the surface plant at Longannet, a series of mines which serve a major coal-fired power station.

The work will extend the life of the pits and reduce the cost of production by £1 per tonne, meaning a saving of £2.5m a year at present prices.

Cash for Freightliner

The EEC Regional Development Fund has awarded Freightliner, the world's largest overland container carrier, a total of £1.2 million for three improvement projects in Scotland, including one at their terminal in Edinburgh.

Finn Olav Gundelach

Mr. Finn Olav Gundelach, the Danish Vice-President of the European Commission responsible for agriculture and fisheries, died suddenly after a heart attack in Strasbourg on 13 January, while attending a session of the European Parliament. Mr. Gundelach, aged 55, had been a member of the European Commission since 1973 and in charge of agriculture for the last four years.

Paying tribute to Finn Gundelach, British agriculture minister Peter Walker said:

'No man dedicated his life more to the European Community. He had the toughest and most arduous of jobs which involved an unbelievable burden of travel, study, paperwork and negotiation. A burden that probably cost him his life.'

'He was a person of considerable personal charm and kindness and a man with a genuine vision for the future of Europe. He will be difficult to replace and will be greatly missed by those of us who have worked with him over the past years.'