

Europe 81

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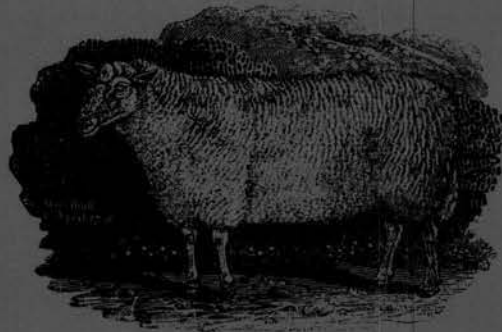


How the European Social Fund is helping the Youth Opportunities Programme – a report from Tyneside

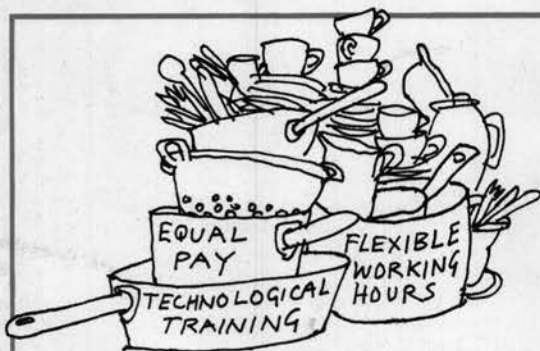
'The EEC's outstanding requirement is to show the human face of Europe to the world'

– Rt Hon ROY MASON MP

Why the hill farmers of Wales



believe there's a future for sheep



The European Parliament stands up for women

Art Nouveau: putting on the style in Brussels

Attitudes to Europe: 'don't know' means 'don't like'

EURO FORUM

To Tyneside, rural Wales and the Brussels Europalia



One of the constant elements of Europe 81 is articles that show European Community policies at work in the United Kingdom. Roy Stemman and photographer Ben Johnson have been to Newcastle to see the Youth Opportunities Programme in action – 25 per cent of the programme's budget is financed by the Community's Social Fund.

Ena Kendall has visited Welsh hill farms and reports on the impact of the sheepmeat régime (some jargon is almost inescapable, I fear) on three families. What she heard makes unusually agreeable reading.

It is not easy to say the same for the recent Consumers' Association survey of attitudes among British people towards EEC membership. Not the least disturbing finding, highlighted in our feature, is the extent of public ignorance about how much we pay to be a member.

The question of women's rights is a live one throughout the Community, and demands for further advances are numerous and frequently militant. Peggy Crane traces what has been achieved so far and recalls the debate in Luxembourg which was devoted to the subject.

Another reflection of the European Parliament is offered by Richard Balfe, MEP for London South, in his Strasbourg Notebook, while John Greenwood reviews an important journey into nostalgia – the exhibition in Brussels of Art Nouveau objects, architecture and works of art.

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George Scott

Jobs for the boys?

ROY STEMMAN reports on a Community-aided scheme to teach unemployed youngsters 'the art of working'

No-one knows when Brian Hackett will find a job. He is 17, and one of Newcastle-upon-Tyne's 6,500 youngsters aged between 16 and 24 who are presently out of work. But he is not on the dole. At 8.30 each morning he arrives at 5 City Road, Newcastle, for a day's work in the mechanical engineering section of Tyneside Youth Workshops. In return, he receives £23.50 a week and the opportunity to learn skills which, he hopes, will one

day open the door to permanent employment. The workshop is just one of a number of schemes that operate under the Youth Opportunities Programme. They are designed to take young people, particularly school leavers, off the dole queues and give them a taste of working life – with the chance to gain qualifications and try their hands at various types of work, so as to help them decide what career to follow when jobs do become available.



The Youth Opportunities scheme aims to give school-leavers like these Newcastle lads a taste of working life.

The Manpower Services Commission operates the YOP scheme, and major changes announced by the Government last November have greatly extended the programme. From April 1981, total spending on YOP is increased to £271 million (compared with £183 million in the previous financial year).

About a quarter of the finance comes from Europe. The EEC's budgets cover calendar years, so they cannot be directly compared with the MSC's figures quoted above, but the European Social Fund paid out £38.5 million for YOP in 1979 and a further £47.6 million in 1980.

With the prospect of even higher unemployment, provision has been made for an increase of nearly 50 per cent in the number of opportunities for unemployed young people in the coming year, giving 435,000 placements on YOP schemes (against 325,000 in the previous year). So the 1981 European Social Fund grant to the UK for the programme will be even greater.

To find out how that money is being used, together with the British Government's contribution, I visited Newcastle – a city where unemployment is about 1.2 per cent higher than the average for the rest of the country, and where four out of every ten people without a job are under the age of 24.

The percentages may differ from area to area, but the problems in the North East reflect those of the rest of the country fairly closely as far as the young unemployed are concerned.

Part of the increased budget allocated for YOP will be going to the Northern Region to create 57,000 opportunities – an increase of 16,000 on the previous year. Newcastle, North Tyneside and Gateshead will have 10,000 of those places.

In order to cope with the expansion of the programme – it has grown three-fold in as many years – two new offices of the MSC's



In the North-East, industrial scenery reflects the region's long decline. School-leavers like Tony McPartlin, right, can benefit from local community schemes partly financed from EEC funds. Carolyn Hogg (opposite) has been doing social work with the elderly. Stephen Walton and Cath Thompson (lower pictures) are typical of Newcastle teenagers who have taken advantage of the Youth Opportunities Programme.

Special Programmes Division have been opened in Gosforth and Darlington.

'YOP was set up as a five-year project in 1978 against the background of rising unemployment,' says Colin Martin, manager of the new Gosforth office. 'It grew out of a number of different factors, in particular the semi-skilled short training courses of 1975 and work experience programmes introduced in 1976. YOP was designed to cope with increasing unemployment caused by the birth-rate bulge and by the demand from industry for more technical knowledge and training from job applicants.

So what began life as a temporary measure may become a very different operation, of a more permanent kind, before its five-year lifespan is complete.

Colin Martin believes the Youth Opportunities Programme is making a valuable contribution to a serious social problem. But he knows that not all trainees agree. 'Some say, at the end of 12 months on a YOP course, that it has been a waste of time. On the other hand, I spoke to one girl who said it had saved her life. It certainly makes them more employable even if it does not improve immediate results.'

To find out what their prospects are, Newcastle school leavers who have not been able to find work make their way to the Careers Office. They know, even before they register, that their chances are slim. 'The situation is very bad,' says principal careers officer Mrs Olivia Burton. 'In October, 1980, for example, we had 40 vacancies and 2,471 on our register. Right now, we have only a handful of jobs on offer. They are filled very quickly.' In addition to those 2,471 who were out of work last October, a further 1,426 young people were participating in opportunity schemes.



The figures leave no doubt that it is the youngest unemployed who are being affected most. Unemployment in Newcastle rose by 43.8 per cent between October 1979 and 1980; but the proportion of those out-of-work who were summer school leavers rose by 67.75 per cent. In fact, they account for just over half of the 2,741 jobless total (1,238) in the YOP age-group.

Jack Chadderton, director of education, observes that in planning for YOP in 1981 he

has been advised to look to a further 60 per cent increase in school leaver unemployment, which would lead to a figure of 1,980 summer school leavers in 1981. 'If the present October register of unemployed is increased by some 48 per cent in 1981, the total register would stand at 3,657. To this must be added the numbers on youth opportunity schemes - by October, these could be in excess of 1,750. Then the total number of young people without full-time employment in the city would be

5,407. That is a total increase of 48.7 per cent for this year,' he says.

The problem, says Mrs Burton, is that although the number of YOP courses is increasing each year, the number who subsequently succeed in finding a job is dropping, simply because fewer jobs exist. But without YOP the careers office would have nothing to offer a large section of the new young labour force as it comes on the market.

So what happens to a Newcastle teenager who cannot find a job when he leaves school? The first step is for the careers office to assess his abilities and discover what he would like to do. The handful of vacancies are then consulted. Though the chances are that he will not be suitable, if he has certain aptitudes he will almost certainly be offered a Youth Opportunities work experience scheme on employers' premises (known as WEEP).

For a six-month period he will work with a company, receiving induction, planned work experience, training or further education and personal advice and support. Throughout the half year, he will work the normal hours of other employees, and will be paid the basic YOP allowance of £23.50, which the company – called a sponsor – will reclaim from MSC. But he will not be an employee – his status is that of trainee. And he can be dismissed only by joint agreement between the sponsor and MSC.

A WEEP course gives the trainee a taste of working life instead of an aimless existence on the dole. It offers a positive alternative to unemployment, and the incentive to strive for better things. However, the sponsor is under no obligation to the trainee to provide him with work when the six months are up. That is not the purpose of the scheme: the sponsor will have made his contribution to MSC's satisfaction by making his premises and staff available to the young people concerned, and bearing the cost.

Some firms do use the scheme to 'try out' potential employees. Newcastle shopfitters and building contractors, D. H. Allan & Sons, have taken on two youngsters, and company secretary Malcolm Peart says that if they live up to expectations he hopes to be able to offer them full-time employment when their six months' training is completed.

Their first day was spent meeting the staff, discussing the programme, and learning about aspects of the work as well as the firm's rules on timekeeping and hours of work. This was followed by a seven-week period in the joiners shop, and they are currently spending another seven weeks out on site, assisting with the erection of finished products and learning the use of small electric hand tools. They will then move on to three four-week stints of polishing, plumbing and bricklaying.

It is the first time that D. H. Allan & Sons have offered 'work experience' places to unemployed teenagers, but Malcolm Peart had favourable experience of the scheme while working with another company, which absorbed six YOP boys into its workforce when their courses ended. ▶



'These young people are Europe's future'

'We all realise that a situation in which young people account for 42 per cent of the unemployed is bound to exert intense pressure on the fabric of our society. Let me say clearly that we cannot afford to sacrifice this potential which is – make no mistake about it – Europe's future. For these are the very people who, tomorrow, will have one of two options: to make or break Europe.'

'Faced with this intolerable situation we must make more selective and telling use of the powers at our disposal – and, what is more important, do it quickly.'

GASTON THORN, addressing the European Parliament on 11 February, 1981.





At the Tyneside Youth Workshop youngsters are given the chance to make articles that may be sold to help towards the cost of materials. Above, right: instructor Dave Robertson with a group of local boys who have joined the scheme. Like Tony McPartlin, Linda Douglas and Sharon Thorpe (opposite), they feel they are doing something useful.

In October last year there were 597 Newcastle sponsors who, between them, were giving work experience to 1,016 teenagers from the unemployed register. WEEP is by far the biggest part of the programme, accounting for about 55 per cent of placements. Other youngsters were also gaining work experience on schemes centred around particular projects. Project-based work experience has to be seen as of benefit to the community, and must not lead to private gain. The number of such schemes in Newcastle is small – only 12 in October 1980 – but each employs about 10 young people; so the total taken off the register to do this type of work was 112.

The projects for this YOP work involve mainly environmental improvement, such as helping to provide sports and recreational facilities or play areas and adventure playgrounds.

The people of Newcastle also benefit from YOP's community service scheme. A total of 106 young people have been busy working with children, youth clubs, the elderly and the sick. Such work is normally sponsored by statutory or voluntary agencies. In Newcastle, the Tyne & Wear New Job Horizons project has close on 100 members who offer places to unemployed teenagers, including Age Concern, Citizens Advice Bureau, Newcastle Council for Voluntary Service, and Oxfam.



'We have a regular intake of perhaps 10 young people a week who come looking for work on a YOP scheme,' says manager Jim Broome. Not all of them take to the work, but New Job Horizons tries to move them around from organisation to organisation during the 26-week period to give them the chance to sample several types of work. Some very quickly find their niche.

'One young man began decorating for the elderly. He showed real talent, so we got him placed on a training programme. He was then taken on as an apprentice. Others have been taken on full-time by the Social Services after their courses ended. A voluntary organisation which runs children's homes has taken on three of our young people, and one young girl who went to work as a schoolroom assistant so impressed the school that they have created a job for her for the next three years.'

On the other side of the coin, New Horizons has to turn down some applicants because they have behavioural problems and clearly need help from other sources before they can themselves help the community. Under the new expanded YOP programme, New Job Horizons – the only Newcastle agency operating in the voluntary sector – will get increased funding to raise the number of placements from 155 to 200 in April. Project-based work experience and community service have now been amalgamated by YOP.

For those teenagers who are not fortunate enough to gain work experience with a business, a training workshop can provide an atmosphere and discipline that is just as real, as well as teaching them basic transferable skills.

The (Tyneside) Youth Workshop does just that for 83 trainees, with a staff of only 15. It is



not an easy task. Although there is plenty to do, and a flexibility that encourages the youngsters to move from one section to another, the instructors have trouble motivating some of them. Those prepared to work at it can acquire skills in mechanical engineering, electrical work, joinery, fabrication, machine sewing, clerical and administration duties, and sales and production, as well as in two craft workshops.

'We are trying to teach them industrial survival,' says manager Jim Green, who is on secondment from British Shipbuilders. 'We endeavour to duplicate conditions in a factory because we want to be sure they know what it is like at work. But some of the trainees are disillusioned. They are the second generation on the dole, and many of them are in trouble with the law.'



With old industries in the area dying, MSC's manager at Gosforth, Colin Martin, says: 'We need to re-think the whole question of industrial training in this country. At present we have a conflict between quantity and quality. We are swamped by numbers.'

But there is a bright side, too. Tyneside Youth Workshop sells many of the items it makes, including leather belts, key fobs, children's toys, jigsaw puzzles, coffee tables, lavender bags and dolls. In the ten months from April 1980 it earned £12,000 from these products. That money is used to recoup the cost of the materials.

The Government's YOP scheme, then, appears to be tackling the problem of out-of-work teenagers head-on. But is it enough? Certainly, industry at large needs to do more by participating in the scheme to a greater extent.

The expanded YOP will provide the money for many more work experience schemes. Priority will be given to school leavers: the plan is for all 16 and 17 year olds to be offered YOP schemes after three months' unemploy-

ment. But are there enough sponsors to provide those places? There are people in Newcastle who suspect that the city has already reached saturation point.

As for the teenagers' opinions of the Youth Opportunities scheme, some are overjoyed at having the opportunity of doing something - anything - to occupy their time. Jim Greer occasionally finds trainees who have completed their courses sneaking back in to the workshop. 'One young girl was in tears when I caught her. She begged me to let her stay. She didn't even want to be paid.' He had to insist that she left, because only those who are legitimate trainees are covered by insurance.

There are others, unfortunately, who have given up an opportunity, particularly in work experience schemes, because they feel they are being exploited by employers as cheap labour.

Colin Martin agrees that some sponsors have abused YOP in this way, and the Manpower Services Commission promptly closes down schemes which it discovers are misusing the programme. On the other hand, he believes trainees are sometimes not properly briefed about the purpose of the scheme, and that their suspicions are unfounded.

Even so, the 'cheap labour' tag has even greater relevance since last November's announcement that the Government was increasing the YOP budget by £83 million. That money is only to be used to create more jobs. Not a penny of it is going to the unemployed who take part in the programme. Their allowance remains at £23.50.

When the Skin and Bones Theatre Co-operative in Newcastle took on a young girl under the Youth Opportunities Scheme they regarded the fixed rate for the job as unfairly

low. Each member of the group took a cut in pay in order to give her more - and they subsequently offered her a permanent job.

The problem with the present allowance is that, for most teenagers, it probably means they work all week for 30p - the difference, in some cases, between their YOP money and what they would receive if they stayed at home on the dole. Admittedly, they may be throwing away a career opportunity by staying on the dole, but they take some convincing. Those who are most deeply involved in finding work for them believe it was wrong to freeze the YOP allowance when other benefits were increased.

Newcastle's director of policy services, and the city's director of education, have produced a joint report on youth unemployment in the area which looks at what it can do, as a city council, to tackle the problem. There are, it says, only three choices. To contribute to the solution by creating permanent jobs for young people. To alleviate the problem by providing as much subsidised temporary employment as possible. Or to accept youth unemployment as an economic fact and to try to make the situation more tolerable.

When such options are considered it becomes apparent that, in the present economic climate, creating jobs for young people has serious implications for other age groups. This has not escaped the trade unions in many companies, who resist the introduction of YOP even though it has TUC backing. Job creation schemes for young people, they argue, do not usually provide more jobs - they simply transfer work from one group of people to another.

In its own promotional material, YOP talks about the vicious circle: 'I can't get a job without experience... but I can't get experience without a job.' What it offers, certainly, is experience, but it does not guarantee a job. And more and more teenagers will be registering again with the careers office when their YOP time is up. With no prospect of work they will probably be given the chance to join another YOP scheme. So is this the best way to cope with the youth unemployment problem?

'Opinion has it,' says Colin Martin, 'that there has got to be new thinking on the transition from school to work, and how we deal with the 15-18 age group. We also need to re-think the whole subject of industrial training in this country. At present, we have a conflict between quantity and quality. We are swamped by numbers.'

The Youth Opportunities Programme, with its injection of Community funds, has implications for our European partners as well as ourselves. For, if economic revival is slow in coming, more and more people who have never known employment will need to be taught 'the art of working'.

Beyond that prospect lies another, already a serious possibility: that, in a world where human labour is increasingly unnecessary, there will have to be programmes for teaching young people 'the art of *not* working'. That may be harder still.



When 'don't know' means 'don't like'

If ignorance is bliss, then an awful lot of British people are indeed cheerfully uninformed about the European Community. It is one thing for opinion polls to indicate an underlying hostility, in some

sections of the population, towards Europe. But it comes as a shock to discover, from a recent *Which?* survey, the extent to which anti-Community feeling in Britain is based on ignorance and myth.

The most striking aspect of the survey* is that those who are well-informed about the Community are generally in favour of Britain's membership. Those who know little or nothing about it, on the other hand, tend to make up the majority of those who are against it.

Perhaps, given the distorted stories that so often find their way into the popular media, it is not surprising that people who dislike the European idea find plenty of excuses for attacking it, or that the ill-informed are ready to see the European Community not as a partnership but as the obvious scapegoat for all that has gone wrong in the economy.

The firmest in their dislike of the EEC are the Scots; people of middle age and over; and the unskilled or semi-skilled. Though it would be unfair to suggest that the middle-

aged Scotsman in an unskilled or semi-skilled job represents the average Community 'anti', he offers a rule-of-thumb profile to compare with the young professional worker living in

southern England, who is less inclined to blame the Community for Britain's troubles.

This geographical as well as professional division emerged when the sample was asked to list in importance those factors which should be blamed for the current economic situation in Britain, ranging from world-wide price increases to excessive profits in industry, and including British membership of the Community. Although three out of five of those questioned blamed world price increases, more than two out of five (43 per cent) put the blame on the European Community. In Scotland the figure was as high as 61 per cent. 'Anti' feeling was also high in the Northwest, both areas of particularly high unemployment.

Even if the blame is unjustifiable, it is perhaps understandable. Since Britain joined the Community in 1973, world recession has landed the country in a sea of economic troubles, and the two things seem connected in the public mind. More startling is the fixed belief of nearly half the sample that Britain's gross contribution to the European Community ranks highest, or second highest, in current government expenditure, and well above the amount spent on social security, education or defence.

In reality, while we spend £18,500m a year on social security and £9,500m on education, Britain contributes a comparatively modest £1,100m (gross) to the Community.

The misconception is undoubtedly due to the publicity attending Mrs Thatcher's battle to reduce Britain's net Community contribution last year. But so long as it prevails in the public mind, the feeling that Britain is being fleeced by the Community is likely to persist.

Nor do elections to the European Parlia-

'It is quite astonishing that, despite Social Security expenditure standing at £18½ billion compared to the EEC's £1.1 billion, over half the sample think our EEC contribution costs more'

Perceptions of Britain's EEC contribution compared with other expenditure

| Area of expenditure | Amount spent in 1979 (£ billion) | % believing our EEC contribution costs more than this item |
|--------------------------|----------------------------------|------------------------------------------------------------|
| Social security | 18.5 | 52% |
| Education | 9.5 | 70% |
| Defence | 9.0 | 53% |
| National Health | 8.9 | 64% |
| Civil Service (salaries) | 4.3 | 60% |
| The police | 1.7 | 77% |
| EEC contribution | 1.1 | |
| Foreign aid | 1.0 | 75% |
| Libraries, museums, etc | 0.4 | 90% |

'Women seem much more likely to place the EEC expenditure at the top of their list than men'

ment appear to have helped the majority of Britons to identify with the Community. Only one person in 20, it was found, could correctly name their own European MP. And of the 983 people interviewed, only two had contacted their MEP on any particular issue. Over half said that they would not know where to write to their MEP, even if they wanted to.

This table shows the extent of public ignorance about the cost of Britain's membership of the European Community. That cost stands at about £1.1 billion a year. However, over half the sample of 1,000 think membership costs more than the total annual spending on social security - £18.5 billion. Nearly three-quarters think EEC membership costs more than the total annual expenditure on education - £9.5 billion.

The Consumers' Association's report comments: 'Here is the key to the intense distrust and misapprehension surrounding the public perception of the EEC.'

Against this background it is hardly surprising that 6 out of 10 of the sample (59 per cent) thought the Community a 'bad thing', and under a quarter (24 per cent) a 'good thing'. More interesting was the analysis of the 253 people who had changed their minds about the Community since Britain joined. Of these, two out of three (66 per cent) now believed the Community to be a 'bad thing' and only 16 per cent a 'good thing'. The rest could not make up their minds or did not know.

There were also strong regional divisions in the sample as a whole. Whereas about 3 out of 10 people in the South and East Midlands/East Anglia favour the Community, barely 1 in 10 has a good word to say for it in Scotland. The further north we go, it seems, the stronger the hostility. The survey also found that attitudes to the Community were influenced by social class; the better educated, probably because they know more ab-

'The higher the social grade, the more likely are people to be in favour of the EEC'

out it, tending to be more favourable to the Community than others.

Replying to the hypothetical question as to how they would vote in another referendum on Britain's membership, there was a near exact correlation between those who thought the Community respectively a 'bad' or a 'good' thing. Six out of 10 people (58 per cent) would vote to come out; three out of ten (31 per cent) would vote to stay. On the other hand, a postal poll of 1,012 *Which?* members showed that 52 per cent – over half – would vote to stay in.

The survey tentatively suggests that a reason for this discrepancy could be that *Which?* subscribers are more likely to be concerned about the political implications of membership 'and that these considerations outweigh in their minds the economic shortcomings'.

The survey underlines the enormous task facing those who wish to persuade the British that it is to their benefit to stay in the Community. The strength of 'anti' feeling, though expressed in terms of higher food prices, economic disadvantages, and high financial cost, too often appears a rationalisation of a much deeper xenophobic attitude to the whole idea of the Community, undoubtedly exacerbated by high unemployment in the north and fuelled by misconception.

Among those who want to stay with the Community the idea of political union appears to weigh most. But until Britain's economic plight improves, or workers can be persuaded that their position would be even worse outside the Community than within it, it looks as if the majority's sour outlook will be difficult to change.

Ignorance of how the Community works, and of its relatively modest cost compared with Britain's other major commitments, can be countered by means of unbiased information. Changing people's attitudes to membership as such, in a time of deep economic recession, may take longer.

□ Britain and the Common Market: A study of public opinion prepared for *Which?* by the Survey Unit. Available from Consumers' Association, 14 Buckingham Street, WC2N 6DS.

'If people have a clear idea of the relative cost of our contribution, they will be less likely to vote for Britain's withdrawal'

This quote and the others displayed in this article are from the Which? report.

BOOKSHELF

West Germany: a European and Global Power. Edited by Wilfrid L. Kohl & Giorgio Basevi. Lexington Books, £10.50.

There are precious few books in English on contemporary Germany which are worth reading. Most history stops at the death of Hitler, and political studies have tended either to give too much attention to the 'German question' or to get involved in the detail of German electoral procedures. One therefore welcomes this symposium from the John Hopkins University Bologna centre.

The studies contained in it – mostly by German experts, but with comments from non-Germans – are grouped around the striking paradox of the external economic strength, but relative political weakness, of the Federal Republic. There are chapters on Germany and economic nationalism, Germany and the world monetary system, and on various aspects of Germany's European policy – including a rare and welcome utterance on German agriculture, that sombre mystery. It is a book which will be of considerable use to those concerned with the subjects which it covers.

However, the more problematical aspects of contemporary Germany are left out. Why, one might ask, the Bader-Meinhof gang? What about the tensions within the SPD? What about views on eventual reunification and the next stage in *Ost-politik*? One would look in vain for answers here, and matters are made no better by the fact that the book is based on a seminar held in October 1978.

Thus, the economic chapters fail to deal with the stagnation which is overtaking the German economy, and the consequent changes in German attitudes towards NATO and the European Community. Many of the assumptions contained in these essays are beginning to crack under

the creeping effects of world depression. These days, books on contemporary affairs must be brought out quickly or their value is diminished. One might just as well read the papers.

Social Policy Harmonisation in the European Community. By John Holloway. Gower, £12.00.

The subject of this book may be of great interest to specialists, but will hardly be read by anyone else. Nor is understanding of the subject helped by the language in which it is expressed. Mr Holloway describes his method in his introduction: 'If one wishes to transcend the limitations of the positivist approach... it is necessary to relate the legal provisions under study to their social environment and to understand this environment as a changing one, driven forward by its internal contradictions.' But there is not too much about society (or its internal contradictions) in what he has to say. By and large, social policy harmonisation within the European Community has not been a success, nor is this surprising. Few areas of life depend so much on national habit.

A.H.

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PERSONAL COLUMN

Roy Mason



I am a seriously concerned European. I am concerned that the aims and ideals of the European Community should succeed to the lasting benefit of all our people. However, I am concerned at the image of the EEC eight years after our accession, an image which is at an all-time low.

The situation at grass-roots is aggravated by a series of irritants. But most disturbing of all is the flaring of blatant nationalism, which more and more seems to dominate successive meetings of the Council of Ministers. Reports of European Ministers in open conflict blur the European vision and beg the question, 'Where, oh where is the Communautaire?'

Against this background the electors of Europe are probably more anti-EEC than at any time since the Treaties were signed; and none more so than in the United Kingdom. Opinion polls regularly register animosity towards the institution, and with disconcerting consistency ordinary people blame all our ills on the EEC. This hardening attitude within the country is reflected in the vote for withdrawal which will be a Labour Party manifesto commitment at the next General Election.

I think, first of all, that what has irritated many people in Britain are the many threats to their traditional way of life. It has to be understood that, being an island cut off from the land mass of Europe, and a single-language nation, there is a resistance to change which is largely unknown in the rest of the Community, which has become used to that gradual change that comes of their close proximity to one another.

So it has come about in recent years that every EEC proposal is seen as an imposition, almost a Brussels *diktat*. Not only is there a threat to the contents of our sausages and the ingredients of our traditional pint of beer, but – even more outrageous – is the thought that these and other commodities are governed by some 'foreign' measure by which the consumer feels he is being undersold.

The high cost of food is a major and sensitive issue. MCAs, as an instrument of the CAP, are highlighted by the consumer organisations as a 'foreign' tax on food, thus rousing that formidable combination – the British housewife and the British MP.

Most recently, and at a time when increasing numbers of people are hard pressed to make ends meet, and the Third World is troubled by problems that will not go away, the news is of lavish living and expensive 'gadabouts' by MEPs, provoking Parliamentary questions and debate. Each national Parliament in these circumstances is making comparisons with its own, thereby adding further damage to the concept of a Europe dedicated to the improvement of the world community.

When one considers this random list of irritants it will be seen why vast numbers of Britons have a gripe against the EEC, which arrests and withholds the full-hearted support of all the people, which is a prerequisite for the success of the high ideals embodied in the European Community.

So much for the silly irritants. It is, however, the case that

serious students observing current Community behaviour have good reason to be appalled by the world-wide image of the EEC. They are aware of the glaring contradictions – the food surpluses alongside a starving Third World; the butter mountain, its high cost to the Community consumer, and the irony of supplying subsidised butter to the invaders of Afghanistan.

There is real concern over our firm commitment – a Community agreement – in respect of the butter and lamb producers of New Zealand and our word to the ACP countries, with their near-total reliance on access to the European market. There are real fears of a growing disposition to reduce the tonnages, a disposition born of narrow national interest rather than Community and world interests. It is a patently selfish policy which discredits the Community in the eyes of the world. The concern shown at home and throughout the world over the present direction of the Community, quite apart from the flow of 'gauffs', which are now considered by many to be the stock in trade of the Brussels bureaucracy, is causing concern in Parliament.

It is pertinent, therefore, to ask just when the Council of Ministers and the Commission will examine themselves and show a clean face – carry out the necessary reforms of some shameful practices, start to rise above the squabbles of narrow nationalism

'The EEC's outstanding requirement is to show the human face of Europe to the world'

and show a sympathetic community spirit to our poorer trading neighbours.

The EEC's outstanding requirement is to show the human face of Europe to the world, to reduce to a bare minimum the petty irritants, and arouse the people of Europe to participate realistically in carrying forward the wider vision of the founding fathers. Leadership is of the essence – including leadership in food aid schemes. Let us have food aid plans that are seen to be quickly operative when required, and as the opportunity occurs.

Let us have realistic proposals to benefit the recognised lower income groups within the Community, be they pensioners, unemployed or the permanently sick. Administrative costs there will be for such schemes; but that is to be preferred to subsidising other major trading nations or dumping our surpluses on world markets, thereby seriously disorientating world trade patterns.

Let the Eurocrats consider more seriously and compassionately their planned regulations and harmonisation measures. Let them stop to consider how they will affect people – for the EEC is about people, and if the bureaucracy does not recognise this primary fact quickly then it has no future. Let the occupants of the Berlaymont Building recognise that they are dealing with people – people who want to act as people and think like people.

This does not necessarily involve a change in direction, rather an imaginative change of approach, a slower pace, a more human face. Given that, the EEC might live and in time measure up to the highest aspirations of the people of Europe, and of the wider world where we have so much to do.

□ The Rt Hon Roy Mason MP is Labour MP for Barnsley. His appointments in recent Labour governments have included Secretary of State for Defence, 1974-76, and Secretary of State for Northern Ireland, 1976-79. He is now Opposition 'Shadow' Minister for Agriculture.

The European Parliament stands up for women

PEGGY CRANE reports on a significant debate in Luxembourg – 'the first assembly in history to devote so much of its time to a discussion of women's rights'

In 1963 Betty Friedan published her book *The Feminine Mystique*, which made her, more than anyone else, the mother of the post-war women's liberation movements. She argued cogently that the then current conventional wisdom in America, that women's paramount – if not only – role was as wife and mother in the home, was creating a generation of female neurotics venting their frustrated energies on husbands and children, and filling the hospitals and clinics with pill addicts and sufferers from mental breakdown.

The reaction of women was electric. Ten years later the strength of the women's movements persuaded the United Nations to declare 1975-1985 the Decade of Women. The European Community was swept along on the tide. The Commission established in the recesses of the Berlaymont – its headquarters in Brussels – special departments concerned with women's employment and with women's information and press. The Council of Ministers in 1975 and 1976 adopted far-reaching legislation on equal pay and equal opportunity for men and women in the workplace, followed in 1978 by a further directive on equality of social security benefits, due to come into effect in 1984.

By the end of the Seventies, however, the impetus to women's modern emancipation was beginning to falter in the face of economic recession. Women have been particularly badly hit by unemployment. Whereas there were one million unemployed in 1975, by the end of 1980 there were 3 million – and the gap between men's and women's earnings, which had begun to narrow, is already widening again. Though in other respects there have been changes for the better, women are still a tiny minority in the real seats of power, whether in politics, the professions, management, the trade unions, or the European Commission itself.

It was against this background that, in December 1979, the European Parliament set up an ad hoc committee on women's rights – composed of 25 women and 10 men – to examine and report on women's situation in the Community. Its report and 55-point resolution were debated in the European Parlia-

ment in Luxembourg on 10 February. It was ironic that President Sadat, by addressing the Parliament on that particular day, stole all the limelight; even so the European Parliament must be the first assembly in history to devote so much of its time to discussing women's rights.

The resolution, finally adopted by 173 votes to 101 with 24 abstentions, covered a wide range of women's interests. Inevitably there were objections. Dame Shelagh Roberts (European Democrat) felt the resolution would have been more effective if it had concentrated on fewer issues. The French Communists regarded the whole debate as a farce, on the grounds that the position of women could never improve without the overthrow of the capitalist system. Irish and German Christian Democrats were among those objecting strongly to the proposal that there should be harmonisation of national laws on abortion, so that women in need should not to have to travel for attention to countries other than their own.



Dame Shelagh Roberts (European Democrats) would have preferred concentration on fewer issues.

But despite, in all, 125 amendments, the original resolution – written and ably defended by the Committee's rapporteur, Mrs. Maj-Weggen (European People's Party) – emerged largely unscathed.

The Parliament, therefore, is asking for full implementation of existing Community legislation. It is also calling for a fundamental redistribution of work between men and women inside and outside the home; for ▶



shorter and more flexible working hours; for part-time workers to benefit from the same working and social conditions as full-time ones; for better vocational training and education for women to fit them for non-traditional jobs and enable them to cope with the new technologies; and for harmonisation of national laws on maternity and paternity leave. It wants special attention paid to the needs of women working in family businesses and in agriculture; and, through the Lomé Convention, to women in developing countries. The resolution also called for the establishment of a consultative committee on women's rights at Community level—a matter on which talks have already started.

But, as Madame Yvette Roudy, the French Socialist who chaired the committee pointed out, the Parliament can only draw attention to these matters—it has no powers to legislate. That is a matter for the Commission and the Council. Ivor Richard, the commissioner responsible for social affairs, who sat through




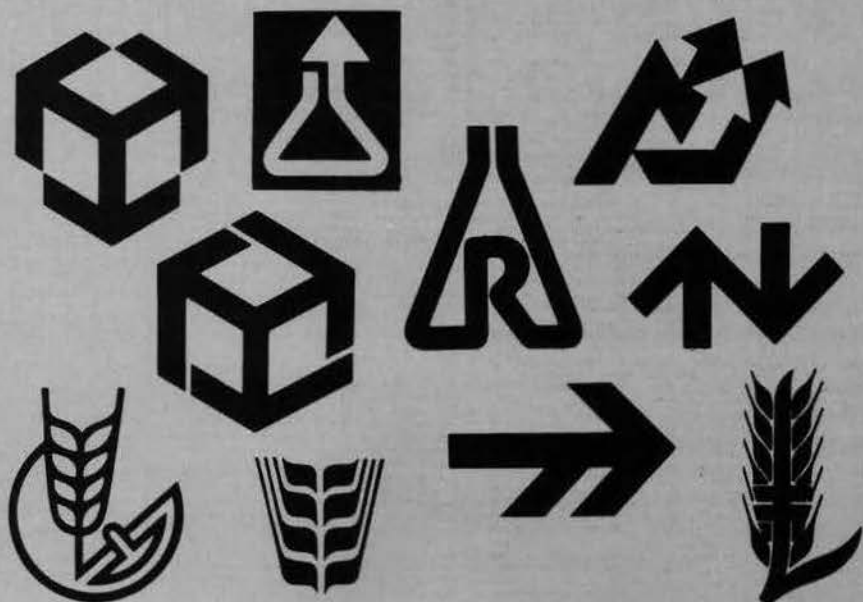
Mrs Maij-Weggen (European People's Party): her resolution came through unscathed.

the debate, indicated sympathy for the Parliament's main demands but warned that changes needed to bring about equality must be paid for by society. The Commission is already working on draft legislation on parental leave, and is engaged on various studies on the reorganization of working time, the relevance of protective measures for women at work, and the status of women in self-employed occupations and the professions.

Yet a recent survey showed that even in Britain, with its Equal Opportunities Commission, more than two out of five women are not aware of any national laws about equal pay or equal treatment at work, and two out of three do not know, or do not care, what the Community is trying to do for them.

Mme Roudy was hopeful, however, that the resolution would have a ripple effect on the work of other Parliament committees, in that they could no longer ignore women's interests and would give a lead to women throughout the Community in their efforts for reform.

The ad hoc committee is to be reconstituted in two years' time, to mark progress. Whether it will have anything to mark will depend a great deal on women themselves, and the pressures they exert with sympathetic male colleagues on their home governments. 



Sorting out the trade marks muddle

Community action to bring order to the confusion over trade marks is being proposed in Brussels. There are at present about 1.8 million trade marks in the European Community, some quarter of which are similar to each other in the 10 countries but relate to entirely different products. Added to the difficulties which exporters of branded goods encounter when trying to register trade marks abroad, this creates yet another barrier to trade, and limits choice for the consumer.

The implications were realised by the Six (as they then were) as far back as 1959, and ideas for a Community trade mark have passed through various phases since. The European Commission believes that the time has now come for action. It has sent the Council of Ministers a proposed directive for the approximation of national laws on trade marks, and a draft regulation for the establishment of a parallel Community trade mark and a Community trade mark office.

In 1959, a year after the establishment of the European Economic Community, the Commission began work on the harmonization or unification of industrial property law. A trade mark working group produced a preliminary draft convention for a European trade mark in 1964, but work was suspended during the wider international negotiations which led to the signing of the Trade Mark Registration Treaty in 1973. The Commission then decided to follow up the 1964 Draft Convention, but found it outdated. In 1976 it submitted a Memorandum outlining new thinking on a common trade mark, and the

proposals for legislation are based on that document.

The Commission believes that some approximation of laws is desirable, both to encourage freer movement of branded goods and to reduce conflict or confusion over national trade marks. But approximation cannot resolve conflicts arising from co-existence of identical or similar trade marks owned by firms which are legally independent and business-wise unconnected. This can only be done by a Community system of trade mark law and the establishment of a Community trade mark office.

The aim is to ensure that trade marks enjoy uniform protection under the law of all member countries. This would require broad common agreement on what constitutes an acceptable trade mark and what does not. The draft directive indicates rules governing eligibility for registration. Trade marks would be invalid if devoid of a distinctive character or liable to mislead.

Where a trade mark is eligible for protection, the Commission favours a simple, flexible and inexpensive procedure for registration. Ideally, trade mark law would develop in such a way that, one day, Community law would totally replace national laws. Even so, there would always be those firms who wished to limit the sale of goods to within their own country, and certain trade marks designed to give information to the consumer that are unsuitable on linguistic grounds for use in a different language. Community and national trade marks therefore are likely to run in parallel for a long time.

EURO FORUM

OPINION

Looking south

In conferring upon me overall responsibility for Mediterranean policy, the Commission was underlining the importance of that region for the Community and firmly committing itself to a coherent policy. The Community must now act as a mature political partner in its dealings with the Mediterranean countries.

The Mediterranean area is a major supply line to the Community. It is the scene of large-scale movements of persons and goods. Raw materials and energy supplies pass through it on their way to fuel the Community economy. Three of the present Community countries—five once Spain and Portugal join—belong to the geopolitical arena of the Mediterranean. Any instability or tension in that region can quickly spread to the Community as well.

The Commission intends to bring unity and consistency to the development of the Community's relations with these countries. The timing for the first steps in this overall policy is determined by what is already on our agenda.

The accession of Spain and Portugal could seriously endanger good economic relations between the enlarged Community and the remaining Mediterranean countries, as it would restrict their export opportunities. Moreover, existing agreements with the countries on the southern shores of the Mediterranean expire at the end of the year. Hence the need to make a start now on seeking solutions which will put relations between the Community and its Mediterranean partners on a better footing.

This can be done by boosting co-operation, above all financial, to promote the economic development of these countries. The enlargement of the Community to take in Portugal and Spain is thus a key element in its overall Mediterranean policy.

'Any instability or tension in that region can quickly spread to the Community as well.'

The accession negotiations are progressing on the technical level. My priority in the coming months will be to bring to a successful conclusion those chapters of the negotiations where political difficulties are least. That would leave only the major dossiers on the table: agriculture, fisheries, the budget and a few others. But even there, the difficulties will not be insuperable and the points of disagreement will be clearly identified.

We are therefore quite entitled to expect the Community, and the applicant countries, to tackle these problems with a political will commensurate with the stake on the negotiating table. And that stake—I want to be quite clear

on this—is the accession of these countries to the Community with the enrichment which they can bring. In 1977 they asked to join us. If the Community were to slam the door in their faces in the final phase of negotiations they could quite justifiably refuse to wait any longer.

On the other hand, these countries have to realise that the Community is an amalgam of common policies and rules built up over nearly thirty years. They must demonstrate, at this crucial stage of the negotiations, that they want to play their part in the Community as it is, allowing, of course, for an appropriate transition period in the application of these policies and common rules.

Lorenzo Natali
LORENZO NATALI
Vice-President of the European Commission responsible for overall Mediterranean policy, enlargement and information

TALKING POINT

The last few weeks have witnessed a number of speeches and statements which suggest that several prominent political leaders in Europe are giving increasing thought to the possibility of a closer co-ordination of the foreign policies of Community member states.

At present, foreign policy is outside the framework of the Treaty of Rome. Instead, it is dealt with in the context of so-called political co-operation and is co-ordinated by the political directors of the ten foreign ministries who prepare the groundwork for ministerial meetings.

Some months ago, the British Foreign Secretary, Lord Carrington, suggested the establishment of a permanent secretariat which would help to ensure a more rapid Community response to world events. This suggestion did not have a very enthusiastic reception at the time; but there are signs that certain leaders have since been reflecting on the future development of the whole mechanism of political co-operation.

A call by the German Foreign Minister, Hans Dietrich Genscher, for more progress towards European Union, which would strengthen the basis of a common

THE MONTH IN EUROPE

Prospect

Thorn pulls no punches as he sketches future

European Commission President Gaston Thorn has told the European Parliament in Luxembourg that, unless the Community rapidly put its house in order, it could be dead by 1985.

In a speech that combined harsh truths about the present with hopes for the future, he employed a metaphor in which he likened the Community to a house without a roof, because of the absence of European Union; without heating, because of the energy crisis; without an architect, because of the passing of its founding fathers; on the point of bankruptcy, because it is in danger of running out of funds; and inhabited by hard-up lodgers house-bound because they often have no jobs while others are outside knocking on the door.

Mr Thorn, who was presenting his Commission's annual programme to the Parliament, painted a gloomy picture of the world economic scene which, he said, threatened the very existence of the Community.

Among the steps the Commission proposes taking to put things right are reform of the Community budget and of the common agricultural policy, nar-

continued from previous page
foreign policy, was followed a few days later by a speech from his Italian counterpart, Emilio Colombo, in which he said that the lack of an integrated policy weakened the Community's 'potential political clout' in the international arena. Remarks by President Giscard d'Estaing also indicate the possibility of new developments.

The member states have had a certain amount of success in co-ordinating their response to world events, notably in relation to the Middle East question. But there is a need for the Community to speak more often and more strongly with one voice.

rowing the prosperity gap between regions and individual members of society, the restructuring of industry and the restoration of full employment, tackling the energy problem, consolidating the European Monetary System and promoting a more open policy towards the developing countries, particularly those in the Mediterranean.

Mr Thorn, who made no secret of his belief that the Community should be a political as well as an economic entity, would like to see greater progress towards the creation of a genuine European Union and would like a united Community, perceived as such abroad, playing a greater role in the world.

Prospect

Dutch outline priorities of presidency

The Dutch government, which holds the rotating presidency of the Community's Council of Ministers for the first six months of this year, has established four priorities for its term of office - restructuring the common agricultural policy, combatting unemployment, promoting better relations with developing countries and solving the Community's institutional problems.

In a speech to the European Parliament, the Dutch Foreign Minister, Chris van der Klaauw, said that the common agricultural policy was of such importance to the Community that 'we are condemned to succeed'. He assured the House that the Council would give proper consideration to the Parliament's opinions during the restructuring exercise.

In view of the growing level of unemployment, the Council presidency, which is responsible for its work schedule, is to convene a special meeting of Ministers responsible for the economy, finance and social affairs. On the international front, Dr van der Klaauw said that priority would be given to relations with the United States and Japan.

The Minister conceded that more needed to be done to aid developing countries than the Community had achieved so far, despite the achievements of the Lomé Convention and other aspects of its development aid policy.

Future bleak unless we try harder

Community citizens cannot expect any real rise in their incomes in the future without a real increase in effort, the European Commission warns in its annual report which has just been published.

This is because the long-term trend is for energy costs to outstrip incomes. The enormous hole which the extra oil bill is carving out of the balance of payments can only be bridged by greater endeavour.

However, the Commission feels that the man-in-the-street is gradually lowering his sights and matching his aspirations to economic reality. It feels that this pragmatism is the first step towards mobilizing forces and awakening a readiness to accept the inevitable changes in our lifestyle.

The Commission says there are signs that Community citizens reacted more quickly to the oil price hike at the end of 1979 than they did after the first oil crisis in 1973. There have been greater efforts to save oil and replace it by alternative forms of energy.

The report adds: 'The commonsense reaction currently being displayed by private individuals and businesses should foster the climate of confidence which is essential to the recovery of investment activity - the key to the generation of new jobs.'

The Economy

New figures leave room for optimism

Latest economic estimates indicate that the Community's real gross domestic product dropped by only 1.7 per cent in the third quarter of last year. This compares with a decline of about 5 per cent in the previous quarter.

A second encouraging sign is that industrial production rose by 0.6 per cent in October, the first rise since last June. All member states for which data were available registered an increase.

It is still too early to say whether

Top priority

The new Portuguese Prime Minister, Mr Pinto Balsemao, has said that the number one priority of his government is to negotiate Portugal's entry to the Community. The anticipated accession date is the beginning of 1984.

Still falling

Community steel production continues to decline. In December, at 8.6 million tonnes, it was a fifth down on production in December 1979. Production for 1980 as a whole fell by 9 per cent compared with the previous year, with only Italy registering an increase.

Standing firm

The Community intends to continue to insist on minimum standards for working conditions in developing countries with which it has dealings. Claude Cheysson, the Commissioner responsible for relations with the Third World, has told the European Parliament.

THE NEWS IN BRIEF

Choice of venue

European Parliamentarians are expected to vote at their plenary session this month (April) on where they should meet in the future. At present, the Parliament holds its plenary sessions either in Strasbourg or Luxembourg, and its committee meetings in Brussels. It has demanded that the 10 member state governments settle on a single venue by June.

Coal comeback

With the oil crisis showing no signs of abating, coal is making an impressive comeback. Community coal production last year increased by 8.5 million tonnes to 247 million tonnes. Imports from third countries increased by 14.5 million tonnes to reach a record level of 74 million tonnes to cover a quarter of Community needs.

Rights issue

European Parliament President Simone Veil came out strongly in support of the promotion of human rights when she spoke at the fifth conference of representatives of the European and Latin American Parliaments in Bogota. The conference passed a resolution supporting her stand and condemning undemocratic regimes.

these figures are the first signs of an upturn or just a temporary phenomenon. Results from the Community business surveys offer no clear signals either, an increase in business confidence in October being followed by renewed pessimism in November.

Unemployment increased to a level of 6.8 per cent or nearly 7.5 million people in November and consumer prices rose by 1 per cent in the same month.

Money

EMS: is UK nearer to joining?

The governor of the Bank of England, Gordon Richardson, has given encouragement to the United Kingdom's Community partners who would like to see the country join the European Monetary System.

The United Kingdom was the only member state not to join the EMS, within which the other member states limit fluctuations between their currencies, when it was set up two years ago.

In a speech to the Overseas Bankers Club in London, Mr Richardson remarked on the stability of the EMS currencies and added: 'In the United Kingdom we have naturally followed such developments with keen interest.

'Let us hope that this greater stability, which we welcome, will find its reflection in the performance of the economies themselves and that conditions in the UK will become conducive to our own participation in the arrangements at the proper time.'

External relations

Community lifts its sanctions against Iran

Following the release of the American hostages held in Teheran for more than a year, the Community has decided to lift sanctions imposed on Iran last April and May.

The trade and economic sanctions applied to all contracts concluded after November 4, 1979, the day on which the

hostages were seized at the United States embassy. It is up to each individual Community member state to decide on the means of restoring normal relations.

The ten Foreign Ministers also decided to restore normal diplomatic relations with Iran. They reiterated that the Community had always respected Iran's independence but they emphasised that they hoped future relations could be conducted on a basis of mutual understanding and observance of the rules of international law.

Among other matters, the Ministers discussed the Middle East and the possibility of the Community taking a further initiative to bring about a peaceful settlement of the Palestinian question.

On the basis of a mandate given to him at this meeting, the President-in-office of the Council of Ministers, Dutch Foreign Minister Chris van der Klaauw, has begun a tour of Middle East capitals to explore ways in which the Community can help.

When the Community heads of government met in Venice last June they issued a statement in which they reiterated two fundamental principles - 'the right to existence and to security of all the states in the region, including Israel, and justice for all the peoples, which implies the recognition of the legitimate rights of the Palestinian people.'

The statement added that all parties concerned should be associated with any peace negotiations that might be arranged. This includes the Palestinian people and the PLO.

Sadat looks to Community for support

Speaking before the European Parliament recently, Egyptian President Anwar Sadat called on the Parliament to support the right of the Palestinian people to self-determination and national dignity.

He said that a Palestinian entity would be a positive development of benefit to all countries in the region and he claimed that it posed no threat for the security of Israel.

The President also said that he would like the Parliament to participate with the Egyptian government in persuading both Israelis and Palestinians to accept a formula of 'mutual and simul-



aneous recognition'. He would also like the Community to take part in 'additional security guarantees' as a European contribution to peace in the Middle East.

President Sadat said that Community heads of state had already been positive and helpful in seeking a solution to the Middle East problem. The Community supports the need for recognition of the legitimate rights of the Palestinian people, including the right to self-determination, and the need for the Palestinian Liberation Organisation to be associated with any peace negotiations.

The Nobel Prize-winning President, who was described by the Parliament's President Simone Veil as a 'pilgrim of peace', did not refer directly to the PLO during his speech.

Trade

Agreement with Japanese still proves elusive

A 'fairly substantial gap' still exists between the Community and Japan over means of resolving the Community's growing trade deficit with Japan, which was 3.5 billion ECU for the first half of 1980 and is likely to be double that figure for the full year.

This was the comment of the European Commission's Director-General for External Relations, Sir Roy Denman, after talks in Tokyo recently with Japan's Deputy Foreign Minister Kiyooki Kikuchi.

Sir Roy said that while both the Community and Japan agreed on the need to strengthen the free world trading system the Community was concerned at the low level of its exports to Japan and certain aspects of Japanese exports.

What the Community is seeking is a restraint on Japanese exports to the Community and greater penetration of the Japanese market by Community goods. The Council of Ministers last November called for 'early and tangible' results from the talks with the Japanese government.

Reducing barriers

Member states drag heels on customs union

Hesitation on the part of some member states is blamed for the slow progress towards alignment of customs laws in the Community in a new report on the state of the customs union.

The report notes a distinct slowdown last year compared with 1979 in implementation of the multi-annual programme for the attainment of the customs union, and says that this is due to the 'unwillingness of several member states to compromise on the harmonisation of customs legislation'.

As a result, work that should have been carried out in 1980 has had to be carried over into this year's programme.

In March 1979, the Nine gave their full support to the Commission proposal for a multi-annual programme for achievement of the customs union and in that year nine customs proposals of particular importance were adopted.

But last year only one major proposal, that revising the definition of 'value' for customs purposes, was approved from a wide-ranging set of plans, although some progress has been made on the administrative side.

The Commission intends to exert pressure on member governments this year for continued harmonisation of the customs arrangements between the Ten and non-member countries and further efforts to abolish controls and formalities on trade between the Ten themselves.

Enlargement

Thorn sticks to Spanish entry date

European Commission President Gaston Thorn has assured the Spanish government that the target date for Spain's accession to the Community remains the same—January 1, 1984.

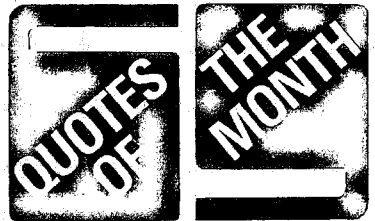
There had been fears in Madrid that the overhaul of the Community budget and the potentially more complicated reform of the common agricultural poli-

'We should put firmly and publicly to one side the long-standing idea that the objective of the Community is a federal Europe to which member countries would agree to surrender their powers. That idea has been, and is, an obstacle to progress. I have seen enough of discussions in the Council of Ministers to know that the guiding precept for them all is the national interest.'

James Callaghan, former British Prime Minister.

'So far there has been nothing more than a political statement from which the European states have backed off under American pressure. Europe must make it quite clear that it will not give in to American pressure. We need a tangible decision.' PLO leader Yasser Arafat on the Community's Middle East peace initiative.

'Mr Van der Klaauw (the Dutch Foreign Minister and President of the Council of Ministers) has given me hope that Europe will not only take a stand but will also play a more active role in the search for peace in the Middle East.' Prince Saud Al-Faisal.



'We have not got a federation, either tight or loose, with Europe and we are not aiming to get a federation. The EEC is a collection of nation states. We have accepted no greater controls than either France or Germany and nobody could say that they behave as if they have lost control of their national destinies. Of course they have not, neither have we.' Sir Ian Gilmour, Lord Privy Seal in the UK Government.

'In contrast with last year the Council of Ministers seems to have realized that the European Parliament does have a political will of its own.' Konrad Schön, German Christian Democrat member of the Parliament.

'Some members of the Council of Ministers are doing everything they can to restrict as far as possible the budgetary powers of the European Parliament'. Rudi Arndt, German Social Democrat member of the Parliament.

cy would overshadow the negotiations on the terms of Spain's accession.

However, Mr Thorn assured Eduardo Punset Casals, the Spanish Minister in charge of relations with the Community, and Ignacio Bayon, Minister for Energy and Industry, that this was not so when they met in Brussels at the end of January.

A few days later, Mr Punset Casals met Lorenzo Natali, Vice-President of the Commission in charge of the accession negotiations, to work out a timetable for detailed discussions for the first half of this year.

These discussions will cover technical questions such as the extension of the customs union to Spain, the free movement of people between Spain and the existing Community, and aspects of external relations.

It is expected that once these matters have been dealt with the negotiations can concentrate on the major issues, including the budget and, in particular, agriculture where Spanish produce will be in competition with French and Italian Mediterranean produce.

Budget

Legal wrangle as payments are withheld

Three member states – France, Germany and Belgium – could find themselves before the European Court of Justice in Luxembourg because of their failure to meet their financial commitments to the Community.

All three have refused to make their full contribution to a supplementary budget voted at the end of last year and France and Germany have in addition failed to make their full payments to this year's budget.

The European Commission has written to the three governments concerned asking for an explanation. If it is not satisfied with the replies, it is entitled to take the governments before the Court of Justice.

The dispute arises out of a difference of opinion as to whether last year's supplementary budget and this year's full budget were properly approved. The normal procedure is that the Commission makes the initial proposals and these are then added to or subtracted from by the Council of Ministers and the European Parliament which jointly approve the final shape of the budget.

Towards the end of last year it was decided that additional money was needed, mainly for social measures including relief for the victims of the Italian earthquake. The Council agreed to 100 million ECU (1 ECU = 54p) but the Parliament added another 266 million ECU.

In the case of this year's budget, the Parliament added 24.5 million ECU to the Council's figure of just over 21 billion ECU, the additional amounts being earmarked for the earthquake victims and for the development of new sources of energy.

When the Council failed to take a decision on the additional amounts voted by the Parliament, the President of the Parliament, Simone Veil, declared them adopted.

Third World

Community takes US to task over aid cuts

The Community has protested to the American Secretary of State Alexander Haig about the reported intentions of the Reagan administration to cut back on aid to the Third World.

A press release issued by the Dutch embassy in Washington – the Netherlands currently holds the rotating presidency of the Community's Council of Ministers – said that 'a reduced contribution by the United States to the International Development Agency would have serious consequences for the poorest developing countries.'

In the same week, the European Commission presented a proposal to the Council of Ministers aimed at stepping up the Community's food aid to developing countries this year.

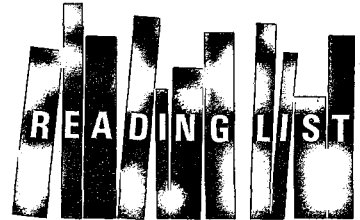
The proposal is to provide almost 1 million tonnes of cereals, 150,000 tonnes of skimmed milk powder and 45,000 tonnes of butter oil worth a total of 604 million ECU, compared with a total of 559 million ECU last year.

Meanwhile, the OECD's Development Assistance Committee issued a report in which it welcomed the fact that the Community's official development aid rose by nearly 50 per cent in 1979 to reach 1 billion ECU.

However, in reply to a written question from a British Labour member of the European Parliament Richard Caborn, the European Commission revealed that only two Community member states had by the end of 1979 met the United Nations target, to which the

Community countries have agreed, of boosting their official aid to the developing countries to 0.7 per cent of their own GDP.

In 1979 both the Netherlands and Denmark exceeded the target, the former achieving a level of 0.93 per cent and the latter 0.75 per cent. The worst performance was by Italy which managed only 0.08 per cent.



Agriculture

The agricultural situation in the Community 1980 report. The report gives an overall view of the CAP in 1980 together with statistics. Available from HMSO. Ref ISBN 92-825-2111-7 £11.

Finance

Commission report on the borrowing and lending activities of the Community. The report covers the activities of the Community instruments which grant investment loans. Ref: COM(81)8 final.

Social

The European Community and vocational training. This booklet deals with vocational training for young people, adults and many people who, because they changed jobs, must do a refresher course or retrain. Ref: European Documentation.

Legal

Register of current Community legal instruments. This register is the first edition of current Community legal instruments and gives references for all binding Community legislation in force as at July 1, 1979. Available from HMSO. Ref: ISBN 92-825-7798-5 £24.80.

General

Programme of the Commission for 1981. This report outlines the policy of the Commission for the present year. Available from HMSO.

Fourteenth General Report on the activities of the European Communities. This is a comprehensive document which gives the main developments in Community activities in 1980. Available from HMSO.

EUROPE AND YOU

A question of trust

'Would you buy a used car from that man?' is a popular test of trustworthiness. Whether it's based on evidence, instinct or prejudice, the degree of trust and confidence we have in other people plays an important part in our dealings with them.

This is true both at a personal and at a national and international level: how much the Americans trust the Russians, and vice-versa – can have worldwide implications.

For ten nations building a Community, the study of these kind of subjective relations between countries is vitally important, and every few years Eurobarometer publishes opinion polls on how much people throughout the Community trust other people. The latest poll includes Greece for the first time.

The people in the small countries come out noticeably best. On average, Community citizens put most trust in the Danes, the Luxembourgers, the Dutch and the Belgians. This is in spite of the fact that quite a lot of people, in the bigger countries especially, appear to have a fairly hazy image of the small countries – over one quarter of the respondents answered 'don't know' to the question as regards Denmark, Luxembourg, Greece and Ireland. The Danes are equally uncertain about their own trustworthiness – 18% answered 'don't know' to that question.

The Italians come bottom of the league for trusting their fellow-countrymen, though their confidence in themselves has bounded since the last survey in 1976. They have a similar lack of confidence in other countries, and this tends to be reciprocated,

though slightly less than before.

On the whole, the most trusted countries seem to be the most inclined to have a high opinion of the trustworthiness of other members of the Community, and this is particularly true of the Danes. The Luxembourgers are the exception, though they do have a high regard for their own trustworthiness.

The people with the highest confidence in their countrymen are the Germans, and it is noticeable that the average degree of trust in the Germans and the French by the people in the original six member states has increased. Generally speaking, the French tend to have more confidence in the other countries than the Germans. Trust in the British, which had waned between 1970 and 1976, is back to its former level. Otherwise, the results are strikingly similar to those of previous surveys.

The survey also includes views on Spain and Portugal, and while the proportion of Community citizens that would trust the Greeks is the same as the proportion that would not, the balance is slightly negative for the Spanish and the Portuguese.

People's views on the trustworthiness of other nations like the Swiss, the Americans, the Japanese, Chinese, and Russians have not changed much over the past decade. The Swiss are still at

the top of the 'trust' league, followed by the Americans. The balance is also in favour of the Japanese. The Chinese and the Russians, on the other hand, are viewed with distrust. But while the Russians have not improved their rating since 1970, distrust of the Chinese has substantially diminished.

The current survey also considers people's attitude towards Europe and the mood of Europeans; including whether they are satisfied with the way democracy works.

The degree of satisfaction with the way democracy works seems to have remained high in Luxembourg, Germany and Denmark, and very low in Italy. But compared with previous results, satisfaction has declined in Denmark, and it is also declining in Belgium, the Netherlands and Ireland – in Belgium, the dissatisfied are now in the majority.

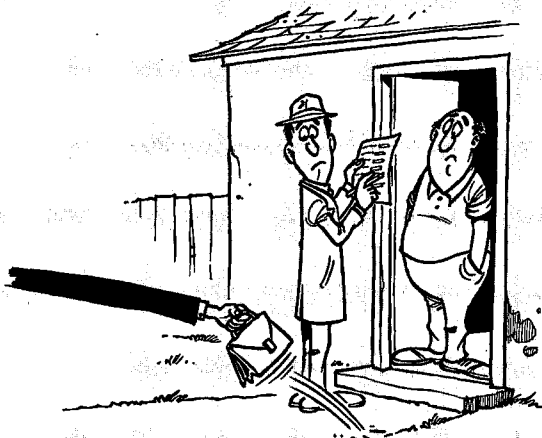
Support for efforts to unify Western Europe is still strong, ranging from 84 per cent in Luxembourg to 48 per cent in Denmark, though it is declining. A majority still think membership of the Community is 'a good thing'. In Luxembourg, the Netherlands and Italy, the margin is still quite wide, but it is very close in Denmark, and in the United Kingdom there are two negative answers to every positive one.

On enlargement of the Community its citizens still tend not to feel involved, but most who answered the question were in favour. The decisive factor tended to be the person's attitude to his own country's membership, and the warmest welcome comes from Italy, Germany and the Netherlands.

Community plays more active lending role

The European Community is playing an increasingly active role in helping to finance industrial and infrastructure investment in the member states.

The latest report drawn up by the European Commission on the Community's borrowing and lending activities shows that the amount lent by the Community's four financial instru-



ments – the European Investment Bank (EIB), the European Coal and Steel Community (ECSC), the European Atomic Energy Community (Euratom) and the new Community instrument (NIC) – rose from 1,722 million ECU in 1975 to 3,386 million ECU in 1979.

The money is raised on international capital markets, and each financial instrument has a specific lending policy.

EIB loans are designed to contribute to the balanced and steady development of the Common Market by helping finance projects in less developed regions and for modernizing, converting and expanding private businesses.

Loans from the ECSC are chiefly aimed at improving coal and steel productivity and helping redundant workers leaving these industries to find new jobs. Euratom loans are exclusively for nuclear power electricity generation and aim at reducing the Community's dependence on imported energy.

The NIC finances industrial, energy and infrastructure projects designed to help align member states economic policies.

Reflecting current Community priorities the energy sector has benefited most from the extension of lending. Financing for investment projects in energy has tripled with the introduction of Euratom loans in 1977 and the NIC in 1978.

Most of the capital goes to Ireland, the UK, Italy and France. Loans to Ireland have increased dramatically over recent years from 38 million ECU in 1975 to 353 million ECU in 1979. Financing in Italy and the UK doubled during the same period, while the share of total Community loans to other member states declined from 16 per cent to 11 per cent.

It's all a matter of taste

If we are what we eat, as the saying goes, then Community citizens must be a pretty mixed bunch.

Though the 1980 Report on the agricultural situation in the Community shows that the range and diversity of foodstuffs offered to the European consumer has increased, and even notes a certain convergence of consumer habits, nevertheless tradition dies hard where eating is concerned, and consumption varies considerably between the member states.

This, along with differences in taxation, health legislation and price control, means that statistics on who eats what in the Community reveal some striking national differences.

It must astonish the average Irish person, who drinks only three litres of wine a year, that his or her French counterpart regards it as normal to drink nearly 33 times as much – which is, indeed, more than twice the Community average.

Similarly, the Irish fondness for milk, butter and potatoes (in which they head the Community league by eating 202 kg, 12 kg, and 109 kg per person per year respectively) must be a mystery to the Italians down at the bottom of the league, eating only one sixth to 40 per cent of those amounts.

In a land famous for its pasta and olive trees, it is not surprising that Italian preferences stick firmly to cereals and vegetable oils – half as much again as the Community average. They are also the leading consumers of vegetables (150 kg per person per year, compared with an average of 100 kg), and bottom of the league in their use of sugar.

At the other end of the Community geographically, the Danes are exactly the reverse: they share the Community's sweetest tooth with the Irish, and eat only half as many vegetables as the average Community citizen.

Meat-eating habits vary widely too. The French are the keenest carnivores, and they are particularly fond of beef and veal. The Italians come out on top for poultry, though they eat less meat generally than anyone else. Again,

Danish tastes are quite different – Danes eat less than half as much beef and veal as the French, and (with the Dutch) come bottom of the league in eating poultry. The Germans are by far the keenest eaters of pork, consuming half as much again as the Community average.

Germans also head the league for eating eggs and fruit (other than citrus fruit, where the Dutch take the lead). The Dutch, on the other hand, share bottom place for egg consumption with the Irish; and the Irish lag well behind on fruit consumption, eating only one fifth as much citrus fruit as the Dutch and less than one third as much other fruit as the Germans.

The proportion of consumer expenditure devoted to food also varies from country to country, ranging from 17 per cent in Germany to 31 per cent in Italy; the Community average is about 20 per cent.

The rate of increase of foodstuff prices remained fairly restrained in 1980 and, in comparison with the Community's inflation rate, the increase in agricultural prices was moderate. Though the effect of Common Agricultural Policy price increases on retail prices varies from one product to another, the overall impact on consumer expenditure is less than 1%.

The report argues that price policy applied in the agricultural sector over the last few years has helped to combat inflation.



EUROPEAN REVIEW

Ecologists urge new approach to growth

The European Environmental Bureau, which represents leading national environmental organisations, has appealed to Commission President Gaston Thorn to adopt an approach to industrial development which lays greater stress on ecological factors.

In a lengthy memorandum in which it outlined its ideal for a Community environmental policy during the current Commission's four-year term, the Brussels-based Bureau asserted that the ecological basis of the economy is being seriously undermined and that only a resource-conscious society will, in the long term, be able to survive and sustain its prosperity.

The Bureau called for a pattern of economic growth that would be sparing in its use of non-renewable resources such as oil and metals, and caring in its use of renewable resources such as water and the soil.

The Bureau would like to see more attention paid to the rights of individual human beings and the right of future generations to inherit a viable biosphere.

The new Commissioner responsible for the protection of the environment, Karl-Heinz Narjes, is expected to outline shortly his priorities for his term of office.

Spending power grows fastest in Italy

Disposable incomes appear to have risen more quickly in Italy than in any other Community member state, according to the most recent statistics available. No details are available for Greece.

According to figures released recently by the Paris-based OECD, of which the Ten are members, the disposable income of the average production worker, married with two children, increased most between 1974 and 1978 in Italy.

Taking 1974 as the base of

100, the Italians' disposable income after tax and other deductions had risen by 1978 to 220. The three newer member states followed: Ireland on 194, the United Kingdom on 177 and Denmark on 162.

Middle-rankers were the French (159), the Belgians (150) and the Luxembourgers (145), with the Dutch and the Germans bringing up the rear on 137.

However, this ranking was repeated almost exactly in the comparison of the rise in consumer prices over the same period, although the growth in disposable incomes kept comfortably ahead of the inflation rate.

Taking 1974 again as a base of 100, consumer prices had increased by 1978 in Italy to 181, followed by the United Kingdom (177), Ireland (174), Denmark and France (146), Belgium (138), Luxembourg (134), the Netherlands (133) and Germany (118).

Dole queues continue to lengthen

The unemployment situation in the Community has continued to deteriorate. There were 7.9 million people out of work at the end of December, the latest month for which figures are available.

This represents 7.2 per cent of the civilian working population, the number of jobless having risen by 4.2 per cent between November and December.

Unemployment rose in all member states, although the rate of increase varied considerably. For example, Germany registered an increase of 15.6 per cent, Denmark 10 per cent, the Netherlands 8.7 per cent and Luxembourg 7.9 per cent.

These high rates continue a trend which began in September. In the three months to the end of the year, unemployment increased in Germany by 36 per cent, by 35 per cent in Luxembourg, by 33 per cent in Denmark and by 20 per cent in the Netherlands.

On the other hand, Ireland, with a very high rate of

unemployment, still recorded an increase of 6.3 per cent between November and December. Other member states with high unemployment rates registered much smaller increases - 3.8 per cent in the United Kingdom, 1.2 per cent in France and Belgium, and 0.6 per cent in Italy.

On the whole, the unemployment rate for the Community rose from 5.7 per cent to 7.2 per cent during 1980. This represents an increase of from 4.9 per cent to 6.6 per cent for men and from 6.9 per cent to 8.3 per cent for women.

Community funds help young people to work

More than 400,000 young people have benefited from special Community funds which are provided to help combat youth unemployment in the member states.

During 1979 and 1980, the first two years of the operation of the scheme, the Community provided just under 200 million ECU out of its Social Fund for recruitment and employment subsidies.

Three-quarters of the money went on recruitment subsidies to help with job training schemes, work probation and the creation of more apprenticeships.

The Social Fund money met between 50 and 55 per cent of the cost of recruitment and between 6.5 and 22 per cent of employment costs.

Learning about our environment

A five-year Community research programme in the environmental field, covering environmental protection and a study of climate, is to go ahead with financial backing of 42 million ECU.

This was agreed last month by the Council of Ministers, which also approved 8.8 million ECU for a four-year programme of research into ways of improving scientific and technical training in the Community.

For many it's not as simple as ABC

While no accurate and comparable statistics exist for the extent of illiteracy in Community member states, the European Commission says it is prepared to accept an estimate that there are between 10 and 15 million adults who do not possess the capacity for reading and understanding their own language which is currently expected of 13-year-old schoolchildren.

In addition, it pointed out in reply to a German member of the European Parliament, Ursula Schleicher, that a 1971 population census in Greece indicated a rate of just under 14 per cent for adult illiteracy and that a similar survey in Portugal, one of the two candidates for Community membership, gave an estimated rate of 23 per cent for adult illiteracy.

Together with its existing programme designed to facilitate the transition of young school-leavers to working life, the Commission is giving priority attention to adult illiteracy and the development of basic adult education.

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We are anxious for our mailing lists to be as accurate as possible. If we have made a mistake with your address, please let us know by returning the corrected label or envelope to the address below.

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European Commission,
Dept MC,
20 Kensington Palace Gardens,
London W8 4QQ

EUROFORUM is prepared by the information services of the European Commission in Brussels. Editor: Peter Doyle.

I was absolutely incensed at the picture of the EEC 'barley mountain.' How dare we collect and waste such quantities of surplus food in Europe, whilst thousands of children in the Third World are dying of hunger!

Who are the faceless men who make the regulations leading to this situation?

-Letter in the Daily Express

All European governments are now bailing out their steel firms. Subsidies start with suspiciously cheap brown coal and transport for even the efficient small German electric-arc steel firms such as Korf; pass through Belgian and Italian unreported subsidies; and end at BSC's public gifts from the British taxpayers. Belgium, Italy, Holland and Luxembourg are still adding to capacity by replacing clapped-out works with new ones capable of higher output to add to the glut.

-The Economist

Small firms in Britain are being offered £5 millions' worth of finance with the prospect of more to come by the European Investment Bank if the ventures create or safeguard jobs in assisted areas.

The EIB finance is being made available through a global loan to Finance for Industry, whose subsidiary, the Industrial and Commercial Finance Corporation, will make further loans of between £15,000 and £50,000 to support a wide range of investments, including tourism, chosen in agreement with the EIB.

-The Times

Two of the most powerful industrial federations in the EEC have attacked the European Commission, charging that its anti-dumping actions on imported man-made fibres and plastics are inadequate and allow for too many exceptions.

The federations are the European Council of Chemical Manufacturers Federation (CEFIC), based in Brussels, and the Comité International de la Rayonne et des Fibres Synthétiques (CIRFS), based in Paris and representing synthetic fibre producers.

Their attack brings to an end the two organisations' practice of automatically accepting Commission dumping decisions, and underlines the growing discontent in the EEC about the Commission's anti-dumping procedures.

-Financial Times

Sir, - In your leading article you invite us British Euro-MPs to end our financial indecency and reform our ludicrous procedures. You are quite right: much of the expenditure is quite disgraceful. But your harsh words should be directed not at us, but at the governments of member states, including the British Government.

A decision to fix a permanent European parliament site, preferably in Brussels, as you suggest, would save the taxpayer far more than the £5 million allegedly spent on 'swans' and 'junkets'. (In fact, they are exhausting and usually boring - very much a duty rather than a pleasure.)

It is the governments, though, that have the right to choose the parliament's site, not the Euro-MPs. For years we have begged them to do precisely this, but to no avail.

- Nicholas Bethell
MEP for London North-West
in a letter in the Daily Mail



Britain was given a 'You're still great' boost last night. The message came across loud and clear that Europe still needs the Best of British.

The glowing picture is painted by journalist Emanuele Gazzo, a leading commentator on European affairs.

Mr Gazzo, writing in the current issue of the European Commission journal [Europe 81] says: 'Britain is a country of reform and of courageous experiments in social policy.'

He says the EEC expects much of the British - and they have a lot to contribute.

Last night, in Brussels, Mr Gazzo, who has been writing articles about Europe for 40 years, said: 'Without Britain there can be no EEC that means anything.'

-The Sun

The debate about Europe in Britain has long ceased to be a debate about Europe. It is a debate about import control, international cooperation in general, and the confidence of the country. Declining groups - here as elsewhere - are afraid of international ties.

Their spokesmen have focused on the European Community because it is such a nice emotional subject. But the friendly observer is bound to say that a debate which is as far removed from reality is a sign of a dangerous national neurosis.

Of course, Britain can leave the European Community; but it would be a very silly thing to do. It makes much more sense to try and understand what the Community is and what it is not.

- Ralf Dahrendorf,
director of The London School of
Economics, in The Times

Is the European Parliament such a hotbed of continental permissiveness that Archbishop Ryan of Dublin was right in warning the Irish people that they may have to leave the EEC rather than accept imposed laws from Brussels/Luxembourg/Strasbourg on abortion and contraception?

As a Scripture scholar, Dr Ryan's expertise on the Bible is well respected; but as an Irish citizen he appears not to be familiar with the Treaty of Rome. The EEC has no power to propose, let alone impose, moral legislation on the Dail. That was made clear to Dr Ryan by the President of the European Commission, Mr Gaston Thorn, who has told the Euro-Parliament that the Commission will not implement the health proposals.

- John Cooney
in the Irish Times

I am not enthusiastic about the blueprint approach to Europe, with dialectic arguments about federalism and confederalism (whatever these terms mean). The ability to adapt and evolve is one of the Community's major assets; and I am confident that it will remain so. Changes must take place by evolution in response to changing circumstances and in accordance with the wishes of all our citizens; they cannot be imposed by planners dreaming up concepts based on Utopian ideals of what they think Europe ought to look like.

- Lord Carrington
in an interview with David Spanier

Cut price milk financed by an EEC subsidy should be available this year to British schools.

This year is the tenth anniversary of the cuts in free school milk made by Mrs Margaret Thatcher as Secretary of State for Education and Science. To qualify for the EEC subsidy Britain has to agree to pay 6pm a year towards it and to channel it through the common agricultural policy instead of the rate support grant.

Farmers and dairymen believe a rise in sales through schools offers the main hope in stemming the decline in milk consumption. Last year nine English counties stopped distributing free school milk.

-The Times

Spain should be invited to participate fully in 'political co-operation' on foreign policy-making. It could be given full access to the European Investment Bank, and even send speaking, but not voting, members to the Council of Ministers and the European Parliament. Spain's struggling democracy needs all the help we can muster as it strives to lay the ghosts of an inglorious past.

-Guardian

While road schemes throughout Britain are being cut back because of Government restrictions on local authority expenditure, South Glamorgan County Council are going ahead with an ambitious £20 million improvement programme.

The aim is to improve the economy of the county and open up large areas of land for industrial purposes, especially the waterfront strips of Cardiff and Barry.

Finance for the scheme is being made available by the Government through grants, and by the EEC through the Regional Development Fund.

-Western Mail

STRASBOURG NOTEBOOK

RICHARD BALFE, Member of the European Parliament for London South Inner.

If I had one packet of Bisto for every time I have been asked one of the questions. 'What's it like?', 'How often are you there?', 'What are you doing back here?', 'Why aren't you over there?', I would be able to fill enough trains with gravy browning to make even a journalist jealous.

The truth is that very few people in Britain, even the supposedly informed, have much idea of the workload, role and lifestyle of a Member of the European Parliament.

Fallacies seem to range from imagining that we are carrying all of the cares of Europe on our shoulders – generally expressed by the pro-Europeans – to imagining that we are imprisoned in some sort of living hell by the serious anti-Europeans. The cynics content themselves with the belief that we are almost single-handedly responsible for the increasing consumption of pâté de foie gras.

The reality is, of course, very different and – unfortunately – more boring. British MEPs must by now be connoisseurs of every regional airport in Britain. Together with our European colleagues, we must be able to present the ultimate academic text, 'Veil et al on European Regional Airports'. This has quite a worthy – almost regal – ring, doesn't it? I often wonder what proportion of the 5 am motorway traffic consists of my colleagues, wending their way to various airports in the UK. The British, the Irish and the Greeks suffer the peculiar disadvantage of only ever being able to get to work by crossing water. This means that a cancelled or delayed plane can throw out a schedule for the rest of the day, and sometimes the day after, and cost a lot of time.

But one becomes stoical. Without exactly taking up yoga, there is a tendency to find a sort of peacefulness of soul in many MEPs when they relate travel tales. After all, you can thumb a lift if your car breaks down on a motorway, or take a taxi instead of a train; but there is something terribly finite about a grounded plane.

MEPs, like most other human beings, are basically creatures of habit who prefer to have an amount of certainty built into their working lives. Far from the frenetic celluloid image, what one notices is a tendency to translate the virtues and values of the UK into foreign climes. The appearance of squash rackets, small homely flats and regular arrangements with the same hotel, are far more characteristic than the high-living image. Not, of course, that we're a dull lot; and I must observe that there is no obvious connection between being anti-Market and ascetic. On the whole, however, we are more boring than the popular press would have their readers believe. We probably consume more bubbly mineral water than any other sort of bubbly, and some Members are actually campaigning against the production of pâté de foie gras, on the grounds of the cruelty caused to geese in its production.

An important part of our activities consists of being lobbied by groups with different cases to pursue and different methods of approach. Some lobbyists are extremely good and professional:

they realise that sending an MEP a 100-page duplicated brief without a covering letter is unlikely to maximise the impact of their case. But, on balance, the majority of lobbying we get is pretty inexpertly done.

At the moment, although some lobbyists are very efficient, there are two groups who certainly are not. Firstly, there are the people who have no idea why they have come to the Parliament, other than the fact that they have vaguely heard that the EEC might have some money or influence; meanwhile they are determined to live it up as much as possible, generally on money paid to them by their organisations. To use popular jargon, they are there for a 'freebie' or a 'jolly', and they do more harm than good.

The second group consists of people who, whilst having worthwhile causes, have no real idea of how to put them across. They are the ones who hold meetings at the wrong time, deluge us with unreadable paper, and then sometimes get very upset at the apparent lack of interest.

The key points to remember when lobbying MEPs are to keep things short; keep the language non-technical; and, above all, make it clear why they should be interested. Is it a matter that concerns their constituencies, their committees, or some other cause with which they have become identified? It is no good automatically expecting an MEP to be interested in what, naturally, the lobbyist believes to be a worthwhile cause.

'We MEPs probably consume more bubbly mineral water than any other sort of bubbly...'

Most of this column seems to be about ignorance. Having got firmly into the subject, perhaps I could round off by regretting the haphazard way in which European studies are taught at schools. The approach to the subject varies from teaching nothing at all to putting on courses which leave the pupils with the mistaken impression that European countries consist of the EEC, and beyond them barbaric countries inhabited by strange people who have yet to see the wisdom of joining.

Is it too much to hope that the major examining boards will turn their thoughts to reviewing their examination requirements for European studies, with the aim of assuring a basic 'O' level examination in the geo-political outline of Europe? Perhaps the same could be done at CSE level.

What do George Frederic Handel, Johann Sebastian Bach and Giuseppe Domenico Scarlatti have in common? They were all born in 1685, and 1985 will be the tercentenary of their births. Arising from a resolution I tabled at the beginning of 1980, the European Parliament has now provisionally agreed to designate 1985 'European Music Year', and has referred the matter to the Council of Europe for their opinion.

This project offers a superb opportunity not only to celebrate these composers' tercentenaries, but also to revive a musical interest in Europe. Throughout the EEC and in other parts of Europe, there are, at all ages and levels of ability, people enjoying listening to or playing music – whether in schools, in amateur societies, or in the great orchestras.

Already this idea is attracting a large amount of interest, and something substantive should be launched this year. We certainly need something to lighten the present gloom. And music is probably the truest international language of them all.

Telecom: do you get the message?

JACK WATERMAN has been looking into preparations for a new satellite service that will link the businessmen of Europe

Here are some geometrical propositions that should interest European businessmen schooled in Euclid – and, in particular, the idea that the shortest distance between two points is a straight line.

Proposition 1: The shortest distance between Paris and London is a triangle.

Proposition 2: The distance between Paris and London in practical terms = the distance between Brussels and Belfast = the distance between Copenhagen and Cardiff.

Proposition 3: The distance between Paris and London, and hence the other distances, approximately = 45,000 miles.

These are the implications of an announcement made recently by Peter Benton, Managing Director of British Telecom. Business communication between the UK and Continental Europe is about to go, literally, into orbit in space.

Commercial trials are due to begin this autumn in preparation for a new satellite communications service planned to start in 1983. Supplied by British Telecom with small dish aerials, firms will be able to exchange private business messages, phone calls and even more advanced kinds of communication via the aerials and satellites in orbit 22,300 miles above the earth's surface.

The trial aerials, measuring about 4m in diameter, will be used in developing and testing the communication techniques and devices required for the new service. Peter Benton says: 'They will pave the way for a new era in which the nation's businessmen will be able to communicate within Britain and with Europe directly through small aerials placed on their own rooftops, or parked beside their offices.'

The new service is expected to be used mainly by large business organisations that already have their own internal communication networks between the UK and Continental Europe, and other businesses with specialised requirements such as newspapers, news agencies, television and radio news organisations. It is expected that big multi-nationals



For rooftops of the near future: a dish aerial to receive messages via satellite.

will take part in the trials, including, obviously, those involved in the field of communications, computers and electronics. Oil and European publishing companies may also take part; but certainly those who foresee the long-term benefits of Peter Benton's new era.

What are the advantages of the small dish satellite system? First, of course, is that by using space satellites, signals are unimpeded by interference outside the earth's atmosphere.

But there are other benefits as well. The service will be capable of installation at very short notice, using, if necessary, mobile aerials. It will be possible to expand or reconfigure equally quickly. And additional high-speed capacity will be on tap for short periods if required.

It will also permit a variety of communication methods to be used – speech, telex, facsimile, computer data – all integrated on the same transmission path. More technically advanced processes, such as video conferencing, word processing, electronic mail, high-resolution facsimile and high-speed data will be possible at extra but comparatively small cost.

In addition, multi-destination broadcast-

ing will be possible. This will be of advantage, for example, in transmitting news from one source to a variety of branch offices for local distribution.

Behind the need for the new system is the silicon chip revolution. This is generating new communication needs, and at the same time highly efficient methods of providing for those needs. Such methods rely on digital transmission to provide communication links for various modern aids to efficient business management. As a result, British Telecom is engaged in a massive programme to build a terrestrial digital network throughout Britain over the next decade, with the 30 largest cities and towns to be linked by 1985, and virtually the entire country by the early 1990s.

This, and hence the new satellite communication project, will depend on the introduction of what are called System X electronic exchanges, and advanced transmission techniques including optical fibres.

To those who may think that System X is a football pool permutation, and that an optical fibre something to be treated at Moorfields Eye Hospital, a word of explanation is necessary.

System X is the basis of an all-electronic, computer-controlled, push-button exchange. It is regarded as a triumph for all-British research, design and manufacture, and as both a revolutionary new concept and

Belgium's tribute to Art Nouveau

Putting on the style at the Palais des Beaux-Arts

the stepping stone to the future in telecommunications. The first System X exchange was opened last July in the City of London.

But System X is more than simply a new type of exchange: it represents the key to a total telecommunication service. Beside digital switching and transmission, System X involves stored programme control – computers control operations both within and between exchanges. So, instead of huge banks of electro-mechanical switches whirring and clattering their way through connecting calls, System X exchanges employ silent micro-electronic chips, some of them tiny, self-contained micro-processors.

An optical fibre is a strand of glass, as thin as a human hair, which guides a beam of laser light capable of carrying thousands of telephone calls simultaneously, and it is immune to crosstalk and interference. Speech, there-

'Behind the need for the new system is the silicon chip revolution'

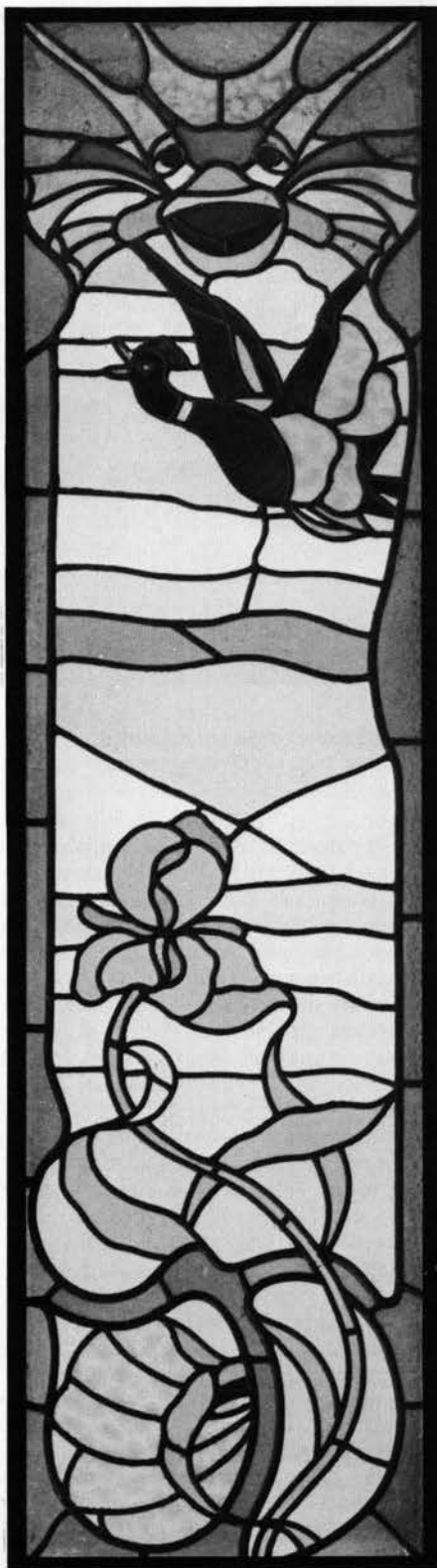
fore, instead of being transformed into an electrical impulse transmitted along a copper wire, is turned into pulses of light.

An advantage in manufacture is that sand, the basic raw material for the glass, is both more plentiful and cheaper than imported copper. Yet the purity of the manufactured glass is such that, if a window made of it were two miles thick, it could still be seen through.

In 1980, the first Optical Fibre link in Europe came into operation in the Midlands. The new satellite service has been made possible by an agreement reached in December last year by European telecommunications authorities in what is known as Eutelsat. Eutelsat will provide capacity in two satellite systems orbiting approximately 22,300 miles above the earth. One of these, ECS (European Communications Satellite), will be made by a consortium headed by British Aerospace, working for the European Space Agency. The other, Telecom 1, a French government project, will also provide various domestic services for France.

Cost of providing the combined satellite capacity for small dish application is expected to be about £50 million, shared between the telecommunication authorities of Western Europe, with the British share around £8 million, depending on customer use. With the small-dish service from Britain to Europe and its equivalent within the UK, Peter Benton is confident of a demonstration of ability 'to satisfy tomorrow's sophisticated international telecommunication needs.'

Certainly we shall have taken another stride away from W. S. Gilbert's dream of linking the UK to Continental Europe. This involved nothing more sophisticated than the steamer from Harwich, which, it may be remembered, he likened to 'a large bathing-machine, or very small second-class carriage.'



Every other year, one of the member countries of the European Community puts on in Brussels a series of events and exhibitions attempting to convey the essence of its cultural achievements. This time, which happens to be the 150th anniversary of the founding of the Belgian state, it has been the turn of Belgium itself to provide the 'Europalia exhibition'. For the visual arts, Belgium mounted a comprehensive exhibition, in the Palais des Beaux-Arts, under the title Art Nouveau in Belgium.

The Germans called it *Jugendstil*, the Viennese *Sezessionstil*, the Catalans *Modernista*. In French, because of the largely English origins of the movement, it was called *Modern Style*. In English, paradoxically, it was – and still is – *Art Nouveau*. It was also known as *1900 style*, the *Yachting style*, and even *Style Nouille*, after its characteristic noodle-like traceries.

The Art Nouveau style, whether in paintings, buildings, furniture, ornaments, interior decoration, posters, books or jewelry, is instantly recognizable: long, sensitive, sinuous lines, often deriving from nature, especially flowers and plants; a fluid, aquatic quality found in the most unlikely places, like public buildings and Paris metro stations; a preference for curvaceous, feminine forms. Indeed, there is often an underlying, understated, voluptuous, forbidden fruit atmosphere; a concern for beauty, craftsmanship and unity in the most commonplace objects.

Art Nouveau was partly a protest movement. In England, it was objecting to the sterile copying or adapting of styles of the past, neo-Gothic or neo-Classic, the whole 'neo' movement leading to the architectural extravaganza we have learned to live with, even to love. It was an attempt to return to a true artistic expression after the pandemonium of conflicting styles as seen, for example, in the 1851 World Exhibition.

The 19th century was a period when nationalism was rife. Cultural movements, though the best of them abhor frontiers, still had to contend with this fact. Furthermore, as we are constantly reminded, Britain, the country where the movement largely had its roots, is an island. However, the Art Nouveau movement was manifestly expressing a general feeling throughout Europe and North America.

The movement had in fact been slowly maturing in Victorian England from seeds sown by William Blake early in the century, and revived by Rossetti and the Pre-Raphaelites fifty years later, to be taken up by

Treasures from the 1981 Europalia exhibition included a stained glass door panel by Gilbert Combaz, one of a set of four (opposite), a colour print, 'Woman', by Privat Livemont (right) and 'Le Sphinx Mystérieux' by Charles Van der Stappen, made of ivory and copper-silver alloy.



William Morris's Arts and Crafts movement.

The Brussels Europalia display concentrated on the High Art Nouveau period of the 1890s. It demonstrated that it was in fact through Belgium that this forceful current flowed when it broke its English banks, to spread rapidly all over Europe and across to America. In Paris, architect Hector Guimard constructed his extraordinary dragonfly-wing, wrought-iron and glass Metro station entrances; and in Nancy, in the east of France, Emile Gallé was doing quite new things with glass and crystal. In Barcelona, the architect

Gaudi produced creations of startling originality. New York saw Art Nouveau applied to skyscraper design and the famous Tiffany lamps and shades, miniature stained glass creations, decorated with apple blossom motifs like Japanese prints or dripping with grapes, bearing evocative names like 'Wisteria lamp' or 'Nautilus lamp with mermaid base'. On the frontiers of Europe, the style took on more austere forms, in Vienna, or in the elegant Glasgow work of Charles Rennie Mackintosh.

Art Nouveau has left its mark on Brussels.

You can find it in famous buildings, but also in many small but charming details – a quaint tram shelter by the Cinquantenaire park, an exotic florist's shop-front, maybe even some stained glass in the hall or bathroom in your own home.

The most distinguished architect was Victor Horta. His most celebrated building, the Maison du Peuple, beautifully but functionally fashioned in glass, stone, brick and iron, was unfortunately destroyed in 1965, but many of his private houses survive: the Hotel Tassel, probably the first Art Nouveau building, the Hotel Solvay in the Avenue Louise, and his own house in the rue Americaine, now the Horta Museum. One of the charms of Brussels is to chance on an Art Nouveau delight – perhaps the Old England department store near the Place Royale, still functioning into the mid 1960s but now defunct and decaying, or an astonishing effusion – the tall and narrow private house at number eleven Square Ambiorix, near the Common Market headquarters.

Many, alas, have gone the way of all flesh – or all bricks and mortar, glass and iron – like the private house of the other Belgian Art Nouveau genius, Henry Van de Velde, the Villa Bloemenwerf. Van de Velde, like William Morris before him, designed every item in the house in the Art Nouveau manner – the furniture, fabrics and electric light fittings, of course, but also the clothes his wife wore; and he even attended to the colour of his food. For example, tomatoes were served on a plate that was green, the complementary colour of red.

Some of the most exquisite of the 700 items at the Brussels exhibition, which covered every area of arts and craft, were the items of jewelry: Japanese Netsuke-like buckles and brooches, all intricate twirls and arabesques, delicate dragonfly brooches in enamel and glass, more sinister pendants of scorpion or vampire bat form, lorgnettes, fans and hair combs, in fact all the essential accoutrements of the well-dressed lady of the time. And there was splendid sculptured furniture and convoluted silverware – a candelabra which seemed to be whirling like one of the serpentine dancers then so fashionable, or an amazing tea service with an elephant trunk teapot spout, reflecting the Congolese influence.

Art Nouveau, like most artistic trends, fell into disrepute as the pendulum of fashion swung into the austere functionalism of mass-produced goods and abstract modern art in the Twenties and Thirties. After the war, interest revived in time to partly stem the rapid disappearance of many treasures of the end of the last century. Now, although officially condoned vandalism continues, the pendulum seems to be swinging back once more, away from the certainties of science and technology to a new interest in nature and spirituality. After all, in no time we also will be at the *fin* of our own *siècle*.

JOHN GREENWOOD

The years of growth and high profits have given way to a harsher reality, writes JASPER BECKER

Of the leading chemical giants, Hoechst, the world's largest, suffered a 42 per cent drop in pre-tax profits for the third quarter of 1980 compared to the year before. Bayer, the second largest in the world, saw profits during the same period slump by 62 per cent. Production in the whole West German chemical industry was cut by an estimated 3 to 4 per cent in the second half of 1980. And the companies foresee little improvement in 1981.

In France, figures for the second half of 1980 are yet to be announced; but in the first part of the year production fell from 137 to 131 (1975 equals 100). Compared to the second

Europe's chemical industry comes face to face with the energy crisis

half of last year, trade has regressed by 19.5 per cent, with an increase of only 4.2 per cent in output. The petro-chemicals industry in France, as in the rest of Europe, has been particularly badly hit. Production cut-backs range from 2.2 per cent for benzene to 38.8 per cent for polystyrene. The impact has been most severe for synthetic fibres, in which Rhone-Poulenc, the largest chemical company in France, has invested 5 billion francs over the past five years. It is now seriously considering abandoning man-made textiles altogether, at a time when the whole of the European textile industry is in grave difficulties.

The picture is the same elsewhere in Europe. ICI has reported a loss for 1980 – the first in its history – of £121 million, threatening the jobs of 6,000 employees in addition to the 4,500 who were made redundant last year. Montedison of Italy, another of the Big Ten chemical companies, had a disastrous year, with losses expected to exceed even the 130 billion lira deficit of 1979. The chemical industry may not be fated to go the same way as the textile and steel industries. Nevertheless, something is seriously amiss if such a power-

'A powerful industry shivers in the economic wind ...'

ful industry shivers so violently in the economic wind.

The general recession has affected everyone. But the second oil-price hike after the Iranian Revolution, and fears arising from the Iran-Iraq war, have brought into relief the dependence of the petro-chemical industry on unreliable imports. The consequences of uncertainties and shortages has been illustrated most vividly by the 'chemicals war' with the United States. Further troubles are predicted from the Eastern bloc countries, the newly industrialising countries, and the OPEC countries, which are beginning to catch up on western industries. It is now realised in the European chemical industry that a more effective strategy must be found to fight competition, other than by launching anti-dumping suits and applying political pressure to meet the threat of cut-price American imports.

The huge numbers of companies involved in chemical manufacture and marketing make the industry's structure enormously complex. Some of them are among the largest industrial enterprises in the world, with operations involving the production of a multitude of products. Others are very small companies engaged in mixing and blending a few

'Access to cheaper raw material has given the Americans a 10 to 15 per cent price lead over their European competitors'

speciality chemicals with very limited outlets. The larger companies have numerous wholly-owned subsidiaries and participate in multinational joint ventures whose numbers continue to grow. Over the years the old-established chemical producers have been joined by new entrants from other industries.

By far the biggest consumer of chemicals (about one third of the total), is the United States, equalling that of the seven largest chemical consuming countries in Western Europe - West Germany, the UK, France, Italy, Spain, the Netherlands and Belgium - put together. As far as trade is concerned, Germany is the largest single exporter and importer of chemicals in Europe. It is a bigger trader than even Japan, which has an industry second only to the US amongst the market economies.

World production and consumption of chemicals has grown at a phenomenal rate since the last war. Up until 1973, the average growth rate was 10 per cent a year; but in the wake of the oil crisis, this dropped to around 3 per cent between 1973 and 1974. The shock, however, was delayed. In 1975 there was a world-wide recession in chemicals, and consumption slumped to a further 10 per cent below 1974 levels. In 1977 world chemical turnover rose sharply, and the industry was all



Oil determines the cost of raw materials to the chemical industry.

set to continue the pace set in the Sixties. That all ended last Spring, when the increase in oil prices (following the Iranian revolution and the uncertainty caused by the Iran-Iraq war) sent profits and sales tumbling.

The recession has had the most immediate impact in the United States. European companies were shielded initially from the effects, since it takes longer for the recession to make its impact felt in the world as a whole. Exchanges between Europe and the rest of the world account for half of world imports, 60 per cent of world exports; inter-European trade is equal to over 40 per cent of international chemical trade. In contrast, American companies can normally rely on their massive domestic market. The recession, and the drop in domestic demand, has led to a revision of this policy, with severe consequences for their European competitors.


The Americans have not hesitated to take advantage of the pricing system for their domestic oil and gas supplies. Instead of allowing the prices for domestic oil and gas to jump at the same speed as the imports priced at world levels, President Carter allowed a dual energy pricing system to be set up. By this means, the gap between US and world prices is allowed to narrow under strict control. President Reagan may well change the timetable; but the present schedule aims at de-regulating the domestic crude oil price by the end of September, and the price for natural gas (in most cases) by the end of 1985. Access to cheaper raw materials has given the Americans a 10 to 15 per cent price lead over their European competitors.

Even before this, the European chemical companies had accused the Americans of protectionism. During negotiations for the Tokyo Round of GATT reductions, the issue was the method of assessing customs tariffs known as the 'American Selling Price'. The matter was brought before the GATT Commissariat. The same body has again been called in, to sort out the dispute over the dual pricing system. The question which officials in Geneva are contemplating (all too slowly, feel the European companies) is whether the American advantage is 'fair' in the context of the philosophy of GATT and free trade.

The European Commission has itself not been backward in raising the question with the American authorities. Since 1979, Commissioners Davignon and Haferkamp have argued the case in Washington. However, steel problems, says CEFIC (Council of European Chemical Manufacturers), have taken precedence, and there have been accusations that chemicals have been set aside in an effort to help the steel industry. Support, though, has come from the International Committee for Rayon and Synthetic Fibres (CIRFS) and the UK Government.

In Italy and the UK, the synthetic fibres and carpet industries have been so undermined by cut-price American imports that the UK, with the consent of the European Commission, acted to impose temporary import restrictions for polyester nylon yarn during 1980. In the UK, this proved to be too late. ICI has been forced to close down polyester plants in Northern Ireland and Scotland, and its fibres division has lost \$248 million since 1975. The losses for 1980 are expected to exceed £70 million.

Under GATT rules (Article 19), the UK was entitled to take this closure action. But an exporting country is also entitled to claim compensation, which took the form of the Community bringing forward to September 1, 1980, certain tariff cuts originally scheduled for January 1981. In announcing this settlement, the US trade representative said that the US might retaliate by increasing import duties on Community exports of some 80 million dollars' worth of woollen clothing and synthetic fibres as from January 1, if the UK import quotas were not removed, as scheduled, by the end of 1980.

Chemical companies could not exist without secure supplies of finite raw materials. Sooner or later there is not going to be enough to go around. For Europe, it is certain to be sooner; and the way out lies in the hands of the researchers. Last year in Germany alone, 5 billion DM was spent on scientific research, almost all of which was self-financed. The chemical industry as a whole spent more of its profits on research than any other. The research, however, is no longer directed towards new products but at ways of saving energy, extracting the maximum out of every barrel of oil, and harnessing renewable resources. 

There's a welcome on the hillsides for the sheepmeat scheme

Lambing is in full swing now on the Welsh hills. Out on the open mountain or on the gentle slopes of the *ffridd*—land that is neither high hill nor lower fields—farmers keep anxious watch as their hardy ewes produce the next generation.

For Bryan Jones, whose 1,000 Hill Radnor ewes lamb on the chilly gradients of Eppynt, in south Powys, this means getting round the flock as early as possible every morning and inspecting them again last thing at night. 'In between,' he says, 'the Lord is our Shepherd, and we just hope He is doing a good job.'

As the mountains echo to peremptory parental bleats, it is not hard to give flesh and blood to statistics that tumble over each other in superlatives. There are more than eight million sheep in Wales, nearly four times the human population. Wales has more than a quarter of the UK's 31,400,000 sheep and the UK, with by far the greatest number of sheep of any country in Europe, now has the biggest sheep count in its history.

The lambs born this season are the first to start life under the Community's long-awaited 'sheepmeat' regime, the dawn of a period that sheep farmers are hoping will give a period of settled prosperity to an industry they feel has been for too long the cinderella of

ENA KENDALL among the hill farmers of Wales, where there are four times as many sheep as people

British agriculture.

The scheme came into operation last October. Broadly, it means that sheep farmers receive—within well-defined limits of weight and grade—a variable premium, otherwise a guaranteed price, for their lambs, whatever the state of the market. On top of this they also receive an annual premium or subsidy for each breeding ewe. The scheme is similar to the old British deficiency payments system, with the EEC paying the guaranteed return instead of our own Exchequer.

There are snags that have caused bitter complaint, notably the 'clawback'. This means that when sheep are exported, the exporter must pay the equivalent of the variable premium for that week into the Common Market Farm Fund. Previously, subsidies paid by the British Government did not have to be paid back on exports. Exporters complain that the clawback is crippling our markets in the EEC, particularly West Germany

and Belgium, because it has increased the prices that have to be charged—although there has been some relief, in that the clawback does not now have to be paid on exports to non-EEC countries.

Despite the outcry from exporters, Welsh farmers have given a welcome to the new scheme, duly tempered with native caution. Many seem less worried about export markets than about the fact that people in Britain are eating a lot less lamb than they were ten years ago, that tastes have changed, and that the consumer is looking for leaner cuts. Tom Jones, of Llanerfyl, near Welshpool in Mid Wales, vice president of one of Wales's two farmers' unions, the Farmers Union of Wales ('The over-riding principle of the FUW' he says, 'is that Wales should have its own farmers' union, as Scotland does, because it is a country on its own') believes in taking initiatives. He wants to see Welsh lamb designated and promoted countrywide specifically as Welsh lamb, exploiting regional differences in the interests of consumer appeal.

Three hill farmers with a lively interest in the Community's sheep agreement: Tom Jones (below), Bryan Jones (right) and Maurice Trumper.

'If we turn lamb into an expensive item we will find we have lost the consumer and the market'





**'The Lord is our Shepherd,
and we just hope He is
doing a good job...'**

**'We're bound to be hopeful
that sheep in the future are
going to produce a better return'**



Tom, in his thirties, a graduate of University College, Aberystwyth, is a Welsh-speaking Welshman, a poet and a novelist as well as a farmer. His novel, in Welsh, brought him the crown at Powys Eisteddfod, and he has won other awards for his prose and his free verse – achievements which, with his life on the land, bring him closest to a certain Welsh ideal. He is past president of the national Young Farmers Clubs of the Urdd – the Welsh youth movement in the county of Powys – and is on the BBC Wales agricultural advisory committee.

While his wife, Margaret, also a farmer's daughter, completes her training as a doctor, travelling each day to Wrexham, Tom joins his brother in running the three family farms, 1350 acres in all, supporting 1740 ewes, chiefly Welsh mountain and Welsh hill speckle-face, and 120 Welsh Black cattle, crossed with Charolais bulls. Every Monday, between the beginning of July and the end of February, he takes 50 lambs to the live market at Welshpool, the biggest sheep market in Europe.

The home farm is Hafod, 1100 acres and the biggest of the three, the last of which, Middle Trehelig, 56 acres of lowland, was bought last year. 'We have an idyllic system, working the top and bottom of the hill. The two farms complement Hafod and we send the lambs and suckling calves down to them,' he told me. He believes the sheepmeat scheme will encourage farmers to expand, but warns they must beware of temptations to move into a high cost system.

'We have always produced lamb cheaply in this country. If we turn it into an expensive item, as it is in France, we will find we have lost the consumer and the market. If the guaranteed price system changes one day and we have to rely on market prices, we will be too high to make a profit and there'll be a slump.' High costs could come about if farmers neglected to bargain keenly for everything they bought, spent too freely on buildings, bought-in feedstuffs and equipment.

The lamb 'war' with the French had meant a rapid decline in lamb exports. But there was a second export avenue to Italy, where there was a demand for very small lambs of the kind reared high on the sparse tops of the hills. Although too small to come up to standard in this country, they were acceptable in Italy, where 'agnelli' are much favoured – this trade was important to Wales, and before the sheep scheme came in they were selling well. 'We've been pressing very hard for that clawback to be abated, since it was a vital part of our market', says Tom.

'We also thought there would be a guaranteed price for every lamb produced – in other words, that hill breeds wouldn't be at a disadvantage. Unfortunately, this hasn't been the case. Ever since the scheme was started, lambs weighing below about 12 kilograms have been 10p a kilogram less than other lambs. One reason for their lower price is that they are in direct competition with New Zealand lamb, which is very small.' One of his main criticisms of current policy is that 45 per cent of our lamb and mutton is imported from New Zealand, and he wants to see a 10-15 per

cent reduction in New Zealand lamb imports every year for the next 10 years.

Tom Jones is certain that more and more farmers will be tempted into sheep production and fewer will keep hill suckler cows. 'Unless we are very careful, we will have too many sheep and not enough cattle to balance the grazing system. We must have confidence in the beef industry as well.'

Bryan Jones, down in the southern half of Powys, certainly has confidence in the beef industry, as his herd of 100 Hereford cows,

'The EEC can't afford to let the CAP go under...'

half of them pedigree, and champion Hereford bulls testify. But he is also a sheepman and largely shares Tom Jones's view on New Zealand imports, though he confesses to being 'very torn' about it.

Bryan has the unusual distinction of being in the Guinness Book of Records as one of a team of four young shearers who set up three years ago the official world record, still unbeaten, of shearing 1649 sheep in 24 hours. He has a strong attachment to New Zealand, where he lived and worked for two years from 1973. 'I think we've an obligation to take a lot of lamb from New Zealand, but a reduction in the amount would be justifiable. They're finding other markets now in Iran, Iraq, Russia, China.'

With his young wife, Fiona, equally enthusiastic about their prize-winning sheep and cattle, he returned from a month's visit to old haunts in New Zealand last November to Pentregwyn (the 'white homestead') high on the hillside of the Bran Valley, one unit in the two-farm Jones family partnership. Bryan's parents, Roy and Betty Jones, with Owen, his brother, farm further up the valley at Gwarllan. Their total acreage is more than 700, mainly on the hill. Their lambs are sold largely through the market at Sennybridge and Bryan says he is unaware so far of being affected by export clawbacks.

His views on the sheep scheme are forthright: 'There's no doubt it's the best thing that's happened to sheep farmers in this country. It's meant a 17 per cent increase in the price of our lambs, about £5 extra a head.' He believes his Hill Radnors are perfectly suited to producing the leaner carcasses now demanded by the Ministry of Agriculture's new grading system.

'I'm convinced our native breeds can produce exactly what the market wants without importing Continental breeds to introduce lean-ness,' he says. Half his sheep are crossed with Suffolk rams - fine, meat-producing butcher's sheep - and the rest are pure-bred Hill Radnors, a very old local breed of which Bryan is extremely proud. 'The Hill Radnor is very hardy. One of its biggest advantages is that it is born with a coat up to one inch long that protects it from the weather. All our

lambs are born outdoors and are looked after outdoors.'


Maurice Trumper's lowland farm on the banks of the River Usk, in Gwent, is as remote as any hill farm. But the landscape is rolling and rich, flat fields sheltered by high hedges. He farms here at Pant-y-Beiliau with another farm to the east near Monmouth. Together, they amount to 270 acres and are worked as one unit, with 550 ewes and 130 ewe lambs, a basic flock of Beulahs, crossed with a Colbred or with a blue-faced Leicester ram. He also has a small flock of Île de France ewes, from which he breeds rams to use in the transmission of lean-ness genes.

The farm-house looks over fields dotted with fine-looking sheep. Lambs had been arriving post-haste overnight, and Martyn, 18, elder son of Maurice and Eileen Trumper, admitted cheerfully that he and his father, with help from Lyndon, 13, had had a hectic time of it. Several ewes had their offspring mixed and some rapid sorting had had to take place. 'It's been the best start of a lambing season we've had for many years,' Maurice said, although a threatening snowfall looked as though it might dent the record.

As vice-chairman of the England and Wales Livestock and Wool Committee of the National Farmers Union, he finds that the main effect of the sheepmeat regime on his family has been the number of meetings he has had to attend about it. 'We're bound to be hopeful that sheep in the future are going to produce a better return. They are one of the lighter spots in what is a fairly dismal outlook in the whole of agriculture.'

His own lowland lambs, whose carcasses would generally be heavier than those of hill breeds, go to the Welsh Quality Lamb co-operative abattoir at Builth in Powys. 'We are by no means euphoric about the present guarantee, though,' he said. 'The return per acre is still going to be substantially lower than from cereals, or even milk.'

The fact that exports were being hit had the effect of depressing market trade and he would like to see some relaxation to help exporters. 'But if clawbacks were abolished completely the pendulum would swing the other way, people would export too much and the home price would go up drastically.' He would like to see a balance maintained, with a gradual improvement in export corresponding with any expansion that occurs in the industry over the next few years.

Will it all last? He agrees there is a fear that the added costs of the sheepmeat scheme could be responsible for the collapse of the Common Agricultural Policy. But he does not accept that it will happen, in that the amount of money that will have to be spent on the support programme is only a fraction of what the dairy and beef support programmes are costing, and very much of a fraction at that. He adds: 'The sheep regime won't be responsible for any collapse, in my view. The EEC can't afford to let the CAP go under. If that goes, then Europe goes, because it is the foundation plank of the whole system.' 

Has the idea of a common monetary system run out of steam?

JOHN WYLES, Financial Times correspondent in Brussels, detects a lack of will to make European monetary union a political reality

In its attitude to economic and monetary union, the European Community resembles a religious sect which has lost belief in its God but continues to pay routine homage. It remains a hallowed objective which derives from the founding ideals of the Community. But it has consistently been pushed further down the list of political priorities, largely because member states lack the political will to achieve it.

But the ebb and flow of the political tide in the EEC is such that it would be a mistake to assert that further progress towards economic and monetary union (EMU) is a very remote prospect. It is, after all, only ten years ago that the six founding EEC members were in a fever of enthusiasm for EMU. When their leaders were joined by the heads of government of the three new Community members at the Paris Summit of 1972, the Community, it seemed, was poised to take a thrilling leap forward.

EMU, said the Summit, should be completed not later than the end of 1980. Less there were any doubts about the ultimate objective, the Summit even set out the preliminary steps which must be taken.

But 1980 came and went without celebrating an economic and monetary union of nine EEC member states. What happened? The short answer, which begs many additional questions, is that the political will evaporated.

It was burned off during the first oil price shock of 1973 and its extremely difficult economic consequences. Rising inflation and unemployment, stagnant economic growth and rising international tension and instability did

not push the Nine deeper into each others' arms in the hope of forging joint solutions to their many economic difficulties. They chose instead to mark time, to look for national remedies and to avoid risky supranational adventures which might rebound.

Political will also gave way to political timidity because leaders who had been so sure-footed in charting the EEC's development in the late sixties and early seventies passed from the scene. Georges Pompidou of France, Edward Heath of Britain, and later Willy Brandt of West Germany were all succeeded by heads of government who, for one reason or another, chose a more pragmatic and cautious approach.

By 1977 the EEC was dominated by the scepticism of President Giscard d'Estaing and the irresolution of Helmut Schmidt. Britain's James Callaghan, meanwhile, was a reluctant and unconvinced participator in Community affairs, despite having successfully renegotiated the terms of British membership. The Community of the late Seventies was impressive, but disappointing when measured against the aspirations and hopes of its founding fathers.

It was a major grouping of nine governments who had achieved an unprecedented level of economic interpenetration through the removal of tariff barriers and the creation of a customs union. But it was also a collection of countries more preoccupied with their own domestic economic and political difficulties than with larger questions of the Community's development.

Although there is no specific mandate in the Treaty of Rome requiring its signatories to progress to EMU, it seemed apparent in the late sixties that the aspirations of the Treaty could not be achieved without it. By 1969 the original six members had fulfilled the basic requirements of the Treaty and had created a common agricultural policy and a customs union within the 12-year transitional period. At the Hague Summit of 1969, EMU was seen as the means of 'deepening' the Community's development. The first aim would be a more uniform level of economic prosperity throughout the Community, which would then create the conditions for a single currency and a federally determined economic policy.

It is astonishing that EEC governments could have believed such a thing possible by the end of 1980. The implications for national sovereignty were, and are, shattering, since control of the value and availability of money is a fundamental characteristic of national government. At the time the main arguments for EMU were compelling for a Community which believed it must keep moving forward in order to avoid stagnation or regression. They were first fully set out in a report to the Council of Ministers in 1970 by Luxembourg's Prime Minister, Pierre Werner. Progress achieved so far in creating the common agricultural policy and moving towards economic integration had highlighted the different levels of growth and stability be-

tween member states, said Werner. Without effective harmonisation of economic policies, he feared growing tensions within the Community which flow from a weakening of national economic autonomy without any compensating policy making at Community level.

The Werner Report went on to spell out the major elements of EMU, which included 'total and irreversible' convertibility of community currencies free from fluctuations in rates, centralisation of monetary and credit policy, a common currency, a unified capital market, fixing at Community-level of public budgets, and Community-level decisions over regional and structural policies.

The progress made towards EMU was very limited on the two main strategic items: the elimination of exchange rate fluctuations and the co-ordination of economic policies. The floating of the dollar in August 1971 proved a crippling upset, but it was followed by an attempt to link Community exchange rates within certain margins of fluctuation. Neither

'There may be important decisions this year on the creation of a European Monetary Fund'

Italy, the UK nor Ireland felt able to join the so-called 'snake' in 1972, and in 1974 France pulled out. Essentially, this left West Germany and its main trading partners within the EEC, the Benelux countries, with their own small currency zone.

Economic co-ordination, meanwhile, has proved more symbolic than real. Economic and finance ministers do meet regularly to discuss the economic climate, and they do agree general policy objectives and guidelines. But they avoid any attempt to formulate general economic policies, and have made little contribution towards achieving the convergence of economic performance between member states.

By the middle of the Seventies, EMU had effectively run into the ground. As noted earlier, political will had seriously eroded. One of the economic explanations for this was undoubtedly the inflationary and balance of payments consequences of the first round of

oil price increases. Governments believed that in these circumstances it was crucial to retain the freedom to manage their exchange rates. But they also came to realise that grandiose goals like EMU involve a collection of stepping stones of extreme political and technical difficulty. They include, for example, harmonisation of taxation policies and integration of capital markets. These are major objectives in themselves; and when nine or ten countries are involved it may be the best part of a generation before the achievements are genuinely locked up.

Nevertheless, the level of economic interpenetration between Community members does actually require as much stability as possible between their exchange rates if trade is to prosper. As much for this reason as for any desire to step out again on the road towards EMU, the Nine agreed on the creation of the European Monetary System, which came into force in March 1979.

The existence of the European Monetary System, and its surprisingly smooth operation in its first two years, just manages to keep alive the possibility of eventual economic and monetary union in the Community. But already national political considerations have prevented the Community from moving to the second stage of the system's development within the timetable that member states agreed in 1978. Chancellor Schmidt and President Giscard reached an understanding in early 1980 to postpone any further developments on EMS until the West German parliamentary and French presidential elections were out of the way.

This means that there may be important political decisions taken in the second half of this year on the creation of a European Monetary Fund (EMF). At present, the EMS is no more than a framework for political and central bank co-operation aimed at limiting exchange rate fluctuations between currencies.

The EMF, however, would be a major new Community institution to supervise the settlement of intervention debts and longer term balance of payments credits between member countries. But if the EMF is to be given the political green light, then there will have to be considerably more agreement than has so far been evident about its responsibilities and powers. On the one hand, West Germany cannot envisage a new central bank type institution any less independent of govern-

Trade benefits if Britain joined

Should Britain become a full member of the European monetary system? British membership is both 'feasible and desirable', according to Jacques van Ypersele, formerly chairman of the EEC Monetary Committee and now head of the Belgian Prime Minister's Office. In a recent speech to Federal German bankers in February, M. van Ypersele acknowledged that the EMS would have come under strain if sterling, a fast-appreciating currency, had been included in the scheme from the start. But, he said, this argument no longer applied.

If Britain joined, it would benefit her trade prospects and also help to stabilise exchange rates. However, the pound, like the lira, should be allowed a wider margin for fluctuation than the currencies of other member states.

ments than its own Bundesbank; while at the other extreme France would like something as easily controlled by politicians as its own central bank.

It is possible that the creation of a credible EMF would restore considerable momentum to the quest for economic and monetary union. It would certainly force the Community to develop a policy towards the dollar aimed at stabilising relations between the greenback and Community currencies. It would also encourage more progress towards making the European Currency Unit (ECU) into a fully fledged monetary instrument which could be used as a reserve currency and for intervention.

EMF, in other words, would be an important stepping stone. But its creation will flow not from any federal dream, as did the original commitment to economic and monetary union. Rather, it will be a result of political judgements in the capitals of the Ten that their economic and political interests require such a move. For example, the Ten may judge that serious trade tensions between the EEC and Japan, and the EEC and the US, could be better dealt with through more formal co-operative links between the EMS currencies and the dollar and the yen. If so, the EMF is the sort of institution the Community might need to create to manage a collective exchange rate policy.

But a great deal more action will be needed to develop the economic conditions which might encourage economic and political union. For example, the Ten have done nothing at all credible to try to narrow the differences between their inflation rates. In the last

'The Community needs some new ideas and initiatives...'

two years the gap has become even wider, so that at one extreme countries like West Germany and the Netherlands enjoy inflation rates of around 5 per cent, while Italy and Greece labour with 20 per cent or more.

At the same time, the Community needs some new ideas and initiatives to prevent economic differences between member states becoming even wider. The European Commission recently produced a study demonstrating that the gap in per capita income between the most prosperous areas of the Community (in North Germany) and the poorest (in Southern Italy) had widened significantly during the Seventies.

However, before the Ten can begin developing Community level policies for reducing inflation and boosting living standards, they must first regain some of the faith and confidence which, only ten years ago, made anything seem possible. E

More EEC funds for creating jobs

Britain's senior EEC Commissioner, Christopher Tugendhat, signed an agreement in London on February 23, providing another £20 million of European Community money to help create jobs for steelworkers and coalminers affected by recent closures.

The money will be loaned at special low rates of interest – up to 3 per cent below market rates. It will be made available through Finance for Industry Ltd (FFI), the long-term investment institution owned by the UK clearing banks and the Bank of England.

The latest loan is the third global loan provided by the EEC for reconversion under Article 56 of the European Coal and Steel Community Treaty. This gives the Commission powers to make loans to enterprises starting up, or expanding businesses, in areas affected by closures in the coal and steel industries, and which create alternative jobs for displaced workers.

Like the previous global loans of £10 million in 1974 and £20 million in 1979, it is designed for applicants requiring less than £1 million. It is in addition to allocations made to larger applicants, 40 of whom have received over £231 million in the UK since 1973 by way of reconversion finance, creating over 18,000 new jobs. At least three-quarters of these have gone to redundant miners and steelworkers.

The Commission estimates that the new loan facility should be even more job intensive, creating some 4,000 new workplaces.

— and more grants for steelmen

On March 19 the Commission announced readaptation grants for the British steel industry amounting to a further £9,054,000, to help workers affected by recent plant closures and modernisation. The grants – made under Article 56 of the European Coal and Steel Community – will be used for early retirement schemes, retraining and income support.

The works concerned are Consett, Co Durham (£5,575,000); Cookley, West Midlands, and Orb, Gwent (£930,000); Scunthorpe, Humberside (£1,210,000); Hallside, Glasgow (£696,000); and Shotton, North Wales (£643,000), pictured below.

