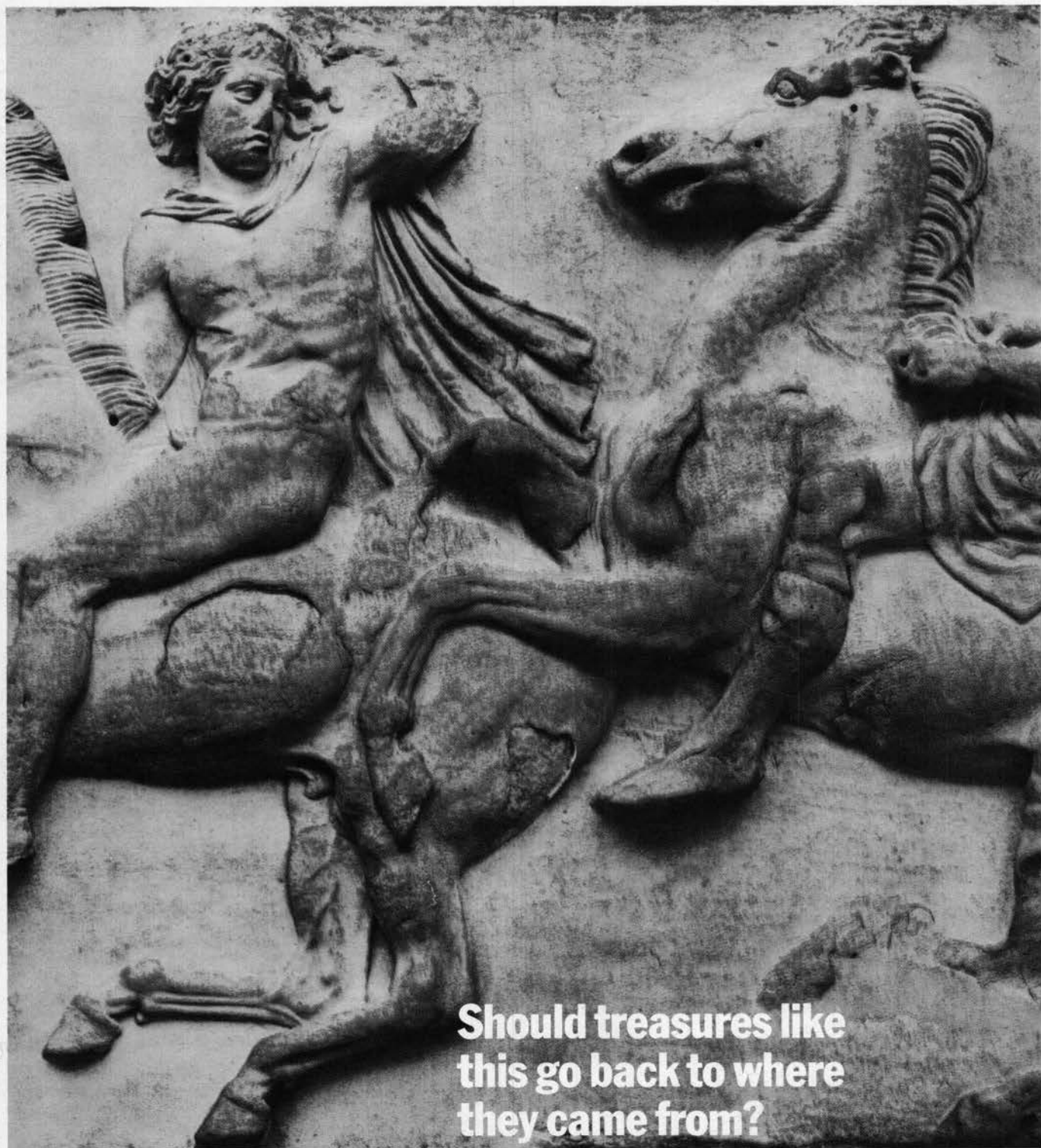


Europe 83

No. 9

September 1983



**Should treasures like
this go back to where
they came from?**



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We've moved to Westminster

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We would be grateful if you would amend your records accordingly.

Although it is the second largest city in England, and situated at the heart of an industrial region with a rich heritage – the West Midlands – Birmingham seems to have a low profile. In the next few months, however, that will change dramatically – with the start of a concerted promotional campaign by the region, aimed very largely at Europe.

The event around which the campaign will be built is the opening of Birmingham International Airport's £60 million terminal, in May next year. This project, developed by the West Midlands County Council, has received a £2 million loan from the European Investment Bank (EIB) at preferential interest rates. It will almost double the airport's passenger handling capabilities.

The enlarged airport will be operational by spring 1984. By a happy coincidence, Birmingham's National Exhibition Centre arena will be the venue, at the same time, for the first Rotary International Convention to be held in this country for over 50 years.

Estimates suggest that 20,000 Rotarians and their wives will be arriving in the West Midlands that month from all over the world, giving the region an exciting opportunity to sell itself – industrially, commercially, and from a tourist standpoint – to an international audience.

West Midlands 'Expo '84' is the response. From 26 May to 3 June next year, coinciding with the airport's opening and the start of the Rotarians' convention, the region's county council is mounting a major exhibition of its industry and commerce, also at the National Exhibition Centre (NEC).

Speaking at the launch of 'Expo '84' in June, Councillor Gordon Morgan, leader of West Midlands County Council, said the decision to sponsor such an event stemmed from 'the exciting prospect that world-wide attention will be focused on the West Midlands to an extent never before experienced in the region's history.'

A third of the NEC's exhibition space – over 2,000 square metres – has already been reserved by leading West Midlands companies, such as Austin Rover, Talbot, Jaguar, GEC, GKN, IMI, Tube Investments Group and Bass, Mitchells & Butlers. Participants will be expected to display only British-made goods.

West Midlands 'Expo '84' will be open to the general public over the Spring Bank Holiday weekend (26-28 May), and there will be trade visitor days and special Rotarian open days.

During the public open days, a joint ticket will give visitors access to both the exhibition

'Someone had to take the steps to get a British project under way'



PICTURES BY COURTESY WEST MIDLANDS COUNTY COUNCIL

West Midlands puts its best foot forward

The traditional workshop of Britain, centred on Birmingham, is making a bid for new business – helped by a £2 million loan from the European Investment Bank. ROY STEMMAN has been to see what it's all about

and the new airport terminal. That will mean for many the opportunity to sample a remarkable piece of British technology – the 'Maglev' transit system which will link British Rail's Birmingham International station, alongside the NEC, with the airport.

'Maglev' is an abbreviation of magnetic levitation. Passengers will be carried, up to 32 at a time, in cars gliding along an elevated track. They will be driven by a linear-induction motor, using frictionless magnetic suspension instead of conventional wheels.

The 600-metre journey between airport terminal and railway station will take 90 seconds. The longest wait for a car – travelling on two independent parallel tracks – will be two minutes. Because of the absence of moving parts,

Maglev will provide a smooth and quiet ride, around the clock.

In deciding to provide the Maglev link, West Midlands County Council was influenced by a desire to make what it calls the first essential step towards selling an alternative transit system in the international market place. Someone, it says, had to take practical steps to get a British project under way.

Birmingham Airport serves central England, and has seen a marked increase in passengers in recent years. Holiday tours, business travel – particularly to EEC destinations – and special charters have all contributed to this growth in activity, as has the opening of the NEC.

Passenger flow has grown from 700,000 in

1970 to 1.6 million in 1979, despite the world-wide recession in travel. Birmingham Airport anticipates handling 1.9 million passengers by 1985, and expects the growth to continue through to 2.7 million in 1990.

The present terminal is now working at capacity. Congestion is inevitable in peak times, and there is no room to expand further. After a public inquiry in 1979, the Government agreed to the county council's proposals for a new passenger terminal, and is making a contribution to the substantial costs involved.

The new terminal will be a three-storey structure which will give passengers access to their flights through island piers and adjustable passenger bridges. Having to walk across the apron to waiting aircraft, in all weather conditions – which is what Birmingham Airport users have had to do until now – will be a thing of the past.

The terminal will be able to handle nearly three million passengers and 33,000 aircraft movements a year. Just as important, from the West Midlands' viewpoint, is that the new terminal will create 2,000 new jobs by the late 1980s, at the airport itself and in associated hotel and transport services. In addition, of course, it is likely to provide a further stimulus to employment in the region.

The need for such a stimulus is unquestioned. As C. H. Perry, member of West Midlands Regional Council, CBI, pointed out at the launch of Expo: 'Over a long period, the area has suffered from the decline of its older industries, and also from an inability to attract new industries in the face of Government discrimination in favour of the other regions.'

Because it is not an assisted area, the West Midlands has not attracted aid from the European Regional Development Fund (ERDF) which is dependent on such a Government designation. Yet it has suffered considerably from the effects of the recession, and in particular from the decline in manufacturing industry.

The area was the centre of the Industrial Revolution which made Britain the 'workshop of the world'. The availability of raw materials, such as coal, ironstone, fireclay and limestone, provided the basis for massive industrial development in Birmingham, Coventry and the Black Country in the 19th century. Much of this vast expansion was of metal-based industry. In more recent times, the West Midlands has become a centre for car production.

In the past few years, the region has experienced the fastest growing unemployment rate in the UK – the April 1983 figure was 17 per cent. Between 1979 and 1982, 100,000 people were made redundant in the West Midlands. Nine out of every ten were in metal manufac-

turing, mechanical and electrical engineering and vehicles.

Although it is not a major steel producer, the West Midlands has one of the highest re-rolling facilities in the country – which is where the severest redundancies have occurred.

A considerable amount of money has come from the European Coal and Steel Community (ECSC), in the form of grants to assist in payments to redundant coal and steel workers, and to help in their re-employment in other industries. Nearly £1½ million, for example, went to the 605 workers affected by the cutback at the Round Oak Steel Mills at Brierly Hill. And the same amount was shared out among other companies in the West Midlands, in the same allocation, whose workers (from seven to 212) were similarly affected by the recession.

The ECSC has also given grants to a variety of research projects in the region, some of which are taking place at Birmingham's Aston University. It has also given a £2 million loan to Danks Engineering towards the extension of its boiler manufacturing facility at Dudley, creating about 380 new jobs.

Only Oswestry, a Welsh border town in the north-west of the region, has received financial aid from Europe under ERDF. In the late 1960s, following the closure of a mine and rail headquarters, its unemployment rate was

'A £297,000 grant from Europe helped build an industrial estate'

twice the national average. As the region's black spot it was given intermediate status – which was removed in August 1982 with the Government's new regional policy.

During the period of qualification, however, it was given a £297,000 ERDF grant for the development of a 28-acre industrial estate. An additional £39,578 grant enabled the county authority to build three advance factories. These moves have done much to bring Oswestry more in line with the national jobless average.

Without direct EEC aid to create new employment, but with a strong determination to maintain the West Midlands' historical and present standing as the industrial and commercial heartland of Britain, the region is looking at other ways of stimulating its economy.

One possibility is the creation of a Duty Free Zone (DFZ) or Freeport at Birmingham Airport. It was the efforts of West Midlands authorities which made a major contribution to persuading the Government to accept the



Magnetic levitation – Maglev – will link Birmingham's railway station with the airport.

'The European Coal and Steel Community has also given grants'

principle of Freeports (which have worked very successfully in other countries) for the UK.

Following the Budget announcement on Freeports in March this year, West Midlands County Council has prepared a persuasive case for siting a Freeport at Birmingham Airport and is one of the first regions to submit its argument. It asks for an experimental zone to be established inside a boundary at the airport. Goods imported into this Freeport are not subjected to tariffs, duties or regulations of the host country until they actually leave the zone.

The advantages are many – among them being a better cash flow for companies using imported raw materials, because they do not pay duty unless, or until, they leave the zone in manufactured form. There is also a considerable reduction and simplification of Customs procedures and paperwork.

However, as the West Midlands' submission points out: 'Unrestricted operation of a DFZ/Freeport in the UK is not currently possible within existing EEC Regulations. Under Community legislation, there is the requirement to preserve parity in the customs facilities offered at a DFZ/Freeport and those generally available elsewhere in the EEC which precludes tariff concessions specific to DFZs being made available. **E**

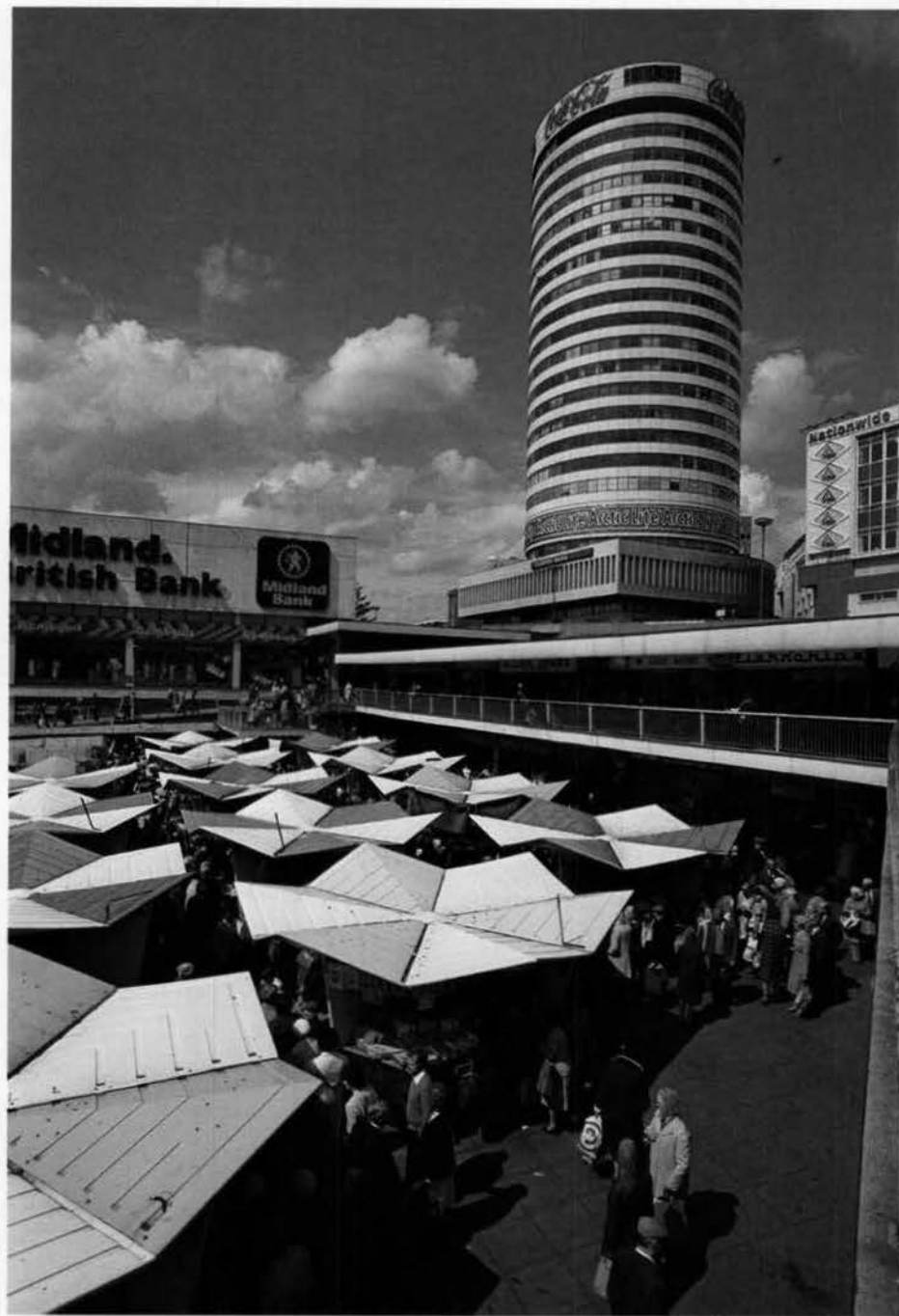
'Under Community law there is a requirement for customs parity'

What that means is that Freeports in the UK would be able to store and process certain goods but not manufacture them. It calls for changes in regulations to enable manufacturing to occur 'and create greater freedom in trading opportunities world-wide.'

It would be easy to think of the West Midlands only in industrial terms; but its origins are agricultural. It was probably through making implements for the land that Birmingham's famous association with metal began. For 800 years the city of Birmingham has held markets of one kind or another, and stalls still abound close to the modern Bull Ring shopping precinct, the site of the original market place. Dominating the scene, however, is the vast Birmingham Wholesale Market, considered by many to be the best in Europe.

It serves not only Birmingham's one million population but also the two million inhabitants of the rest of the region. The cosmopolitan nature of the region is reflected in the exotic produce which is flown or shipped in every day.

Colin Mitchell, general manager of the City of Birmingham's Markets Department, had the job of replacing the old markets with modern premises capable of handling the daily input and output of meat, fish, poultry, fruit, vegetables and flowers. Having all these pro-



Market stalls still abound in Birmingham's modern shopping precinct.

ducts under one roof is probably unique and a vast 21-acre hall was built in phases, in the mid-1970s, to house the new markets.

Mr Mitchell takes pride in the fact that Birmingham Wholesale Market was the first UK project to receive an EEC agricultural grant following our membership in 1973. He steered the application through – and received £1¼ million from Brussels. That represents just less than a quarter of the total agricultural aid that has been made available from the EEC for agricultural projects in the West Midlands' five counties.

One of the recipients of Community aid has been the National Agricultural Centre at Stoneleigh, near Kenilworth. This international research, breeding and exhibition cen-

tre has many ties with the agricultural community of the EEC and is the home of the Royal Show in the summer. Its livestock demonstration units and other buildings were built with the help of a £285,000 EEC grant.

It was at Kenilworth in July, speaking at the opening of the Royal Show, that the new Minister of Agriculture, Michael Jopling, called for action to curb the costs of the European Common Agricultural Policy (CAP): 'You just can't go on producing more and more food that you can neither eat nor sell abroad.'

While the politicians are grappling with CAP, the West Midlands is understandably pleased with its plans to stimulate the economy with its £60 million scheme. **E**

Do the Ten really want the European Parliament to work?

With 434 members, the European Parliament has one fewer than the United States House of Representatives, and 216 fewer than the House of Commons at Westminster. Beyond that, any meaningful resemblance comes to an end.

For one thing, its debates are held in seven different languages – English, French, German, Italian, Dutch, Danish and Greek – and every word spoken is simultaneously interpreted into the other six. Members and spectators who want to follow what is going on, have to wear earphones, which greatly inhibits the cut and thrust that enlivens debates in some national parliaments.

Furthermore, the Parliament has no home to call its own. Until 1981, about one-third of its plenary sessions were held in Luxembourg, and the remainder in Strasbourg, where it borrows the chamber of the 21-nation Council of Europe. Since July 1981 the members have decided not to meet in Luxembourg any more, but almost all of the Parliament's secretariat is still based in that city. The Parliament's committees, however, normally meet in Brussels, where both the Commu-

Next May, citizens of the European Community will be going to the polls to elect their representatives in the European Parliament. How does the Parliament measure up? DICK LEONARD, chief Brussels correspondent of The Economist offers a personal assessment

ity's main decision-making bodies – the Council of Ministers and the Commission – hold the great bulk of their meetings.

The life of an MEP is therefore highly peripatetic. He rotates round a six-point circuit, comprising his home, his electoral district, his national capital, Strasbourg, Luxembourg, and Brussels. On 26 and 27 April this year, history was made when the Parliament met for

the first time in Brussels for a special session to debate the problems of Europe's 12 million unemployed. Despite fierce resistance, from Frenchmen and Luxembourgers in particular, there is bound to be sustained pressure from other members of Parliament to make Brussels their permanent home. So far, the Governments of the ten member states have always shied away from such a decision.

Partly this has been in deference to French governments, which have invested much money and more national pride in providing Strasbourg as a meeting place. But the suspicion lingers that the governments may actually prefer a less effective Parliament wandering from place to place rather than a more purposeful body based in the city where Europe's decisions are made. National ministers want to keep their own hands firmly on the levers of power and do not want to share them with the representatives of Europe's 200 million voters.

This is apparent from the meagre powers which the European Parliament has been allocated. There are basically four. First, to reject the annual budget – by a two-thirds majority – and to amend the 'non-obligatory' part of it.



'National ministers want to keep their hands firmly on the levers of power'

This comprises about 30 percent of the budget, but none of the farm-support spending. Second, to dismiss all 14 members of the Commission, again by a two-thirds majority. Commissioners cannot be sacked individually. Third, to be consulted before Community laws (regulations, directives, decisions) can be made. And fourth, to receive reports from the Commission and the Council of Ministers and to direct questions to these two bodies (2,877 questions were put last year).

The European Parliament is not the law-making body of the European Community. That role is played by the Council of Ministers, representing the Governments of the member states. This might have been acceptable to members of the European Parliament before 1979, when the first direct elections took place. Previously, the Parliament, which started life in 1952 as the 78-member assembly of the European Coal and Steel Community, was very much a part-time affair. Its members all held seats in national parliaments and were delegated to go off for a few weeks each year to Strasbourg or Luxembourg to monitor the work of the Commission. The directly-elected members of the European Parliament, however, are meant to be full-timers and they bitterly resent the peripheral role they are called upon to play.

It is hardly surprising, therefore, that they have seized every opportunity to try and prise more power away from the miserly grasp of the Council of Ministers. Twice – in December 1979 and in December 1982 – they have turned down Community budgets and have used the resulting embarrassment of ministers as a lever for extending their own budgetary influence beyond that actually laid down in the Treaty of Rome.

They have also been helped by a ruling of the Community Court of Justice that no Community law was valid unless the Parliament had previously given its 'purely advisory' opinion on the draft.

By threatening to withhold an opinion when ministers are anxious to legislate, the members of the European Parliament are able to increase their influence on particular occasions of their choosing.

The parliament sits in six political groupings, which are formed on ideological rather than national lines. The largest group is the


'Will the MEPs attempt to use their "nuclear weapon" – sacking the Commission?'

Socialists, with 124 members – the only group with members from all ten member states. There is, however, a right-of-centre majority in the Parliament, made up of 117 Christian Democrats, 63 Conservatives, 39 Liberals, and 22 Progressive Democrats (mainly French Gaullists).

There are also 48 Communists and 25 others. Despite the right-wing majority, the President of the Parliament is a Dutch Socialist, Piet Dankert. He owes his position to the outstanding tactical skill which he showed in leading the fight against national Governments over the annual budget.

The second Europe-wide election for the Parliament will be held in June 1984. The big

question during the remainder of 1983 is whether members of the European Parliament will attempt to use their other 'nuclear weapon' – sacking the Commission. They are sorely tempted to do so in the run-up to the elections in order to draw attention to themselves. Otherwise, they fear that public interest in the election will be low, and that few people will bother to vote.

Commission President Gaston Thorn and his fellow Commissioners are currently bending over backward to placate the Parliament. But unless the MEPs can find a cast-iron issue on which to censure the Commission, they may well find that such a move would blow up in their own faces. 

... and how it looks from the floor, by Euro-MP Michael Welsh

Any Euro-MP may table a written question under rule 46 of the rules of procedure. Questions are published in the *Parliamentary Bulletin*, and should normally be answered within two months of their being received by the Commission or three months in the case of questions put to the Council. Answers when they become available are sent direct to the member and subsequently published in the *Official Journal*. Selected questions are also published in magazines like *British Business* and *EUROPE 83*.

The effectiveness of questions depends to a large extent on the willingness of the other institutions to provide an answer. Answers to council questions have to be approved by representatives of all the member states, and thus tend to be anodyne and unhelpful. Written questions to the Commission, however, can prove extremely effective in eliciting information on Community activities, elucidating Commission policy or simply calling attention to a particular issue which needs to be investigated or debated.

A perusal of the *Official Journal* can turn up extremely helpful statistics on such matters as steel quotas, regional fund disbursements, and comparative prices of food products. A recent issue contained a very clear statement of the Commission's position on the amendments to the block exemption for exclusive purchasing and distribution contracts.

On the rules of origin, questions have established a clear ruling that member states are not entitled to require certificates of origin for goods in free circulation. This ruling has proved particularly helpful to firms which have run into trouble with their export documentation.

MEPs have also used a stream of written questions to establish the essential illogicality of the origin rules, a series of anomalies that

will eventually give rise to a parliamentary report.

Much depends on the skill with which questions are drafted. MEPs need to have a clear idea of the nature of the answer sought, and a reasonable mastery of the detail of the subject. Questions which are declaratory, or based on inaccurate information or assumptions, are quite useless. It is essential for questions to be drafted so as to produce constructive answers. The Commission, if approached correctly, can be very helpful, and frequently uses written questions to highlight aspects of its own policy and concerns. It has made a significant contribution to the development of written questions as a useful institutional device.

But question time in Strasbourg is not as exciting as at Westminster. Simultaneous translation robs the exchanges of spontaneity, and frequently the commissioner replying is not personally responsible for the subject matter of the discussion. We have yet to develop a style of oral questioning suited to the special circumstances of the European Parliament. Even so, the procedure has its uses, and on one occasion MEPs were able to harry one of the Commissioners into undertaking to consult Parliament before submitting its mandate to the Council for the multifibre negotiations, thus ensuring that we were fully engaged in the development of the Community's negotiating stance.

MEPs also use parliamentary questions to ensure that the Commission responds to the needs of industry and commerce and that Community regulations are practicable, constructive and observed.

The Commission is a remarkably open bureaucracy. Provided we receive clear, detailed briefings from industry on the practical problems they encounter, a great deal can be done to put them right.

Acknowledgements to *British Business*.

Who owns the Venus de Milo?

LOUIS RONZE looks at the rights and wrongs of the argument for returning works of art, now in European museums, to their original locations



With historical upheavals, and the changing fortunes of war, works of art have changed hands many times over the centuries, often in dubious circumstances. Should they now be returned to their country of origin, or would this compromise the cultural unity of the European Community?

A few months ago, three Greek MEPs put forward a motion for a resolution calling on Britain to return the Elgin Marbles, which include a large part of the frieze from the Parthenon. This collection is now kept in the British Museum in London.

The motion put by Mr Ephemerides, Mr Adamou and Mr Alvanos was not accepted by the European Parliament, which did not discuss the matter. However, this does not mean that the problem does not exist – witness the present reluctance of the Louvre to lend the Venus de Milo for a temporary exhibition in Athens. The fear is that pressure of public opinion might prevent the organisers of the exhibition from being able to return this masterpiece to Paris.

The Greek members' resolution may have failed, but it raised the general question of the return of certain masterpieces such as paintings, statues, and even entire buildings, which have left their country of origin, often in questionable circumstances. In a Europe now at peace with itself, this presents a possible cause of strife which, unless measures are taken to avert it, could embitter cultural relations.

This is the last thing we need. However, the matter is so complex and obscure that, until now, all countries which have had to consider the problem have been content to deal with it case by case. Admittedly, the Council of Europe and UNESCO have urged effective protection of the artistic heritage against theft; but 'restitution' has remained practically a taboo subject.

The European Commission, for its part, has recommended ratification of a convention adopted by the UNESCO conference in 1970 dealing with 'measures to forbid and prevent illegal import, export or transfer of cultural assets'. However, in its communication of 22 November 1977 to the Council of Ministers, the Commission stated that 'certain reservations could be attached to the ratification of

'Parts of the Parthenon are to be found in the Louvre'

this convention, aimed in particular at excluding any possibility of later revocation of its retrospective effect'. This veiled allusion is the only reference to possible demands for restitution.

Again, a recent meeting of Ministers of Culture in Mexico emphasised in careful terms the advantages of replacing important examples in their authentic environment. In their motion, the three Greek MEPs referred specifically to this text.

Before going any further, let us consider these famous Elgin Marbles. In 1799, Thomas, seventh Earl of Elgin and eleventh of Kincardine, was appointed British ambassador to the Sublime Gate of Constantinople. A great lover of classical Greek art, he asked for, and obtained, permission from the Turkish authorities to make notes of the works of art on the Acropolis in Athens. Soon, he went one step further and asked for permission to export some of these works of art. At that time, the Ottoman Empire was totally disinterested in Greek art, and Lord Elgin's request was granted.

Doubtless, politics also played a role. In

1799, Turkey was confronted with the French invasion of its Egyptian province and sought the support of Great Britain. In 1803, Lord Elgin began to have part of the Parthenon frieze removed and crated at his own expense, but in the middle of this task he was recalled to London. It was only ten years later that he succeeded in having his treasures transported to Britain.

Strangely enough, the only protests at the time came not from the Greeks, who were reduced to silence under the domination of the Sultan, but from an Englishman, the ardent graecophile Lord Byron. He accused Lord Elgin of being a vandal, of seeking to enrich himself at the expense of the Greeks, and of misusing his diplomatic status to accept presents from the Turks. Nevertheless, it must be admitted that, in 1803, there was nothing to suggest that these masterpieces would have been safe from possible destruction if they had been left in situ. For in 1687 the Parthenon, which at the time had been transformed into a mosque, had already been seriously damaged by a Venetian bombardment, when the gunpowder stored in the sanctuary blew up. After the explosion, the Turkish administration contented itself with patching up a small mosque in the ruins.

The quarrel between these two English peers eventually led to a parliamentary committee being set up to look into the affair. This committee cleared Lord Elgin of any blame, but nevertheless recommended that the government should purchase the collection and present it to the nation. This was done in 1816. Lord Elgin received £35,000, much less than the expenses he had incurred, and the 'marbles' were lodged in the British Museum.

The case of these famous works of art is by no means unique. Certain parts of the Parthenon decorations are to be found, for example, in the Louvre, where they are kept, along with the Venus de Milo and the Winged Victory of Samothrace.

The Greek MEPs asked for the return of the frieze because it is part of the Greek national heritage. Today, almost all countries attach great importance to the conservation of this sort of heritage, which is not limited to works of art alone, as was shown by the recent dispute between France and Algeria about the records of the former North African *départements*.

For the Greek MEPs, the removal of the Parthenon frieze constituted an 'illegal act' of spoliation, since the Greeks, being reduced to impotence under the Ottoman regime, were not able to oppose it, as they would undoubtedly have done thirty years later, when they had won their independence. But what exactly constitutes 'spoliation'? Lord Elgin had not broken any law, and had obtained all the necessary permissions.

This is not the case with many other masterpieces taken, for example, by the victors in time of war; although it may be wondered whether a concession which is confirmed in a peace treaty cannot be legally contested. It was in this manner that, after the defeat of Napoleon, France was forced to return the quadriga from the top of the Brandenburg Gate in Berlin and the four bronze horses taken from outside St. Mark's in Venice.

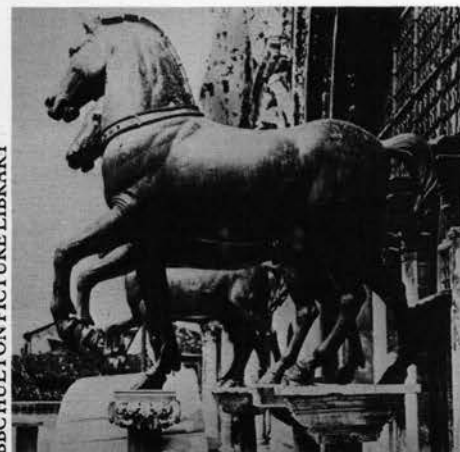
However, this latter case, which is far from being clear-cut, underlines all the ambiguity involved in a systematic policy of 'restitution', since the Venetians themselves stole the horses from Constantinople when it was sacked by the crusaders in 1204. Could the Turks now ask for them to be returned to Istanbul?

These horses, however, have nothing to do with Turkish civilization: they belong to the hellenistic art of the third century BC. In that case, could they be claimed by Greece? If, on the other hand, the Venetians are considered to be the legitimate owners, it is necessary to determine how much time must elapse before possession gives title, otherwise Egypt could very well demand the return of sculptures taken to Italy under the Emperor Hadrian to decorate his villa near Tivoli. The question is far from being simply theoretical, since the Louvre, for example, is now filled with works of art taken by Napoleon from various European countries and which did not form part of those returned in 1815.

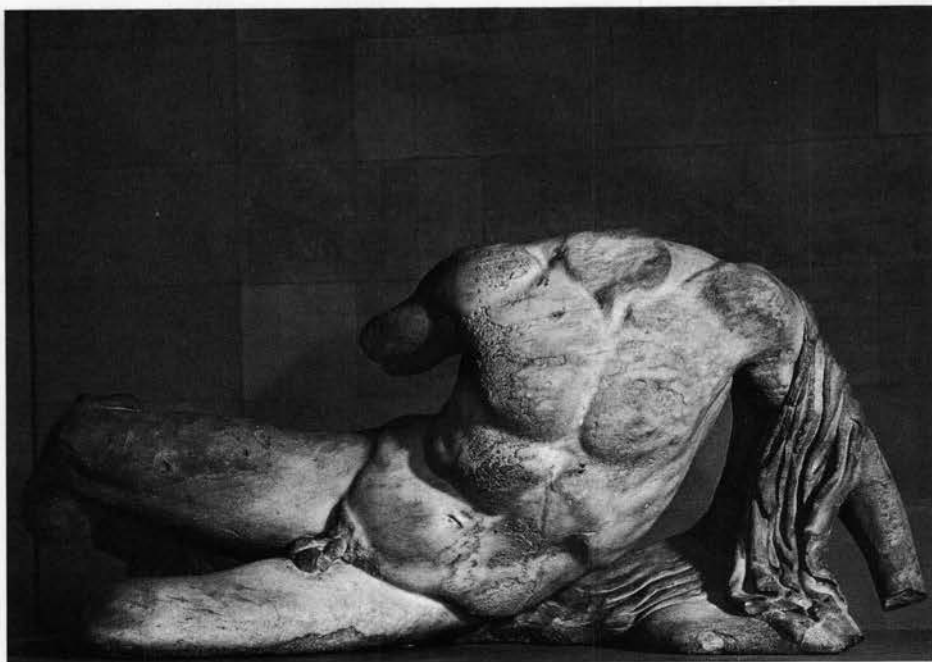
Apart from the purely legal aspect of the problem there are other questions, the most important of which is the role that countries assign to their national heritage. It could be said that the national heritage serves to reinforce the identity and greatness of the community which created it. Secondly, this heritage now also serves to attract tourists, and is thus of considerable economic importance—a fact which is less often admitted.

However, it is by no means certain that any

'The horses of St Mark's have nothing to do with Turkey's civilisation'



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BRITISH MUSEUM PHOTOGRAPHY

Headless but priceless: a figure from the east pediment of the Parthenon, part of Lord Elgin's consignment, which has been lodged in the British Museum since 1816.

given work of art will attain its greatest influence if it is kept in its place of origin. The splendid Benin bronzes, for example, only came to be known after the town was pillaged by the British in 1897; and the influence which black African art exerted on European art would have been much less if the babuka statues of Zaire or the dogon masks had remained where they were, where at the time there were no facilities for displaying them.

This has not prevented Nigeria from demanding the return of certain objects, such as the famous ivory mask, the symbol of the Lagos festival of black African art, which is still kept in London. Neither has it prevented Zaire from demanding the return of the better part of the contents of the famous African museum in Tervueren, near Brussels.

The question becomes even more complicated inside the European Community, which also aspires to be a community of culture. Attention has been drawn to this aspect of the Community on several occasions by summit conferences of heads of state and government leaders—a fact which has almost been forgotten. Thus the final declaration of the 1972 conference, held in the Hague, emphasised that Europe is a 'unique nurture ground of culture' and that it must be safeguarded.


In Copenhagen in 1972, another declaration on European identity stated that culture is one of the basic elements of the Community's identity. The different countries of the Community are thankfully not hermetically sealed cultural compartments but a continuum in time and space. To give but one example, a large part of European art has drawn its inspiration directly from Greece. Greek works of art are thus part of our common heritage, and are equally well at home in Paris or in London, Rome or Berlin. If this were not the case, demands could be made for the return to

'Claims which often conceal motives of financial gain'

Metz of the famous equestrian statue of Charlemagne, now kept in the Louvre, by reason of its being a work of art in the Mosan style, which owes nothing to the art of the Ile-de-France.

One last factor to be taken into account when considering the return of works of art is that their authenticity is only of relative importance. Reproduction techniques, whether for paintings, sculptures or buildings, are now so advanced that the advocates of restitution and of the right of possession could well be satisfied by having copies distributed. The protests of those who demand the return of the original can well be imagined.

And yet, from force of necessity, custodians often do not scruple to take great liberties with the authenticity of works of art which visitors often come great distances to see in their 'authentic' setting. The millions of tourists who come to admire the sculptor Duquesnoy's 'Mannekin Pis' are seemingly unaware that the little chap they see there is only the seventh or eighth copy of the long-since-vanished original which was stolen, as were subsequent copies.

Again at the Acropolis in Athens, the caryatids of the Erechtheum are also copies; but this fact does not in any way reduce the admiration of visitors, who may be unaware of it. What are we to make of all this? The most important conclusion is that the present dispersion of works of art across the Community must not serve as a pretext for renewed chauvinistic claims for their return, which often conceal motives of financial gain. 

Why the European cinema is facing a crisis

Never before have films been so popular in Europe. All the indications are that people's passion for movies is growing – but also that today's audiences prefer to watch them at home. Now, it is the small square screen of television, not the silver screen of the cinema, that holds sway.

There is another, not so obvious, change too. Europe's once-discerning cinemagoing public has become less so, and a lot less addicted to European films. Apart from the huge TV audience, even the larger cinemas in Europe are today dominated by American films.

The most unhappy change of all is that the film industry in Europe is facing its most serious economic crisis ever. A report from the European Parliament's Committee on youth, culture, education, information and sport, dealing with the promotion of film-making in the Community countries, has come up with some depressing statistics.

It reports that the American film industry now takes an overall 47 per cent share of the main European markets of Italy, France, the UK and Germany. This leaves 51 per cent to Europe's film leaders, and 2 per cent to share between the other six Community countries. So less than half the market goes to a single industry, which makes the Community the best foreign market for American films.

ROSE DOYLE reports on the dilemma of a once-prosperous branch of the entertainment industry, in its fight against powerful – and popular – rivals

Again, the development of television has meant that the decline in the number of cinema-goers over the last 25 years has varied from 57 to 91 per cent throughout the member states.

The report, for which French MEP Mme Marie-Jane Pruvot acted as rapporteur, offers these facts, along with advice for saving the industry. It points to the disastrous effect the crisis is having in social terms (on employment, the standard of living, and all categories of workers in the film industry) as well as in cultural terms, since it jeopardises the future of a medium for the cultural expression of every European nation.

It warns that time is running out: it will soon be too late to restore the cinema to its former pre-eminent position as popular entertainment, unless the Community begins to deal with 'anti-competitive' practices by the American film industry, both by permitting

and helping member states to improve the distribution of European films and also by creating a distribution system powerful enough to compete on equal terms with the major American companies.

The report calls for a reversal of the famous dictum of André Malraux – 'The cinema is an industry, but it is also an art'. It is also concerned about the decline in short films, feeling that all films, as part of the Community's cultural heritage, should be afforded the same protection as other features of our collective heritage.

Television offers no salvation. The film industry's earnings from the new markets which the medium has opened up are derisory, since the cost of purchasing a film for a TV network represents, on average, no more than 3 per cent of its production cost – while the rate for one minute's advertising is generally enough to cover the fee for broadcasting an entire film. Films on TV come cheaper for everyone, it seems.

On the other hand, if TV paid more for films, the excessive numbers broadcast would diminish (the broadcast rights for one film are between nine and 25 times less than an equivalent production whose costs are met by TV).

The report reveals the 'overwhelming domination' by the American film industry in Europe, with its two-fold advantage. Apart from the benefit of getting the lion's share of the market, there is also the insidious influence on the culture of Europe. In the recessionary early thirties, times not unlike today, US President Hoover bluntly stated the value, economic and cultural, of cinematic dominance: 'Where the American film penetrates the market, we sell more American automobiles, more baseball caps and more American phonographs.'

The European Commission has already taken steps towards promoting the Community's film industry in preparing, along with the national television authorities, a series of TV programmes which will present the cinema of each member country to the public in others. This is not enough, the report feels. A European Film Festival is needed – on the Community's initiative, and with its support, it should include aid for the distribution industry itself.

There is a warning, too, that the abolition of national aid would amount to the complete disappearance of the European film industry. The Community is urged to take a closer look at the truly non-competitive practices on the part of the 'majors', which have led to the closure of so many local cinemas and turned smaller conurbations into public wildernesses, as well as alienating the cinema from its public. There are also words about the dangers developing from the rapid movement of cable and satellite TV and video cassettes, as well as pirate recordings.

The report's final plea is for the Community to show both realism and sensitivity – to build 'the Europe of the Treaty of Rome without destroying the cinema – which is one ramification of the Europe of Culture'.



American films now take a 47 per cent share of the main European markets.

'The rules of the game have been imposed on Japan by the Western countries...'

Do you think Japan will have to 'throttle back' on its exports to prevent the EEC countries from reverting to protectionism?

BRINKHORST: I think the EEC must conduct a double policy towards Japan. Firstly, it should try to maintain those industries which are essential for its own future, for example the machine-tool industry, by encouraging cooperation with Japan. And secondly, it should be made clear to the Japanese that they will have to show a certain amount of restraint in their exports if they wish to prevent such an imbalance arising that national protectionism will take hold and they will finally be driven from the market as a whole.

Does it amount to asking the Japanese to punish themselves for their own successful industrial and economic development?

No, that would be a false picture. What is necessary is to call upon enlightened self-interest and the fact that all the economies in the world now form part of the same economy. It should not be forgotten that in the Fifties and Sixties Japan built up its own industries behind massive tariff barriers.

Do you have any problems with the ambassadors of the Ten in Tokyo?

There is an important difference. Unlike a national ambassador, I do not deal with the sum total of relations between countries. The EEC has a limited number of tasks, and that means that my work is mainly concerned with the economic relations between Europe and Japan – and here the biggest problem at present is trade relations.

In this matter, the European Community has been given special competences by the member states. In principle, we share the same position. In my relations with the ambassadors of the Ten, I am the European spokesman in this matter, and the ambassadors do not have personal contacts with the Japanese on this question. The only exception is when it is a question of how to deal with a concrete problem. But in that case we consider the matter jointly.

One problem is that Japan is a highly industrialised country with an economy stronger than any western European nation's and whose GNP is more than half that of the EEC's even though its population is less than half of that of the European Community. Yet it still has difficulty fitting in with the economic system set up by the western nations after the Second World War. This is due to Japan's very different culture, and to its traditionally

Europe's spokesman in Japan, Laurens Jan Brinkhorst, answers questions on how he sees trade relations developing between the Community and its most formidable competitor



closed society. When we speak about free trade, we mean free access to the market and free competition, including competition between labour and capital.

In Japan, all these concepts have a different meaning. The rules of the game have been imposed on Japan by the Western countries – or rather, Japan has accepted the western rules. When the Japanese say that their tariffs are the lowest, then that is the truth; and when they say that there are almost no formal restrictions

'The closed nature of Japanese society affects Japan's relations with other countries'

on imports, then that is also true. However, that does not mean to say that Japanese markets are equally accessible to European industry.

I will give you an example. In Japan, there are no company takeovers in order to achieve economies of scale.

The reason for this is that labour relations are so strong that employees feel themselves bound to the company for life. In return for this loyalty, in principle they have a guaranteed opportunity for employment. When you have such an individual company structure, then it is very difficult to accept any sudden change of management, or to have another company merged with your own so that the whole management structure is altered.

Does this mean that the closed nature of Japanese society is reflected in the structure of companies?

Indeed it does. And this means, for example, that the well-known Dutch phrase 'Do it in the boss's time' is incomprehensible to the Japanese, since for them there is no question of a master-servant relationship – a company is an organic whole. When European firms venture into Japanese territory, they would do well to take this sort of difference into account.

The closed nature of Japanese society also affects Japan's relations with other countries. The Japanese have always had a strong preference for their own products. In a certain sense it is true to say that the country has a 'self-sufficiency syndrome', a strong need to meet all its own requirements. This runs counter to the concept of the international division of labour, and to the idea that you should import certain products which you do not make yourself.

Turning to the question of Europe, do you see the biggest problem as being the relative loss of competitiveness?

It is not just a question of the Japanese dumping their products on our markets: it is more the case that we have fallen behind in certain industries. You only have to think of the Swiss watch industry, which disappeared in five years because the Swiss did not believe in the quartz watch introduced by the Japanese, and which is now trying to make a comeback. Another example is the motor cycle industry. Apart from Harley Davidson, nearly all the motor bikes you see riding around are Honda or Yamaha. The European and American industry will thus have to try to make a come-

back in the next few years. It certainly can, but it will take a great effort. Once you have lost a lead and are confronted with such strong competition and fighting spirit as is shown by the Japanese, then you have to concentrate your strength and try your very hardest. The biggest danger for Europe is that we never present a united front and are always trying to steal a march on each other, while in certain areas we could have more impact if we cooperated.

Don't the EEC countries seem more and more to be taking refuge in sheltering their own markets? There is indeed that tendency. There is a great temptation to say that we will shelter our market temporarily, and that once we are stronger again we will return to the open market. The danger of this is, of course, that the temporary protection will become permanent, and that because we have lost the spur of competition we will no longer be able to enter the fray of international competition. From this it follows that, as I said earlier, we must pursue a double policy of trying to maintain our own essential industries and to reach an understanding with the Japanese by calling on their enlightened self-interest.

So does it require a special attitude?
I don't think that you can ever hope to com-

'You will never achieve anything with the Japanese by getting into a heated debate'

pletely fathom Japanese society. It is said that the only people who can have a well-founded opinion of Japan are those who have been there less than three months or more than thirty years, in which case I still have a long time to go. With that reservation, I can say that you seldom come in contact with ministers or politicians who have not prepared their subject well. This also has to do with the fact that the Japanese do not like improvisation. The second point is that they are very courteous. You will never achieve anything with the Japanese by getting into a heated debate.

In Japan, much use is made of go-betweens. When two negotiators speak with each other, they remain on the best of terms, even if they do not agree with each other. They know that, if they try to reach a conclusion, they will come into conflict, and so they go on talking until an agreement can be reached by two go-betweens at a lower level. Once the go-betweens have

reached an agreement, the top negotiators can reach a conclusion within an hour.

In this respect, the Japanese are very difficult for us to understand. However, I don't think it is impossible, and I always object when Japanese say, 'You people do not understand us; we are Japanese, and of course you must conform to our standards, but at the same time you must put your own attitude and your own position up for consideration' often say to my Japanese friends, 'You are part of the western industrialised world, and you also wish to take part in the great political and economic summit conferences - but that means that you must also conform to a certain extent.'

This will probably be the most difficult problem in the coming years, namely to know how to be able to accept the Japanese as equal negotiating partners. We on our side will have to make a greater effort, since under the surface the Japanese still think of themselves. 'Yes, now they have need of us. But they do not really think of Japan as a western country, that it really belongs.'

□ Laurens Jan Brinkhorst, formerly leader of the Democrat or 'left-liberal' party in Dutch politics, has been head of the EEC delegation in Tokyo since January.

Social Fund hits a new high

The European Social Fund, one of the Community's most important weapons in the fight against unemployment, is well and truly in business. Originally designed to promote job opportunities and the geographical and professional mobility of workers, it has become increasingly important as Europe has slid into economic recession.

The Fund finances vocational training and retraining schemes for redundant workers and the unemployed. Since 1975 an estimated 4.5 million Europeans have benefited from ESF-funded programmes. The Fund also assists in the relocation and resettlement of workers and creates opportunities for school leavers to gain work experience.

During the Sixties, the Community experienced an unequalled period of prosperity. Then the economic crisis struck. By 1975 there were six million unemployed in Europe - twice as many as in 1958, when the Community was founded. It was becoming increasingly clear that the Social Fund's budget allocation was totally inadequate to fulfil its function. In 1971 the Fund was reformed. A total budget of £258 million more than the spending of the previous 12 years, was allocated.

This first reform of the system was

designed to make the Social Fund more flexible and efficient, in that it did not simply compensate projects already financed by member states.

But it wasn't enough. Unemployment increased. In 1974 the Council of Ministers adopted a programme of 40 priority projects aimed at two major objectives: full employment and improved living and working conditions. In 1977 a new plan was put forward. In future Fund resources would be concentrated in the sectors and regions most in need of them. At least 50% of Fund credits would be devoted to hardest hit areas.

In 1980 unemployment reached 7 million. By 1983 there were 12.3 million unemployed in the Community, some 40 per cent of them were under 25. Fund resources increased steadily: £565 million in 1981, £729 million in 1982. The budget for 1983 will be £996 million.

The European Commission recently approved a new allocation of £323 million. Among the beneficiaries, depressed regions will get the lion's share of £185 million. Young people will get £54 million. The main beneficiary countries will be Italy, with 32.7 per cent, Ireland with 29 per cent and France with 11.3 per cent.

Environment black list

European Community Environment Ministers meeting in Luxembourg have agreed new measures to combat atmospheric pollution in Europe.

Among legislation approved was a new directive that will give car manufacturers in the Community two years to modify car exhaust systems in such a way as to reduce the amount of toxic gases that they emit into the atmosphere. Under the new system, carbon monoxide and sulphur dioxide emitted will have to be cut by between 20 per cent and 30 per cent of the level currently allowed.

No firm conclusion was reached over the level of lead in petrol, although the Federal Republic of Germany, the United Kingdom and the Netherlands all want to see lead-free fuel. Other member states said that they were prepared to go as far as possible to reduce levels of lead in petrol.

Views were also exchanged on reducing air pollution from industrial plants and ministers agreed with the Commission's belief in the need for tighter controls and improved filtering and 'scrubbing' technology.

EURO FORUM

A new thrust for the European Social Fund

Changes for bringing the European Social Fund more in line with today's needs were approved by the EEC employment Ministers, meeting in Luxembourg early in June. They were confident that this reform, already long overdue, will enable the Fund to make a better contribution to the fight against unemployment.

The bulk of Social Fund aid (1.7 billion ECUs) will now go towards schemes for the young. Mr Blum, the German Minister for Employment and Social Affairs, who presided at the meeting, told reporters that the revised Fund will include a guarantee that at least 75 per cent of its resources are used for the young.

The European Commission had not included such a quota when drawing up its proposal. It had stressed, however, that main priority should be given to the young, and Ivor Richard, commissioner for employment and social affairs, was pleased with the final outcome. Under existing ESF rules, 40 per cent of aid already goes to youth projects and at least another 30 per cent, given for more general projects, has benefited the young, it was pointed out.

In addition to the traditional beneficiaries of the Fund – the unemployed, particularly the long term-unemployed, women, the handicapped, migrant workers – the Ministers have also added persons involved in small or medium-sized enterprises, and the training of people in career advice and local development work.

Although the discussion as to who should benefit under the Fund was re-

'The Community's six poorest regions are to be guaranteed a privileged position'

latively short, consensus was less easily found concerning which regions should have priority for funds. France, the United Kingdom and Germany wanted to see the Social Fund's resources concentrated in areas of high unemployment, leaving the European Regional Development Fund to deal with the problems of the Community's weaker regions. Italy, Ireland and Greece, however, already receiving a large proportion of ESF aid, did not want to see these resources transferred to the richer Community countries. They insisted that the Social Fund should retain a strong regional bias.

As a final compromise, the meeting agreed to guarantee the Community's six poorer regions – Greenland, Greece, French Overseas Departments, Ireland, Italy's Mezzogiorno, and Northern Ireland – a privileged position. A sum

equivalent to 40 per cent of the Fund's resources will have to be spent in these areas, with a certain priority being given to youth projects. The remaining funds will go to what was described by Ministers as areas of high unemployment and those suffering from industrial decline. This could also include the so-called black spots – usually inner city areas where unemployment is very high – that are almost excluded under present Fund rules.

A small portion of Fund aid (5 per cent) will continue to be used by the Commission for pilot projects experimenting with new training methods or job creation schemes. Projects promoting the reorganisation and reduction of working time were added to the list of eligible pilot projects.

Commissioner Richard described the final outcome as a remarkable success, considering the gaps that existed between the different member states. All countries were satisfied with the final agreement, he said.

It is not surprising that such long-drawn-out negotiations had to follow before final agreement was reached. The Social Fund is the one Community financial instrument that has the most direct relevance to the problem of unemployment.

The ESF was first set up in 1960, when Europe was undergoing an economic boom. Its main aim was to make employment easier, mainly through better training, and to increase geographical and occupational mobility. Although the Fund's rules foresaw regular revision, it was not until the 1970s, when the economic crisis started, that it was felt that the Fund should become more ambitious and start financing job creation programmes instead of merely training. The latest reform, says the Commission, is designed to do exactly this. The new ESF will be more flexible, and will focus on areas of greatest need, putting an even greater emphasis on job creation.

The importance attached to the Fund by both the European Parliament and the Council is reflected in the large budget increases accorded in the last few years. In the 1982 budget, ESF resources were raised to 1.7 billion ECUs, representing an increase of more than 44 per cent. The Commission has now proposed increasing it to 2.4 billion ECUs in 1984. More than 1 million people benefit each year under the Fund, 1982 representing a record with 1.8 million. Schemes helped by the Fund range from training programmes, to those encouraging worker mobility and employment aids such as recruitment and wage subsidies.

Even if the Fund's resources are in-

creased as proposed for 1984, they would still not satisfy the enormous number of demands received by the Commission. It is estimated that applications to the ESF in 1982 exceeded the available resources by 122 per cent. The money available barely covered the projects added to the Commission's top-priority list. This complete overhaul of the ESF was, in the Commission's view, the only way to cope with the new problems created by mass unemployment.

Under the present rules, ESF funds are shared between a number of different sections each dealing with a separate group of beneficiaries. Each section has its own budget as well as separate criteria outlining the type of project that has top priority. These sections cover farmers, young people, migrants, women, the six priority regions, the handicapped and technical progress, as well as help for certain types of industry. With the reform these separate sections will disappear and applicants will be put in a common pool.

Each year, guidelines will be drawn up setting out which projects will be favoured. This procedure will simplify the Fund and concentrate resources on the best projects. Under the old rules there was so much overlap between the different categories that they were los-

'Applications to the Fund in 1982 exceeded available resources by 122 per cent'

ing their relevance. What is more, the separate budget lines meant that, each year, one group was played off against the other to see who would get the lion's share of any budget increases.

The Commission, in its reform proposals, also suggested a league of regions, headed by the six priority regions, to be followed by regions who are worst off on the basis of their general and long-term structural unemployment levels, Gross Domestic Product (GDP) per capita, and youth unemployment. A provision to give special aid to blackspots was also included. To qualify, however, these areas had to have an unemployment rate equal to no less than three times the national average. If this was the case, then projects in such areas would be funded irrespective of the surrounding areas' position in the league.

The idea of the league found little support in the Council meeting. This was

thrown out, and replaced by the 40 per cent allocation to the six priority regions, leaving the rest of the Fund free to support projects in areas of high unemployment, including blackspots, and those suffering from industrial decline. As demands for Fund aid are already much higher than available resources, Commission officials are now trying to work out a system that would replace the league and indicate the areas of the Community that should have first choice over Fund aid. Some choice will have to be made on the basis of regional criteria, commented the Commission.

The Commission, however, has no way of controlling such expenditure if the projects in question are undertaken directly by government agencies. A lot depends on the willingness of the government to see that ESF aid is used to expand the number of training schemes.

Despite the problems that may arise, it is certain that the new Fund will be able to respond much faster to needs arising from Europe's ever increasing unemployed. It is hoped that concentration of ESF funding will make better use of the very limited resources. The Council's agreement will now be examined by the European Parliament before receiving formal approval.

REBECCA FRANCESKIDES

An energy programme for the Eighties

The European Commission has published details of a new five-year energy programme, aimed at encouraging a more rational use of energy and increasing the security and diversification of Europe's supplies. The programme, which includes planned increases in spending on research and development and investment incentives, would mean an increase in Community energy spending from 769 million ECUs in 1984 to between 1.5 and 2 billion ECUs in 1986-87.

By 1986 Community member states will be spending an estimated 230 billion ECUs on energy. Finance for the new programme could come from a tax on this consumption, from which European industry would be exempt, according to the Commission.

The idea of an energy tax was first floated in May, as part of a package of Commission proposals on ways to increase the Community's funds. Since then the Commission has been looking at the potential flexibility of the system,

the extent to which industry should be exempt from the tax, its effect on industrial competitiveness and whether Community member states would not simply prefer to allocate extra money for energy spending, out of the general budget.

Increased energy spending is still needed to reduce import dependency. Although major progress has been made in terms of diversification of supplies and rationalising energy use, Europe's dependence on imported energy remains considerable and subject to the

risk of future oil price increases, according to the Commission.

But Europeans have been using less imported oil, particularly in power stations. While total demand for energy dropped by 11.5 per cent between 1979 and 1982, oil consumption fell by 21 per cent, from 537 million toe (tonnes oil equivalent) to 425 million.

In 1982 oil accounted for 49 per cent of Europe's internal energy consumption, compared to 54.5 per cent in 1979. In three years net oil imports fell by 34 per cent from 487 million toe to 323 million toe, because of falling demand and a 30 per cent rise in domestic oil production.

Over the same period the share of electricity generated by solid fuel and nuclear power rose from 58 per cent in 1979 to 69 per cent in 1982. Solid fuel now accounts for 46 per cent of total electricity consumption and nuclear power for 23 per cent.

Falling oil consumption and in-

'Europe's dependence on imported energy remains considerable'

creased investment in alternative energy sources has, however, been largely the product of the post 1973 era of expensive oil. Failure by the OPEC cartel of oil-producing nations to agree on production quotas in January, brought the first significant drop in oil prices for a decade. This year, cheaper oil will cut the Community's import bill by \$10 billion, cut inflation by at least 1 per cent and probably increase economic growth in 1984 by up to 1 per cent.

'Natural gas is Europe's third and final major indigenous energy resource'

But Commission officials are worried that Community member states may fail to take advantage of the situation and not use the breathing space to consolidate energy strategies designed to reduce import dependency. If energy saving and diversification investment is cut back as a consequence of cheap oil, the old dependency on unreliable imports could re-emerge.

Consequently, the proposals contained in the new five-year programme are a mixture of amplified old policies already adopted at Community level and new policies designed to stimulate investment.

As in the past, proposals for Community action are concentrated in areas where they offer clear benefits over action at national level. They include investment in various types of energy saving, finance for hydrocarbon and uranium prospecting and the development of a more balanced range of energy supplies, including solid fuels, nuclear power, natural gas and renewable alternative energies.

Measures to encourage energy saving include a proposal for interest subsidies on Community loans for investment in coal-firing, district heating and the production of energy from waste. Investment in all energy saving projects should be similarly encouraged, according to the Commission.

The plan also calls for more energy-saving demonstration projects, in the context of a well-funded multi-annual programme aimed at improving energy research. Further energy saving could be achieved by the improved integration of Community electricity grids, in order to minimise costly accidental disruptions of supplies.

CHRIS LOM

Euro-television: a genuine alternative?

An interview with Lorenzo Natali, Vice-President of the European Commission and responsible for information services, on the prospects for television in Europe.

Mr Natali, where did the initiative come from for a report by the Commission on the future of European television?

NATALI: I could simply say that we were asked to do it by the European Parliament, but that would not answer the question. Actually, the Parliament's decision, in March 1982, to ask us to study the matter, was a considered reaction to an observation of fact: direct broadcasts by satellite, fibre-optic cable networks and the spread of video receivers and recorders will give rise, in the space of a few years, to a radically new European audio-visual reality, characterised by the large number and international nature of the programmes.

The full implications of this therefore had to be quickly realised, so that 300 million Europeans could derive the maximum benefit from it. In fact this is a valuable opportunity to bring our cultures together and to give people a deeper sense of community and involvement.

In what direction are we moving?

The European Parliament has worked out its proposal from scratch: a European television programme, to be broadcast throughout the continent by direct-broadcast satellites which will enter service in Europe in 1985. On a fully independent basis, some fifteen European television companies belonging to the European Broadcasting Union carried out five weeks of joint experimental closed-circuit transmissions in 1982, using the OTS satellite.

The Commission is therefore faced, firstly with the Parliament's proposal, and secondly with the EBU initiative working in the same direction. We have examined the various aspects of this, consulting with the various international and national bodies, and have arrived at the conclusion that, while the idea of a multilingual European television programme, jointly conceived and produced by professionals of the television corporations, for the whole of the European population, is on the whole desirable and possible, there must be a measure of political agreement on it.

Moreover, in order to discuss all the problems, the Commission intends to organise an international symposium in



'The direct satellite TV broadcasts will not be limited to Europe'

Brussels in the autumn, inviting television corporations, national governments and programme producers.

What kind of programme is envisaged?
As complete as possible: news, entertainment, culture, education and sport. From the experimental transmissions of last year it was clear that the professionals of 15 different countries were able to adapt rapidly to a common project, with efficiency and enthusiasm. One important point must be emphasised; not all the countries in the Community participated in the experiment - Belgium, Denmark and Luxembourg opted out - while some non-European countries did join in (Algeria and Tunisia). The direct satellite television broadcasts will not be limited to Europe. This is therefore a broader concept, based on geographical proximity, common culture and historical heritage.

Nevertheless, the 1982 experiments were controlled by a small group of five television authorities: the British IBA, the Italian RAI, the Dutch NOS, the Austrian ORF and the German ARD. A new group has already been formed, and all members of the EBU belong to it; ▶

the new group will decide by the end of the year what kinds of initiatives will be started in 1984. A number of possibilities are being examined, but the experiments will definitely begin again and will be a good deal more ambitious than those of last year: not only because they will last much longer and for more hours in the day (12 hours a day has been mentioned) but mainly because they will no longer be on a closed circuit. This will allow a large part of the European public to be involved.

What does the Commission propose to do?

The Community institutions – and not only the Commission – can choose between the minimum: doing nothing, and doing the maximum, setting up a real European radio and television corporation. The first possibility implies missing the opportunity to internationalise programmes by making way for a unified view of the problems and culture of Europe. Furthermore, it implies a passive acceptance that the future will be determined only by the interaction of the existing forces, especially the large European and extra-European financial complexes.

Obviously, these forces will always be actively involved: we simply want to see whether, and in what form, we can give the European public an alternative to the television programmes they would offer.

The idea of setting up a European broadcasting corporation, on the other hand, seems neither realistic nor desirable. It would not be welcomed, understandably, by the national television authorities, nor, as a result, by governments. Moreover, it would be extremely complex and expensive. The very members of the European parliament who initially proposed it later gave up the idea.

However, there remains a third possibility – of supporting the present EBU initiative, and possibly participating in it. Indeed, the Commission's report recommends this approach and also suggests some possible working methods and means.

Let's talk about these methods and means. How might European broadcasting cooperation be structured?

Above all, the structure would have to be as flexible and simple as possible – and not only for the obvious financial reasons. You have to be careful when you talk about European culture: its unity is the result of the diversity of the national cultures, whose identity within a 'European programme' must not only remain intact but must be revived and emphasised. It is therefore essential

'Guarantee of independence for current affairs programmes'

that the majority of the programmes must be conceived and produced – always with a European background – by the national television authorities.

The 'European' organisation would therefore be an international group of professionals with the job of putting together a choice of the best contributions from the various member corporations, based on criteria of variety, balance and complementarity.

Then there is the problem of current affairs programmes, news programmes and news headlines. It would be impossible to base the first category on national contributions: a central international independent editorial board would therefore be necessary. In this connection, I must emphasise that the guarantee of professional independence for this 'European editorial board' from any undue interference, political or otherwise, represents one of the fundamental commitments and one of the *raison d'être* of any participation by the Community institutions in a project of this type.

But how would it be financed?

The Commission's report was not able to give a ready-made answer to this. That would be premature. It is first necessary to solve the problem of advertising. The decision to rely on such a source of finance has complex political and cultural implications, which are at present under study by the Community institutions, governments, professional bodies and other international organisations.

In any case, it seems clear that the major share of the finance can only come from the broadcasting corporations involved. As for a possible financial contribution by the Community institutions, one must distinguish between the experimental and operational phases. In the first, there do not seem to be any particular problems in coming to an agreement with the bodies concerned. However, once the operational phase begins, a regular financial contribution from the Community budget might pose a number of problems.

Nevertheless, in an attempt to maintain the independence of the professionals committed to the production of the 'European programmes', a suitable body could be set up, consisting of representa-

tives of the broadcasting authorities, national governments concerned and Community institutions, with the job of agreeing on general lines of joint operations, guaranteeing that these would be followed, and arbitrating on any disputes.

But could not the inevitable de facto internationalisation of European television cause legal problems?

Certainly, serious problems. For example, a common market for television would cause problems over royalties. A 'green paper' is being prepared on the subject. In general, it can be said that all the legal problems are being tackled in a spirit of maximum freedom to supply goods and services, freedom of establishment in Community countries and freedom of information – active and passive. This means freedom to supply information and to receive it.

What about the different languages? Do they not represent a major obstacle for a pan-European television programme?

Obviously, this does not help matters. The diversity of the languages is one aspect of the richness of European culture, but it is also one of the longest standing obstacles to the unification of our countries, in all fields. But the television corporations who carried out the experiments in 1982 have already tried out a number of ways of providing everyone with the same pictures, each in his own language.

In fact, all the satellite television channels allow simultaneous transmission of one television channel and six sound channels. The translation can be provided by simultaneous interpretation, dubbing, or subtitles.

However, I must emphasise one final point: nobody thinks that the European programme could or should replace the national programmes in any way. On the contrary, it should obviously be complementary. Just as many people buy a second newspaper, perhaps with a more international flavour or completely foreign, in addition to their local daily paper, in order to get a broader, or simply a different outlook.

This is also confirmed by the Eurobarometer poll: more people are interested in the European programme in the multilingual border regions, especially better-educated people and those who are sensitive to European matters, which is obviously not surprising. Building Europe or, to use the words of the Treaty of Rome, laying 'the foundations of an ever closer union among the peoples of Europe', can also influence this large and important nucleus of European citizens.

The European Council: making a fresh start

'We have avoided a grave crisis and we must now make a new beginning. The issues are not finally settled and hard work remains to be done.' This was how European Commission President Gaston Thorn summed up the achievements of government leaders during the three day Stuttgart European Council at the end of June.

By dint of hard negotiating, the Community's heads of state and government, assisted by Foreign Ministers, agreed a timetable for reforming the Community's finances.

Given the complexity of the issues involved, a special emergency procedure was established for the next six months' negotiations. These will involve joint meetings of Foreign and Finance, and where necessary, Agriculture, ministers backed by State secretaries.

The talks, according to the final communiqué will cover the future financing of the Community; the development of Community policies; the issues relating to enlargement, particular problems of certain member states in the budget field and in other fields; and the need for greater budgetary discipline.

The result of the negotiations, designed to ensure that policies are cost-effective and that economies are made where possible, will be submitted to the next meeting of the European Council in Athens scheduled for 6 December.

President Thorn, although making it clear he would have liked more than a working programme to have emerged from the summit, nevertheless considered it encouraging that, in the face of enormous difficulties, which could lead to disintegration, the heads of state and government have called for more integration and re-launch of the European Community.

But he warned that no further delay could be tolerated in translating these commitments, 'which point in the right direction,' into reality.

The Greek government, which took over the Community presidency on 1 July, has already announced it intends to attach the greatest importance to the task, while the European Parliament has called for answers to the wide range of issues to be found by the December deadline.

The European Council also agreed that 750 million ECUs should be entered into the draft 1984 budget as a refund to Britain, to offset part of the country's financial contributions to the

'The heads of state and government have called for more integration and a re-launch of the European Community' — Gaston Thorn

Community. This decision was taken in the context of the adoption of the declaration on the future financing of the Community,' notes the communiqué.

Heads of state and government also considered matters other than the

financial future of the Community. They signed the solemn declaration on European union, the fruit of an initiative launched by the German and Italian foreign ministers, Hans-Dietrich Genscher and Emilio Colombo.

The document covers the whole range of Community activity, and emphasises 'the importance of greater coherence and close coordination between the existing structures of the European Communities and European political co-operation at all levels, so that comprehensive and consistent action can be taken to achieve European union.'

It seeks to end the use of government vetoes, which have frequently blocked the introduction of new policies, by urging members where possible to display their opposition by abstaining whenever unanimity is required.

Government leaders cast their customary glance round the world's trouble-spots, repeating their view that a return to peace in the Lebanon could not be accomplished until all foreign forces had withdrawn from the territory. They also warned against outside military interference in the affairs of Central America.

Coinciding with the visit of Pope John Paul II to Poland, the European Council expressed the conviction 'that only a national reconciliation, taking full account of the depth of the aspirations of the Polish people, can lead Poland out of its grave crisis.'

Greek presidency faces up to the budget problem

The immediate priority facing the Greek Government, which took over the Presidency on 1 July, is to examine the future financing of the Community, the country's Foreign Minister, Mr Ioannis Charalambopoulos, told the European Parliament.

'The most important problem connected with future financing is that of increasing own resources. If the European Community is to be in a position to achieve some sort of unity speedily, and if the new policies are to be implemented, the budget problem must be dealt with,' he said.

The Foreign Minister made it clear that the Greek Government is hoping that the Athens European Council in December will agree to increase the funds available to the Community budget.

But the Greeks have set themselves other priorities, calculated to iron out economic imbalances and regional inequalities in the Community. Part of this

strategy is based on the need for early agreement on the series of integrated Mediterranean programmes proposed for Greece, Italy and France.

Mr Charalambopoulos stressed his Government's determination to reduce the technology gap between the Community's advanced and backward countries by promoting research, industry and industrial innovation projects over a wide area.

He also confirmed Athens' intention to ask Foreign Ministers during their political cooperation discussions to look at the situation in Cyprus and help settle the unresolved questions hanging over the Republic's relations with the Community.

Sienna and Dublin join hands in making music

In the medieval city of Sienna is the Accademia Musicale Chigiana, which was founded in 1932 by Count Guido Chigi Saracini. On the death of Count Chigi Saracini in 1965, the Accademia was left a vast collection of works of art, which enabled it to pursue the Count's major aim: the running of an advanced school of music where leading instrumentalists, conductors and composers would teach musicians from all over the world.

For many years, that initiative has been unique. Its success has grown every year; and now the splendid facilities of the Palazzo di Via di Città receive hundreds of pupils from all over the world.

The Community countries are always well represented, as are those of Eastern Europe, but there are also students from countries outside Europe, notably the USA, Japan and Australia.

Great musicians such as Andres Segovia, George Enescu, Nicanor Zabaleta, Salvatore Accardo and Severino Gazzelloni have taught at Siena. The teachers on the special courses, which are held at

Contributions from the European Community are helping young musicians enjoy the opportunity of a lifetime

the same time as the conventional ones, have included Arturo Benedetti Michelangeli, Maurizio Pollini and Nathan Milstein. The Accademia can therefore

consider itself a trend-setter in the international musical field.

The Accademia Chigiana holds its courses in summer, from the beginning of July to the end of August. To be accepted, students must pass entrance examinations in their chosen fields.

Last year, thanks to contributions from the European Community under its cultural action programme, the Accademia received funding to finance ten study grants for students of merit from the member states.

Another innovation is the encouragement of contacts between the Accademia and the Dublin Academy in Ireland. Teachers from Sienna, in agreement with the Dublin Philharmonic, will select students who will then attend the summer courses at the Accademia Chigiana with the help of EC study grants.

At the Wednesday concerts the teachers and the most advanced students play chamber music in the palace's picturesque inner courtyard. Thus students have the chance to play with the greatest names in international music in the majestic setting of the palace.

Another interesting initiative is the Concerti Itineranti, or Travelling Concerts: summer musical encounters given, by the students alone, in the streets and squares of old Sienna on warm summer evenings.

Birth of a superstar

The current to make several hundred thousand light bulbs glow – 60 thousand amps – was used to start up the JET fusion machine on June 25. A Superstar was born.

The futuristic machine – built with Community funds in rural Oxfordshire – burnt for only a tenth of a second; but this rates as a major scientific success. Over the next several years the machine will explore the means to inaugurate an era of cheap and inexhaustible supplies of electricity.

It has taken five years to build JET, completed on time and to within a few per cent of the 322 million ECUs of the cost estimates, taking inflation into account.

The strong electric current was passed through low density hydrogen gas with such force that it broke up the atoms into a fiercely hot plasma composed of their constituent electrons and protons. In the seven-year experimental programme it is hoped to reach temperatures as high as 100 million degrees cen-

Temperatures may reach 100 million degrees – hotter than the centre of our sun

tigrade – hotter even than the centre of our sun.

Eventually, the current will be increased to some 5 million amperes, and other equipment with an additional 25 megawatt of power will be used to heat the plasma to top hydrogen temperatures. If JET passes this test, heavier forms of hydrogen – the deuterium and tritium isotopes – will be used instead. These can create an even hotter self-sustaining thermonuclear fusion reaction,

provided the temperature starts hot enough.

The stage after that would be to build a machine to solve the technological problems, so that a commercial reactor could be contemplated.

All this will take time. It may not be until the year 2020 or 2030 that a commercial fusion power station will be built, capable of exploiting the continuous fusion reaction.

The start-up of JET is a big step in that direction. JET is the largest machine of its type in the world and the keystone of the European Community's fusion programme in which both Sweden and Switzerland have opted for partnership.

Fusion research embraces a world collaboration involving Americans, Japanese and the Russians. Following discussions between Dr George Keyworth, President Reagan's scientific adviser, and Commission Vice President Davignon, the European Commission has proposed to the Ten that a formal agreement should be negotiated with USA. The agreement will cover ring-shaped machines like JET, known as 'totamaks,' as well as other types of machines.

EUROPEAN REVIEW

Fairplay for Citizens' Band

West German MEP Horst Seefeld is campaigning for the rights of Europe's Citizens' Band radio enthusiasts.

The craze has its detractors. They claim that CB transmissions tend to interfere with those of the essential services – police, ambulance, fire brigade – as well as TV and radio broadcasts.

Each member state has adopted its own regulation to minimise disturbances which conform more or less to the guidelines.

However, the differences in the laws that exist rule out the possibility of moving sets from one member state to another. The situation should be resolved without delay, according to MEP Horst Seefeld – to ease the minds of CB users and to reduce any nuisance caused by their sets.

Watering down the hard stuff

A news item in the latest issue of 'Kangaroo News' reveals yet another side-step in Community regulations.

Excise duties in Denmark, it says, are very high compared with those in the neighbouring Federal Republic of Germany.

Since excise duties are an important source of revenue, the Danish Government fears that shopping trips across the border to take advantage of lower German prices could result in significant revenue loss.

So the Council of Ministers has allowed Denmark to restrict the quantity of duty-free goods allowed to Danish citizens below the levels agreed in the appropriate Community directive, unless they have been out of Denmark for at least 48 hours.

Wine however, is, not covered by this restriction, and in practice any alcoholic beverage below 22 per cent volume is treated as wine.

So the shops near the border actually sell a watered-down whisky to stay within the 20 per cent limit... at a price only marginally lower than a full-strength bottle.

Improving safety at sea

Europe's merchant fleet is the largest in the world. With the accession of Greece to the EC, the Community is now the proud possessor of more than one-third of the world's entire shipping fleet.

Nevertheless, and despite the importance of maritime transport for Community trade, there is no European body to co-ordinate the multitude of recommendations and directives designed to combat pollution and improve safety at sea.

Greek MEP Konstantinos Kaloyannis wants member states to join together and establish a European Foundation for Safety at Sea to 'organise, encourage and co-ordinate' both research into safety at sea and the means to combat maritime and coastal pollution. Claiming that Greece is the veritable home of shipping, he recommends that such a body should be headquartered there.

Foot and mouth – a European killer

Foot and mouth disease is a killer. Last year in Europe alone 22 herds totalling 4,200 cattle and sheep were destroyed.

Nevertheless, measures to control the disease vary considerably from one member state to another. In Belgium, Italy, the Netherlands and the Federal Republic of Germany all cattle over four months are vaccinated annually and if there is an outbreak of the disease on a farm only 'receptive' animals are slaughtered. In France and Luxembourg compulsory vaccination also applies; all livestock on a particular farm are slaughtered in the event of an outbreak.

In Ireland, the UK and Denmark, on the other hand, vaccination is banned – control measures are based on immediate slaughter of susceptible species. These three countries have the best record against the disease.

When the Commission adopted a directive last year aimed at harmonising FMO control measures within the Community, it was based on the princi-

ple that slaughter is the best way to prevent the disease spreading. The Commission argues that the effectiveness of vaccination is limited because there are no less than seven known types of FMD virus which can in turn be broken down into sub-types and varieties. In addition the virus can be carried long distances by air currents.

Above all, vaccination is expensive. About 4 million ECUs had to be paid out in compensation for slaughter following an outbreak last year in Denmark, while the annual vaccination bill would have been around 5 million ECUs.

As a result, British MEP Brian Hord is urging the immediate implementation of last year's directive by member states, claiming that differing national control measures are being increasingly used as an excuse to erect trade barriers within the Community. These often amount to a total ban on imports.

Hotter competition in road haulage

Despite their advantages over bilateral licences, EC-wide permits for road haulage operations currently cover only about 5 per cent of all such operations within the European Community. But a proposal from the European Commission seeks to institute automatic increases in the 'Community quota' which would raise this proportion substantially.

Under the proposal, there would be yearly increases in the number of European Community permits equal to five times the growth in haulage traffic in the year for which the latest statistics are available.

This system would operate over a period of up to eight years, after which the Commission's intention is that there should be an international haulage market 'organised on free market principles as far as possible'.

In addition, under the proposal, the distribution of the permits amongst the member states should be substantially improved. This would then take account of the economic weight of each country, the share of total intra-Community road haulage traffic taken by carriers established in each member state, and the use which hauliers in each member state make of the authorisations issued under the Community quota system.

Strong medicine for steel

The Commission has told Community Governments they will have to shed a further 8.3 million tonnes of excess production capacity, if they wish to give further aids to their steel industries.

The decision is part of the Commission's strategy to restore the European steel industry to profitability and to be able to take on foreign competition, by the end of 1985. By that date, it intends that as much as 30 million tonnes of surplus capacity will have been closed and that government subsidies to the industry will be a thing of the past.

The Commission, as the Competition Commissioner, Mr Frans Andriessen warned, has the power to enforce these closures. 'If they do not accept these closures, Government aid will be frozen. These specific undertakings will have to be met. We expect criticism, but at the end of the day we expect the Commission decision to be respected,' he said when announcing the programme.

Under plans previously lodged with the Commission, governments had pledged to cut back 18.4 million tonnes by the end of 1985. In setting the new figure of 26.7 million tonnes, the Commission insisted its eventual target was the 30 million tonne cutback agreed by Industry Ministers last year. The difference is expected to be made up by future cooperation agreements between firms.

Preparing for Athens

Community Foreign Ministers have agreed an onerous programme of meetings over the next five months to reform EC finances in time for the December Athens European Council.

In the most intensive examination of Community policies ever conducted, they will be assisted by their finance colleagues and, when necessary, by agriculture and other Ministers.

The first joint ministerial session opened on 19 July, with another one day meeting on 30 August. Thereafter, the tempo is stepped up with further talks 20-21 September, 10-12 October and 9-12 November.

In preparation for the negotiations, the Commission was due to present on 1 August reports on the future of the Common Agricultural Policy and the various Community Funds.

Latest talks with Sweden

The annual high level consultations between the Commission and Sweden took place in Stockholm on 23 June.

The delegation was led, on the Commission side, by Vice-President Wilhelm Haferkamp, and on the Swedish side by the Minister for Foreign Trade, Mats Hellstrom.

Sweden signed an industrial free trade agreement with the EC in 1972, which came into force in 1973.

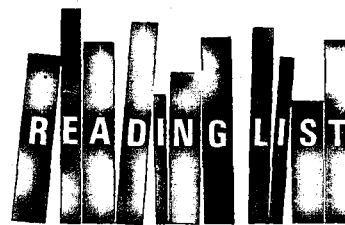
Trade between Sweden and the Community has expanded considerably since the agreement came into effect. Sweden is now the third largest customer of the EC. About half of Sweden's total foreign trade is with the European Community.

Social Affairs Committee gets cracking

Encouraged by last year's successful campaign to increase European Community funding of projects for the unemployed, the European Parliament's Social Affairs Committee is standing firm by its commitment to protect the EC's working population.

Responsible for drafting all the Parliament's opinions on proposed EC social measures, and the main watchdog on the European Social Fund, the Committee's influence has increased over the last years. Looking back at 1982, it can claim Parliament's agreement to increase by 44 per cent European Social Fund resources – the main EC aid to the unemployed – as one of its major achievements. The Committee's importance has grown as unemployment in Europe has worsened.

The Committee's biggest triumph this year was convincing Parliament to hold a special meeting on the employment situation in Europe. Practically all the background work on the strategies discussed by Parliament was undertaken by Committee members. The main report focused on Europe's employment situation and special reports were drawn up on youth unemployment and the reduction and reorganisation of working time.



Geography of the EEC. C.G. Bamford and H. Robinson, MacDonald & Evans Ltd, £7.50

A textbook aimed particularly at sixth form and first-year university students, but also valuable to the interested non-student. It discusses the economic geography of the member states within the context of EEC policies, and contrasts problem areas within the Community. It also provides a layman's breakdown of what the Treaty of Rome contains, and many useful tables and illustrations.

Economic Diplomacy between the European Community and Japan, 1959-1981. By Albrecht Rothacher. Gower, £16.50

This is an interesting study, particularly of the crucial '76-'80 period. Unfortunately, its references are already a little out of date. It makes no mention of the second, or the now-imminent third, European enlargement; and in the light of the heightened activity in EEC-Japan trade relations, it is frustrating not to have the information carried through to the present. However, as a history of the difficulties it is informative and readable.

Regional Development Agencies in Europe. Edited by Douglas Yull. Gower, £17.50

A practical and lucid survey of regional development agencies throughout the European Community. In addition to analysing the varying characters, policies and difficulties which are unique to each member country, it provides thorough inter-country and inter-agency comparisons.

Public Service Unions and the European Community. Edited by Emil Kirchner. Gower, £14.50

A factual compendium, giving detailed breakdowns of different public service unions, their structures, aims and interests.

A single Euro-currency: must it be only a dream?

It seems obvious that, if Europe had greater monetary strength and cohesion, it would depend less on the dollar and would be less sensitive to the ups and downs of the American currency.

And yet Europe continues to suffer the effects from across the ocean almost without reacting, to submit to a certain extent to the 'law of the dollar', and to ask the American authorities to take account of European interests instead of showing them the bargaining power which would allow Europe to negotiate as an equal.

This is why exchange and interest rates continue to depend much more on the United States monetary policy and budget than on the actual financial figures, which should be a function of the economic data, or the requirements of investments and the fight against unemployment.

The reasons behind this unsatisfactory situation, in which Europe in practice renounces the mastery of a large part of its own destiny, are familiar enough. Europe does not have one single currency but a number of currencies which follow different tracks; there is no uniform economic policy permitting stable exchange rates; there is not a single money market allowing the optimum use of the vast financial resources available, and at least partial control of its interest rates – that is, the cost of money for investment, which creates jobs and maintains, or restores, Europe's industrial competitiveness.

The idea of a single currency is not a dream which can come true in the near future. National independence, the very principles of democracy which make each Parliament the master of the economic and monetary policy of its own country, not to mention diverse traditions and mentalities, make such a project impossible or at least unrealistic.

However, there is plenty of room for partial but effective action, gradual but immediately useful.

The Commission of the European Communities, encouraged by Vice-President Ortoli, has attempted to fill this gap in the knowledge that only a certain measure of monetary independence and financial integration will allow Europe to become the true master of its own destiny.

Since the early days of the Treaties, Europe has won back a large part of its independence: self-sufficiency in food, for example – today the EEC is self-sufficient in nearly all essential main agricultural products, and it even has excesses in some areas which are causing problems.

It is also progressing towards greater independence over energy.

However, the monetary aspect has been left

The monetary weakness of Europe's economy is putting us at a grave disadvantage, argues FERDINANDO RICCARDI

behind, even though the EMS has allowed the essential foundations to be laid on which it would be possible to build.

From the financial point of view, the Common Market does not yet exist. The four 'freedoms' represent the very bases of the Community and the creation of a unified economic area: in movement of goods, persons, services and capital.

The first exists, despite a few gaps against which we are fighting. The second – the right of workers to move freely – is now established.

The third, relating to services, is still incomplete (for example in the huge area of insurance) though a good deal of progress has already been made and more is on the way. The fourth, freedom of capital, does not exist.

Thus in his reference document on these problems, which since 1962 has taken a step backwards rather than forwards, Ortoli observed that 'compared with the 1960s, we are seeing a decline in the integration of the financial markets. In all probability, the general movement of capital in the EEC is more restricted, and the differences between the member states have increased.' Italy, France, Denmark, Ireland and Greece – half of the Community – are applying restrictions and controls on movements of capital. Overall, there is so far no such thing as a unified financial market.

The result is that the huge financial resources of the EEC and its substantial savings are not in any way serving the interests of the European economy: they are not available for all the investments which might be desirable. A sort of parallel market has been set up, the so-called Euro Market or Eurodollar Market, which undoubtedly has a useful function; but it is not at the disposal of the EEC economy. Because of the division of the national markets, it is not accessible to everyone (small and

'From the financial point of view, the Common Market does not yet exist'

medium-sized firms, for example, struggle hard to have access to it).

Further, the Euro Market is so open to the outside world that third countries have full and easy access to it, which is why 'European savings' contribute largely to financing other people's investments.

The operations of the Euro Market – concluded Mr Ortoli in the memorandum sent to the EEC Council of Ministers on behalf of the Commission – 'are becoming more frequent through third-country currencies and on terms over which the governments of the member states have practically no control. The proportion of Community savings which goes through international markets for indefinite economic ends – and on terms which recent events have shown to be uncertain – is too high.'

The only reason the situation is not actually disastrous is the existence of the Community, which has been able to do something about it. The European financial instruments (namely the European Investment Bank, the 'NCI' – another Ortoli instrument which bears the name of its inventor – ESC and Euratom loans) gather resources on the international money markets, and put them at the disposal of Community investors, including small and medium-sized businesses.

Furthermore, the creation of the ECU, the European Currency Unit, means that at least part of the big issues are not in dollars.

Now we need progress. This means that the governments must realise that exchange controls and restrictions on movements of capital are not an effective response to national difficulties. Of course, at times of crisis or serious balance of payments deficits, it may always be necessary to resort to temporary restrictions. But restrictions and controls, maintains Ortoli, have only a modest effect on long-term movements of capital and are too easily avoided for short-term movements. In his view, the effect on the balance of payments is very limited or non-existent. As a permanent instrument, they are ineffective or simply harmful.

However, he tries to be a reasonable pragmatist rather than a Utopian or a dreamer. Nobody believes that all restrictions can suddenly be lifted, giving birth to the integrated money market overnight. On analysis, the Commission has aimed to follow 'proposals for a realistic financial integration process', implying a gradual progress consisting of 'a variety of specific measures', none of which will be a determining factor on its own, but which in combination lead towards the gradual achievement of a 'financial identity of the Community'. The specific measures proposed are as follows.

First, the gradual opening of the money markets. Every year, the remaining restrictions must be jointly examined, in order to evaluate how far they are necessary; certain categories of restrictions would be prohibited in principle, subject to a Community decision (in other words, no country could adopt one of these 'prohibited' measures on its own initia-

'Exchange controls and blocks on movements of capital are not effective'

tive). The citizens of all member states would be gradually allowed to buy shares in companies of other Community countries, through a stock exchange in an EEC country. Investment institutions authorized to invest in risk capital would be free to choose marketable securities in any Community company.

Second, a unified network of financial services. Freedom to offer banking and insurance services should be achieved. Competition between banks would bring about an improvement in the service and reduce companies' financial costs (which represent a considerable proportion of their overall costs).

Third, links between the stock markets of the different countries. The objective would not be to create a European stock market, superimposed on the various national markets, but to establish a 'gradual interrelationship' between existing Stock Markets. The EEC could contribute financially to setting up the necessary computer and telecommunications infra-structure. To begin with, restrictions would be abolished, in the stock market of a country, on the admission of stocks from another Community country.

Fourth, setting up new instruments for gathering savings. There is broad scope for this; co-financing, setting up 'collective investment' institutions at European level (whose portfolios would contain shares in companies of various EEC countries), liberalization of mortgage loans.

Fifth, common principles for the surveillance of international banking: compulsory 'consolidated balance sheets' for banks with foreign subsidiaries, control of 'high risks', compulsory uniform criteria of solvency and liquidity for banks.

Two other factors are, first, further development of the role of the ECU (European Currency Unit), with universal recognition of its status as a currency, immediately allowing ECU operations within the EEC (in the sense that all Community citizens would be able to take out loans in ECUs, even if they were issued in countries other than their own), allowing ECU securities in the portfolios of investment institutions. And, lastly, tighter controls on the flow of capital outside the EEC, so as to avoid an excessive proportion of European savings ending up financing investments in third countries.

'Competition between banks would reduce companies' costs'

Are women in Europe getting a fair break?

The European Commission has always been an active campaigner in the struggle for sexual equality.

Article 119 of the Treaty of Rome stipulates equal pay for men and women. At the time it was a bold concept. Since then, the European Community has been in the forefront of the battle.

But Community law has developed faster than accepted social norms. Member states have been reluctant to translate the three existing Community directives into national legislation.

As a result, the European Commission had to introduce a new action programme in 1981, aimed at improving the legal recourse of women being discriminated against and ending the idea that the economic crisis can be used as a convenient excuse for removing women from the job market. The plan's objective: equal opportunities for European women by 1985.

Community action to improve the situation of women began in the early Sixties, with studies and recommendations on how to apply Article 119 of the Treaty of Rome in the member states, in order to introduce equal pay for men and women.

But it was only in 1974 that ministers took the decisive step of coming out in favour of equal job opportunities, equal training and equal working conditions.

The ambitious programme took the form of three important and complementary Directives. The first, on equal pay, was approved on 10 February 1975; the second, on equal treatment, was approved on 9 February 1976; and the third, on equal treatment in matters of social security, was approved on 19 December 1978.

The three directives speeded up the adoption of equal treatment legislation in the member states. But recent investigation has shown that application of the law has varied widely throughout the Community, and is often unsatisfactory.

Equal pay is a principle that has remained a dead letter, particularly in a number of industrial sectors. Recent figures show that gaping differences still exist between male and female earnings. In April 1981 Irish women employed in the leather industry were the worst off. Their hourly average gross wage was nearly 47 per cent lower than that of their male colleagues. In 1981 Eurostat also published figures showing serious discrimination in the printing and publishing industries in Luxembourg, the United Kingdom, the Federal Republic of Germany, the Netherlands and Denmark. Women's earnings were between 25 per cent and 39 per cent lower than those of men.

ADELINE BAUMANN looks at the extent to which the women's rights enshrined in Community law are being honoured

The Community has provided financial support, through the European Social Fund, for vocational training programmes aimed at increasing the number of women entering sectors in which they have been traditionally under-represented. Vocational training in schools and universities is crucial, and Community statistics are encouraging. The number of women students in Europe is increasing and they now account for about half the student population. Women are also moving away from traditionally 'feminine' subjects like teaching (except in Belgium, and Luxembourg, where the percentage is actually increasing). Fewer are opting for arts subjects and more are choosing the sciences, law and the social sciences.

But again, good intentions are not enough. Women have always been regarded as a 'reserve army', to be used and discarded according to the needs of the moment. As a result, they have become the main victims of the recession in Europe. In April of this year, the rate of registered female unemployment reached 11.3 per cent, compared to 10.4 per cent for men. Among the reasons for the increase were the introduction of new, labour-saving technologies in areas such as office administration, where women have always been in a majority.

In 1981, following a call from the European Parliament, the Commission decided to strengthen and enlarge its activities in the field of women's rights. A new action programme for 1982-1985 was prepared and adopted by the Council of Ministers on July 12th 1982.

The programme covered the promotion of equal opportunities for women, and included sixteen concrete proposals in two main areas: a strengthening of the rights of the individual, and an overall increase in equal opportunities for women. The Council emphasised that the programme should serve as a guideline to the member states in their efforts to abolish sexual discrimination 'whatever the economic situation.'

The first set of proposals are essentially designed to extend and guarantee the application of the three directives already in operation, mainly by making it easier to bring cases before the courts. A number of interesting cases are likely to be submitted to the Euro-

pean Court of Justice in Luxembourg in the near future.

The Commission also wants to clarify the implications of the directives in terms of civil, commercial, fiscal and social security law.

Another set of proposals deal with improving working conditions for women. In particular, they cover paid leave for family reasons, pregnancy and maternity. The objective is to bring about an improved sharing of parental responsibilities to reduce discrimination at work.

The second area covered by the Commission programme is the removal of obstacles to equal opportunities. It deals with constraints and attitudes conditioned by the traditional division of roles in society. Basing its approach on methods already tried out in the United States and in Scandinavia, the Commission wants to launch initiatives in the fields of information, training (including in-service training) and the job market. Efforts to increase the number of jobs accessible to women should be undertaken by informing school-girls of the wide range of possible careers open to them.

A consultative committee on equal opportunities was set up in 1982 to help the Commission put its programme into effect. According to European Social Affairs and Employment Commissioner Ivor Richard, 'national committees have also played a key role in improving the situation of women in the member states'.

He wants to see stronger links at Community level so that the implementation of the Community programme can benefit from their advice.

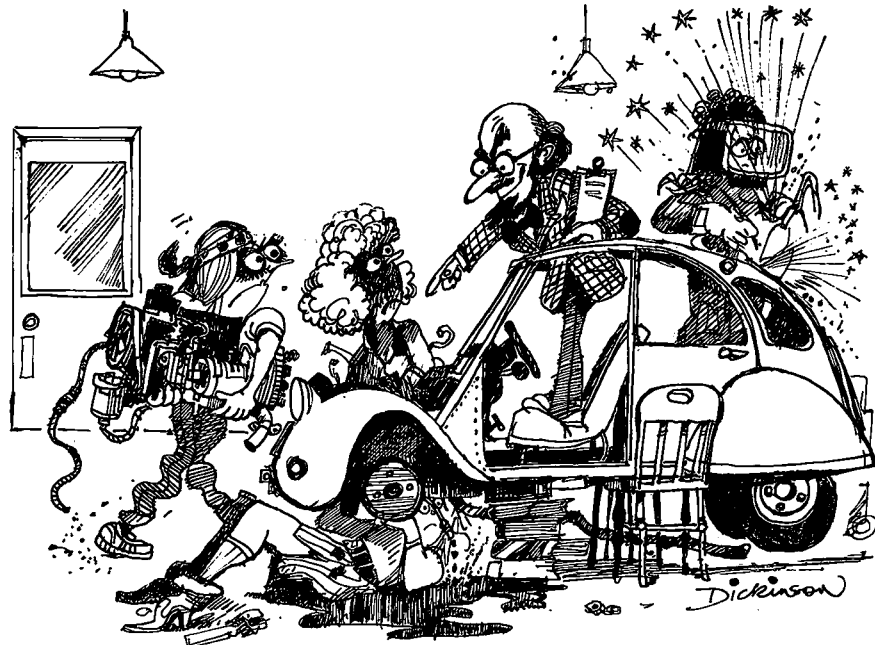
Only time will tell whether the programme proposed by the Commission and adopted by the Council isn't simply a 'catalogue of pious

'A number of cases are likely to be submitted to the European Court in the near future'

hopes.' Either way, the end of the Community programme will also mark the end of the UN Decade for Women.

National bodies concerned with the promotion of women at work and equal opportunities will play an important role in the eventual outcome.

Here is one test case. At the end of 1982, thirteen women workers were sacked from the Beckaert-Cockerill wire plant at Fontaine-L'Eveque near Charleroi in Belgium. It was the last step in a conflict that had begun in August. 270 employees had gone on strike, following redundancy notices as a result of a restructuring plan. In October the management suggested a clearly 'sexist' solution, imposing part-time working on any employee who was not 'head of a household' - in other words, 27 of the 31 women employed at the plant.



The women were promptly 'deserted' by their male colleagues. But, despite everything, they decided to continue the strike alone, until the discrimination was withdrawn. Finally the management decided to sack the 13 most politically-active amongst them.

The measures imposed by the firm clearly contravened the 1978 Belgian law on equal treatment and the 1976 European directive. On December 26th the women's liaison committee lodged a complaint with Social Affairs Commissioner Richard and on 24 February he met with a delegation of the women. He told them that the Commission was acutely concerned about their plight, and that Commission officials had already asked Belgian Labour Minister Michel Hansenne to intervene on their behalf. After receiving the complaint, the Commission also sent a letter to the Belgian government, emphasising the urgent need to take the 'necessary measures' required under Belgian and European law.

The case of the sacked Beckaert-Cockerill women has become a sort of test case for the Commission. According to social affairs commissioner Ivor Richard, the Commission is 'particularly concerned that women do not become the first victims of the economic crisis'.

As for the thirteen 'sacrificed' women, the National Belgian Women's Council voted them 'Women of the Year'. But, as one representative of the liaison committee observed, 'It's all very well being heroines, but what are they going to live on?'

Another question: are the Eurocrats sympathetic to feminism? If one goes by the treaties and the Community directives, then the answer is yes. But when one looks more closely, one sees that women are not at all well represented in the Community institutions.

'Women students are moving away from traditionally feminine subjects'

The division of labour between male and female civil servants in the Community is as disproportionate as anywhere else.

About 50 per cent of Community civil servants are women, but most of them are secretaries. In 1981 only about 10 per cent of the top administrative (A) grade jobs in the European Parliament, the Council and the Economic and Social Committee, were filled by women. The figures for the other institutions were even worse, with 8.1 per cent for the Commission, 8.3 per cent for the Court of Justice, and 7 per cent for the Court of Auditors. By comparison between 62 per cent and 90 per cent of all B and C grade executive and secretarial jobs in the institutions are held by women.

In a draft report on 'The situation of women in the EEC institutions', prepared for a commission of enquiry into 'the situation of women in Europe', German Euro-MP Marlene Lenz listed numerous examples of discrimination in terms of recruitment and promotion opportunities. Concrete demands listed in the report range from an improvement in information in the Community institutions to improved in-service training for women.

Whatever the current extent of female under-representation, the situation could be about to change. In addition to launching its massive external action plan, the Commission is aiming to set an example by removing the inequalities that still exist between its own male and female employees.

Where to dump all that nuclear waste?

How do you get rid of the tens of thousands of cubic metres of radioactive waste produced in Europe every year? The issue is discussed in a report just published by the European Commission.

The objectives of radioactive waste management are safety and the protection of present and future generations and their environment.

Although not all European countries are engaged in nuclear power programmes, radioactive materials are widely used throughout the Community for research, industry and in hospitals. The different materials used do not give off the same type or quantity of radiation.

Today, nearly 95 per cent of wastes treated in the Community are low or medium grade wastes from research centres, industry or hospitals, for example, from cobalt therapy for cancer victims. Disposal and treatment methods for low grade wastes have been in use since the 1950s. Two methods are currently used by the member states, one on land, the other at sea.

France and the Federal Republic of Germany both opt for the former, choosing shallow and deep burial respectively. Belgium, the Netherlands and the United Kingdom all dispose of their wastes at sea under international supervision.

About 5 per cent of wastes produced in the Community consist of substances contaminated by alpha radiation, with a lifespan of several hundred years. Most of these wastes, which largely come from treatment plants, are left untreated and are simply stored.

Member states package the wastes in concrete, bitumen or, more recently, polymers, and store them in special buildings. The first disposal plants in Europe should come into operation in the early 1990s.

About 0.3 per cent of wastes are classified as highly radioactive, and consist essentially of the 'ashes' of nuclear combustion, including some of the wastes derived from nuclear power programmes. They give off considerable heat and are stored in specially-built cooling safety-tanks. Various ways of treating and storing them are being studied in Europe. The French system of fusing them into glass is currently

the only commercially viable method.

Disposal of high grade wastes is not yet on the agenda. The time needed for cooling, the availability of storage space, and the limited quantities involved have given member states time for extensive research into the problem. Community and national researchers agree that high-grade wastes will eventually have to be buried at considerable depths in certain types of geological formations or in the seabed.

According to the Commission report, radioactive waste management does not pose a threat to people or the environment, and should not slow down nuclear programmes in the Community. Improved safety measures and public information should calm public fears, it claims.



Good news for mouflons

A European Commission study aimed at preparing a directive on the protection of endangered species in Europe is under way in Brussels. Despite limited funds and personnel, research has already included studies of the last brown bears in Europe, found in Greece, Italy and the Pyrenees.

Recent interest has centred on the fate of the Corsican mouflon - an attractive, hairy, horned creature, from which the domestic sheep of today is directly descended.

Following a parliamentary question from Dutch Socialist MEP Hemmo Muntingh, the European Commission is to ask the French authorities for detailed information of the dual threat posed to the arrival by poaching and cross-breeding with sheep.

According to the report published by the Nature Conservancy Council of Great Britain, the mouflon is totally protected in Corsica and the total number is believed to have slightly increased in recent years. In 1980 it was estimated at between 300-400.

Winning the inflation battle

European inflation for the year ending on 1 May stood at 8.7 per cent, the lowest level for more than four years, according to Eurostat.

Over the first four months of 1983, inflation in the ten European Community countries averaged 3.2 per cent, compared to 1 per cent in the United States and 0.6 per cent in Japan.

Average inflation rates in Europe this year varied widely from 0.4 per cent in the Federal Republic of Germany to 9.5 per cent in Greece. Italy suffered the second highest rate, with inflation running at 4.8 per cent.

French inflation was almost as bad at 4 per cent, followed by Ireland at 2.5 per cent, Belgium at 2.4 per cent and the United Kingdom at 2.2 per cent. Luxembourg registered 1.9 per cent, Denmark 1.4 per cent and the Netherlands an impressive 0.8 per cent.

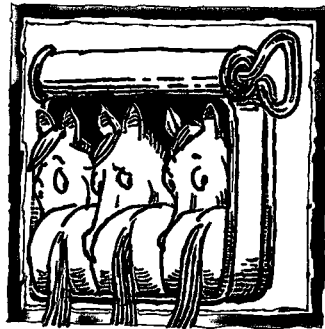
Community averages were pushed up by a seasonal 1 per cent average April increase. Greece recorded a 1.7 per cent rise, France and the United Kingdom registered increases of 1.4 per cent and Italy registered 1 per cent. Other countries reported increases of between 0.6 and 0.2 per cent.

What a load of rubbish

Every year, Europeans produce 100 million tonnes of municipal garbage, three quarters of which is household waste. Because this rubbish contains quantities of raw materials and energy, European countries are increasingly trying to use it. A report recently published by the European Commission outlines Community action in the field.

Three main options exist for waste disposal authorities: traditional dumping (although sites are becoming increasingly difficult to find), recovery of materials, and recovery of energy. Most Community countries have chosen one of the three.

The United Kingdom favours making fuel from garbage and recovering some materials. Italy prefers to sort, recycle and reuse mate-



The price for eating horses

The European Community imports about a million live horses for slaughter every year, to fill butchers' shops all over the Continent. The European Parliament's Agriculture Committee has been looking into how they are shipped.

Most of the horses currently come from the Soviet Union and Poland and others come from Yugoslavia and Greece. The main importing countries are Italy (500,000 animals), France (350,000) and Belgium (15,000).

Since horse-meat consumers prefer their meat fresh, the horses are shipped alive by road or rail. That means a 30-hour journey between Poland and the Franco-German border, 12 to 18 hours between the Greek port of Igoumenitsa and the Italian port of Gallipoli, and about 8 days between Yugoslavia and Italy.

Media coverage of the treatment inflicted on the animals in transit has inflamed European public opinion, particularly in the Federal Republic of Germany. Long periods in transit, unsuitable wagons and the absence of veterinary controls are just some of the abuses listed.

The parliamentary report says that the two European Directives of 1977 and 1981, dealing with the transport of animals, should be applied more rigorously throughout the Community.

rials. And Ireland prefers to simply dump it, because sites are widely available.

Generally Community countries favour burning their garbage. Incineration of household rubbish has been around since the 1890s. But there have been important developments in the field, notably increased flammability of rubbish and introduction of automatic methods of disposal.

In 1977 about 20 million tonnes of municipal waste were burnt in the Community, 12 million tonnes of which provided usable heat in the form of steam or electricity. In 1980 about 14.5 million tonnes of municipal waste was burnt and energy was derived from about 65 per cent of it. In Denmark the heat produced supplies urban heating networks.

Generally, experience has shown that the cost of disposing of urban waste diminishes the larger the quantity. In terms of cost it seems that the production of heat or heat and electricity is the most viable solution, if users can be found.

As far as the recovery of energy from garbage is concerned, the Community is a leader in the field. Numerous attempts in the United States over recent years have proven uneconomical. The Community, which uses traditional incineration methods, has introduced types of fuels that separate usable wastes from industrial ovens. Technical advance is crucial in these and other areas and the Community plans to encourage technological innovation in the field in all the member states.

ter-university links, an improved system of academic recognition for courses taken abroad, and more funds for students wanting to study in other countries.

The 'Joint Study Programmes' are designed to provide 'pump-priming' funds for higher educational establishments wanting to set up links with similar institutions elsewhere in the Community. First adopted in 1976 under the Action Programme in Education, the pilot scheme launched over 270 joint programmes, involving over 400 institutions of higher education.

Over the years, recognition of courses taken abroad has been a major stumbling block to increased integration. Now, Ministers plan to set up national centres, coordinated at Community level, designed to increase the speed, reliability and accuracy of information transfer between countries and increase confidence in 'credits' acquired abroad.

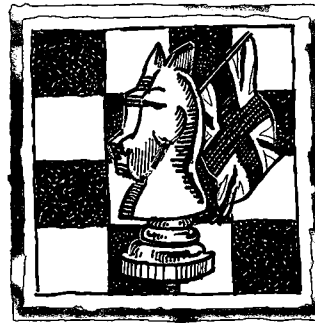
Improved financial support for students wanting to study abroad is also to be introduced, through a scheme by which nationally-awarded student grants and loans will be tenable in other European Community member states.

Report urges better deal for au pairs

Au pairs go to families on a temporary basis, where they are given food, lodging and pocket money in exchange for helping around the house. The aim of the system is to help young people to improve their languages and knowledge of things foreign, by becoming familiar with life in their host country.

At least, that is how the Council of Europe agreement on au pairs described the system in 1969. Sometimes the reality of the situation varies somewhat from the theory, and a number of young people have been bitterly disappointed by their experiences. The European Parliament's Committee on Social Affairs and Employment has now been examining the legal status of au pairs in the European Community.

Since the end of World War II, more and more young people mostly girls, have gone abroad to work as au pairs. The tight job market has also boosted recent interest in au pair jobs. Most sought-after posts are in the United Kingdom, France and the Federal Republic of Germany. Fewer people are interested in working in other Community countries.



British chess champion sweeps the board

British international master Jim Plaskett has won the first European Community Chess Tournament in Paris. He dominated the competition, losing only two games to grand masters Hans Ree of the Netherlands and John Nunn of the United Kingdom.

Erik Lobron, of the Federal Republic of Germany, was runner-up and 21-year-old Eric Prié of France was third, winning the title of 'Champion of Paris' for the second year running.

Former French Prime Minister and Mayor of Paris Jacques Chirac, who presented the awards, described chess as a game which 'develops the individual's powers of observation, decision, strategy and self-control'.

The tournament was jointly sponsored by the Commission of the European Communities, the French Ministry of Free Time and the City of Paris.

Call for more aid to Naples

The slums of Naples and areas of Southern Italy, devastated by earthquakes in 1980, should receive massive injections of integrated development aid from the European Community, according to the European Parliament's Regional Policy and Planning Committee.

In a report compiled by Christian Democrat MEP Giovanni Travaglini, the Committee called for a special urban redevelopment plan for

Naples, on the same lines as the programme for Belfast recently proposed by the European Commission.

The report also recommended integrated development aid to promote tourism, small businesses, crafts, the agri-foodstuffs industry and animal husbandry in earthquake-damaged areas of Campania and Basilicata.

As one of the poorest regions in Europe, the area suffers from mass unemployment, low per capita incomes, and a lack of infrastructures. It currently receives extensive aid from the European Regional and Social Funds, the New Community Instrument and the European Investment Bank.

Hi-fi firm is fined for 'collusion'

The Community is tightening up on its competition policy aimed at creating a single market for Europe's 270 million consumers - as Pioneer Europe, the European subsidiary of a Japanese hi-fi company, has just found out to its cost,

The Court of Justice has just fined the company, which is based in Antwerp, together with its French, German and British distributors, a total of £1.8 million for 'collusive practices'. The most serious charge was stopping exports of Pioneer goods from the Federal Republic of Germany and the United Kingdom from being resold in France.

Melchiers, Pioneer's sole distributor in the Federal Republic, had refused to supply Pioneer goods to another German firm that wanted to resell them in France. This way it allowed 'Musique Distribution France' (MDF), the sole French distributor, to maintain artificially high prices.

The British firm Shiro (Pioneer GB) was doing the same thing and the whole operation was controlled from Antwerp by Pioneer Europe. All three firms and MDF were fined.

The Court judgement backed the European Commission's decision to fine the four firms. The Commission was right to describe import and export restrictions aimed at partitioning the market as 'very serious', it said. But it decided to reduce the fines imposed by the Commission by half. This was because the 'collusive practices' had only gone on for one year instead of two, as was initially thought.



Students on the move

Education Ministers have agreed to a three-point plan to increase the mobility of staff and students between higher educational establishments in the European Community.

The plan involves an extension of the Community's successful pilot programme for the promotion of in-

QUESTIONS IN THE HOUSE

William Hopper, United Kingdom:

'Is the Commission aware of the case of Mrs Jocelyn Kemsley, who is a qualified State Registered Nurse and has been employed at the Hôpital Rural in Perigord, France, since August 1980, and who has been denied promotion there because she is not French? Does the Commission agree that this is a breach of Article 48 of the Treaty of Rome and will the Commission enquire into the case?'

Answer by Karl-Heinz Narjes on behalf of the Commission:

'The Commission is of the opinion that, in accordance with article 48 of the EEC Treaty, the French authorities are obliged to ensure equal access to nurses responsible for general care to nationals from other Member States who fulfil the requirements of directives 77/452 and 453/EEC, where those posts do not involve the exercise of powers conferred by public law (see judgements of the Court of Justice). This includes the obligation to give to nationals of other member states the possibility of promotion, on equal terms to those offered to French nationals.'

As France has not taken the appropriate legal measures to ensure this – and the case of Mrs. Kemsley seems to be an example for that – the Commission has opened proceedings under article 169.'

Robert Battersby, United Kingdom:

'Can the Commission give the results so far of its experiment in staff timekeeping?'

Answer by Richard Burke on behalf of the Commission:

'The Commission has not yet commenced any experiment in timekeeping. In order to assess the scope for the introduction of flexible working hours certain proposals however are under consideration to set up a small number of pilot-schemes in different services with a combination of flexible hours and timekeeping.'

The scheme introduced on an experimental basis in January 1982 is concerned not with timekeeping, but with a regular and standardised record of presence of officials at work. So far the scheme has provided useful information about the availability of staff at work as affected by absences on mission, leave and sickness, and has formed the basis for a uniform control at line management level.'

Eric Forth, United Kingdom:

'Would the Commission state whether patients in any EEC country are allowed to see their medical notes and records kept by the General Practitioner? If so, would they supply full details?'

Answer by Ivor Richard on behalf of the Commission:

'According to the information presently available to the Commission, patients in France, Belgium and Luxembourg have right of access to their own medical records as compiled by their personal physician. This right of access is based on the principle that the patient is the owner of the record. This principle does not operate in other member states.'

Andrew Pearce, United Kingdom:

'In order to improve the flow of information between Commission and Parliament, and to permit Parliament to react to events more speedily, would the Commission agree to cooperate in establishing a system whereby policy announce-

ments are made, as far as possible, orally in Parliament rather than by press conferences?'

Answer by Gaston Thorn on behalf of the Commission:

'The Commission agrees with the Honourable Member that the practice of first announcing major decisions in Parliament is desirable for the reasons that he cites.'

The Commission has in recent years made considerable efforts in this direction, as is attested by the much greater frequency of Commission policy statements both on the floor of the House and where the House was not in session, to the competent Committee.

However, many of the policy decisions which the Commission has to take must be made public as soon as possible in order both to protect the interests of the Community and to inform interested parties to the decision in due time. When such decisions are taken outside plenary sessions or outside the sittings of the appropriate parliamentary committees, the Commission is obliged to make its first public announcement of them through press coverage.

The Commission will nevertheless continue to try as far as possible to respect the legitimate concern of Parliament to be informed of its new policy initiatives as early as possible.'

A tap on the Eurobarometer

In its introduction to the latest Eurobarometer – the annual assessment of the moods and attitudes of citizens of the Ten member states – the Commission says it regards the 1983 exercise as one of the most important ever compiled. It covers a record number of subjects, and interviews with 9,790 respondents over the age of fifteen – all interviewed in their homes between 25 March and 27 April.

By way of experiment, two questions generally regarded as useful in gauging the trend of the short-term economic situation were asked again. They bear on changes over the last twelve months in the country's general economic situation, and the financial situation of individual households.

Negative answers still, by and large, outnumber the positive answers in all but one country – Denmark. The Danes, who in October 1982 took a very poor view of the trend in Denmark's economic situation, saw things in a much brighter light six months later. In Germany, the Netherlands and Belgium the feeling is less gloomy; while the Greeks, the French, the Irish and the Luxembourgers tend to appear more pessimistic.

The way Europeans feel about Europe, and the present state of morale, is reflected in the widest-ranging survey yet conducted inside the Community. It shows mixed feelings, but signs of cautious hope . . .

Although, as in the past, respondents tend to assess the situation of their individual households in less negative terms than the situation of the country as a whole, there are again exceptions – Greece and, in particular, Denmark. These assessments, which are supposed to reflect the short-term economic trend (and certainly do reflect it to some degree), are fairly closely correlated – especially the general assessment – with respondents' ideological leanings, as indicated by self-

placement on the left/right scale; the correlation is all the closer wherever discussion of economic issues is – constantly or occasionally – 'politicized'; the analysis shows that is at the moment true in France, Greece, Denmark, the United Kingdom and Germany.

Compared with the previous half-year, there is no significant change as regards the feeling of satisfaction with life: Denmark, the Netherlands and Luxembourg are still leading the field in this respect, with France, Italy and Greece bringing up the rear. A look at the ten-year trend (1973-83) throws up a few interesting variations against a generally stable background: a slight upward trend in Italy (which started very low) and in Denmark (which started very high), as well as in Luxembourg, the Netherlands, Germany and the United Kingdom; a slight downward trend in France and Ireland, a more pronounced one in Belgium. These trends probably reflect general feelings about whether one's country, considering its aims and ambitions, will be able to cope with its problems better or worse than other countries.

Expression of the feeling of happiness turns out to be relatively stable, with a slight upward trend since April 1975 (when this question

'Negative answers still, by and large, outnumber positive ones'

first appeared in Eurobarometer), except in Belgium and Denmark. But, for the first time, a question was asked on what 'happiness' meant to respondents in each country. A clear majority (58 per cent) cited good health. The next two most important topics were a successful marriage and getting on well together in the family; money took only fourth place. This order is much the same in all countries, which shows that these are values common to all the peoples of Western Europe. At individual level, the variable which appears to relate most closely and consistently with what Europeans term 'happiness' is the personal scale of values, measured here as the preference given, when a choice has to be made, to 'having' (security and material wellbeing) or to 'being' (personal fulfilment, social involvement, quality of life).

Another important indicator of the social climate is satisfaction with the way democracy works. It is, by definition, very sensitive to political events; but our observations show that the differences between national political systems tend to remain relatively stable—Germans and Danes have for some years almost continually been showing greater satisfaction than other Europeans in these surveys, whereas the Italians are at the other end of the scale. The longer-term trend (1973-83) is definitely upwards in Denmark, Germany and the United Kingdom, and definitely downwards in Belgium.

All the Community countries—and many others throughout the world—are faced with the problem of unemployment. At the same time, signs of economic recovery are discernible here and there. A new question aimed to find out how far the public believed that unemployment would disappear if business and the economy picked up. The answers were clear enough: seven out of ten people believe that the problem of unemployment will not disappear if the economy picks up. The most pessimistic are the Dutch (91 per cent of those who replied). Greece is the only country where the optimists on this question outnumber the pessimists.

With the European elections only twelve months away, a comparative reappraisal of political values and attitudes is of obvious interest.

Interest in politics. Four out of ten Europeans say they are 'a great deal' (11 per cent) or 'to some extent' (31 per cent) interested in politics. Those who take the most interest are the Dutch, the Danes and the Germans; those taking the least are the Belgians and the Italians.

Exposure to information media. This variable is closely correlated with interest in politics:

the Danes, Germans and Irish rank first; the Italians are at the bottom of the table, behind the Greeks. The relative importance of the media varies widely from country to country: television reaches well nigh all the European public; radio is a major source of information in Denmark, Ireland and the Netherlands, but much less so than elsewhere in Greece and Italy; the newspapers are more frequently quoted in Germany, Denmark and Luxembourg, but 20 per cent to 30 per cent of the Belgians, Greeks, Italians and French say they *never* read the political news in the dailies.



The feeling of national pride. More than three quarters of the people interviewed say they are very proud or quite proud of their country. The Greeks (90 per cent) were the most frequently heard expressing these patriotic feelings, while the Belgians (68 per cent) and especially the Germans (56 per cent) are the least inclined to do so.

Peace, the supreme value. Asked about the importance they attach to peace as against other things (standard of living, liberty or human rights) worth defending, even at the risk of war, the great majority of Europeans (80 per cent of those who replied) chose peace. The only country where the public is split into two almost equal camps is the United Kingdom: 55 per cent of the British believe peace to be the most important thing, but 45 per cent feel that there can be more important things to defend.

The main socio-political cleavages. The purpose of this question—already asked in 1979 and 1981—is to determine at regular intervals how far Europeans agree or disagree on a number of political issues that are topical in most Community countries. Interest centres here on the comparison between countries and on the trend of answers from one poll to the next. This is what emerges:

'Seven out of ten believe unemployment will not disappear if the economy picks up'

'More than three quarters say they are proud of their country'

Extension of public ownership (nationalisation) is a less attractive objective almost everywhere.

Increased economic aid for the Third World countries is not getting as much support as it did in 1981 or 1979, no doubt because of the economic crisis.

The development of nuclear energy still commands fairly solid support, but with appreciable differences from country to country: the Germans, the French and the British tend to favour it, whereas all the others, but especially the Irish, the Dutch and, increasingly, the Danes, are turning against it.

The strengthening of military defence is supported by a majority moderately in favour but, here again, with differences between countries: the Greeks, the British and the Irish are fairly positive; the Dutch, the Belgians, the Italians and especially the Danes are less keen; the trend is moving definitely against it in the Netherlands.


The issues on which European consensus is firmest are combating terrorism, protecting the environment and, albeit to a lesser degree, reducing inequality in incomes and more autonomy for the regions.

The question 'Do you ever think of yourself... as a citizen of Europe?' has a new relevance in view of the 1984 election of the European Parliament.

Surely the very essence of citizenship is exercising the right to vote and choose one's representatives. With no significant change from last year, one person out of two says that this happens 'often' (16 per cent) or 'sometimes' (34 per cent).

More Greeks and Luxembourgers than anybody else give the most positive answers and more British and Irish give the most negative answers—68 per cent and 74 per cent respectively say that they 'never' think of themselves as citizens of Europe.

Attitudes towards the unification of Europe are still broadly favourable in all countries except Denmark. The climate even shows a slight improvement over the two preceding half-years, notably in Germany and Belgium, and proportionally more among opinion leaders than in the rest of the population. The general erosion of the idea of a united Europe that emerges from an analysis of the results over ten years (1973-83) therefore seems to be slowing as general economic conditions are tending to improve.

In the United Kingdom there is a significant shift from the negative to the less categorical answers, which confirms the trend noted six months ago—the opponents of membership in the United Kingdom appear to have been losing ground over the last two years. 

When Britain was part of Europe

The first sentence I remember translating at school from Bell's Latin Primer was, 'Britannia insula est'. The idea is deeply ingrained: the Scepter'd Isle, with John Bull striding about the battlements, everyone ready to fight on the beaches and in the streets, Britannia herself just offshore on our defensive moat, drawing copious envy from what Shakespeare called 'less happier lands'.

As a corrective to this view, and, more importantly, to the idea that Britain is not and never has *really* been a part of Europe, a visit to the Castle Museum, Norwich, is well worth while. A permanent exhibition entitled 'Norfolk in Europe' has recently re-opened there. Insofar as the idea for the exhibition stemmed from the European Commission, and a small amount of EEC money was involved both in setting it up originally and in re-styling it in 1983, the sceptics would be justified in seeing it as a propaganda exercise. But history, of course, when convenient, is the stuff of propaganda, and the truth makes its own rhetoric.

So, it is salutary to be reminded that Britain has been an island only for a mere flea-bite of time: no more than about 9,000 years. Farther back, any argument against British participation in a European community could have been refuted on grounds of geography alone. The first settlers crossed to Norfolk at least a quarter of a million years ago, during a warm period between advances of the ice sheets and before Britain became separated from the Continent. Even later, when mammoth and reindeer had taken the place of elephant and rhinoceros, human beings crossed and re-

JACK WATERMAN visits an EEC-aided exhibition at the Castle Museum, Norwich, which reminds visitors of Britain's age-old connection with the rest of the Continent

crossed what is now the bed of the North Sea—dry-footed, except perhaps, where they forded the Thames, which was then a tributary of the Rhine.

Rather more recently, the first ice-cream, advertised as of 'pure quality and delicious flavouring', was sold in Norwich. This was round about 1910. The man who made and purveyed it was 'Big Peter' Chiesa. He was a member of an Italian community which flourished in the city at the time. This was not, however, the first foreign community in Norwich. An important wave of immigrants had arrived in the 16th Century. At the time, the Norfolk worsted industry was in decline. Refugees, fleeing from persecution in the Low Countries, settled in Norwich, bringing with them new weaving skills.

By the end of that century there were 4,000 Protestant refugees in the city, making up a community of so-called 'Strangers', and amounting to no less than one-third of the entire population of Norwich. Most spoke Dutch or Flemish; another distinct group spoke French. Each group had its separate church and cloth hall. Church services in

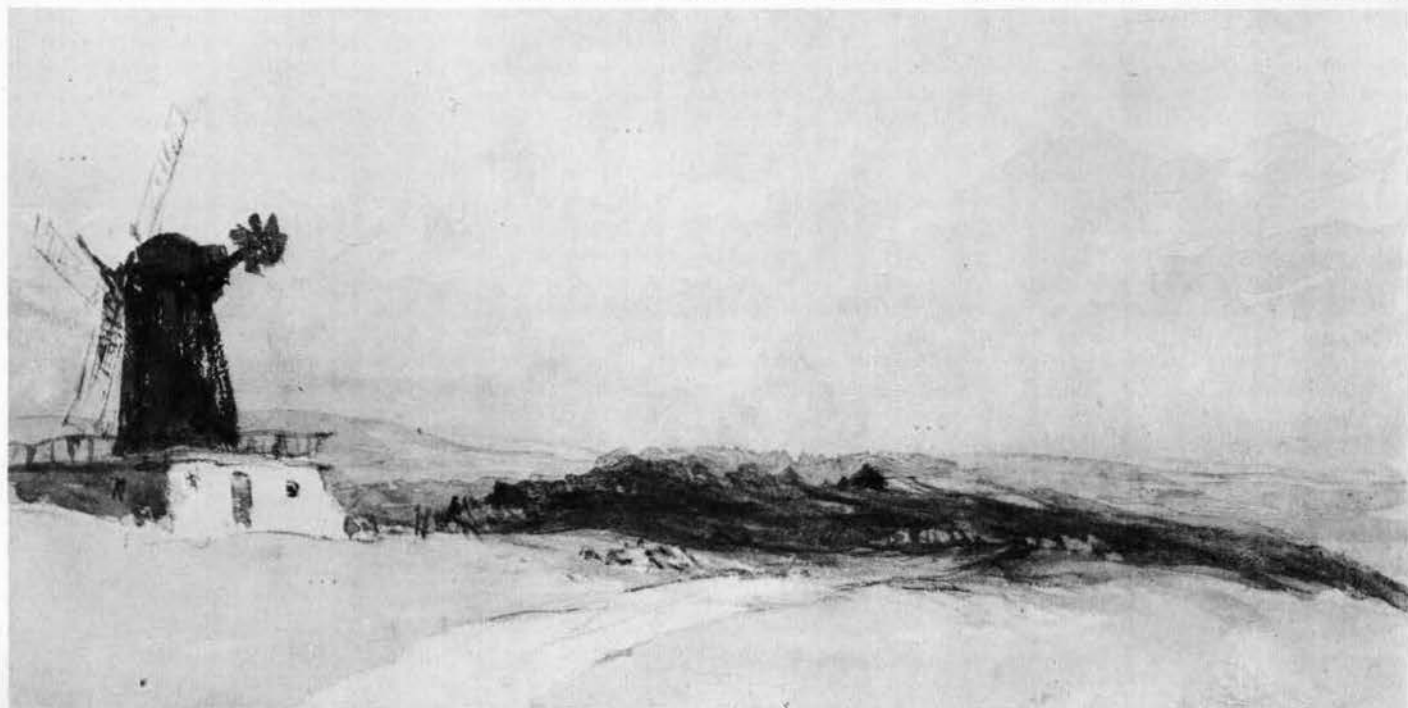
French continued in Norwich until the mid-19th Century, and an annual service in Dutch was held in the city until well into the 20th Century.

European influence on East Anglian agriculture, and, in turn, on British agriculture as a whole, was even stronger. About 6,000 years ago Neolithic people crossed the North Sea, bringing with them grains and domesticated animals to Norfolk. After this introduction of farming—by the first century BC, when the Iceni were the Celtic tribe occupying Norfolk—corn, cattle and hunting dogs were being exported to the Roman Empire, some time before the legions first set foot in Britain.

When the Romans did arrive, they were the first to attempt draining part of the Fens, the vast marshy area then covering whole tracts of Cambridgeshire, Lincolnshire, and Norfolk.

But it was a Dutchman, Cornelius Vermuyden—naturalised not long after his arrival in Britain, and knighted by Charles I—who made the first serious and successful thrust at land-reclamation. Between 1634 and 1655, he reclaimed thousands of acres of Fenland in a huge project involving the cutting of new rivers, to the lasting benefit of the British economy.

The introduction of new crops from the Netherlands, such as turnips and clover, made possible the famous Norfolk system of crop rotation. Until the introduction of clover in the 17th-century, fields had to be left fallow for one year in three. In the following century the method was devised whereby cropping could be continuous, with turnips, barley, grass and clover, and wheat in rotation. A ma-



Which side of the North Sea? English landscape painters have found the same evocative terrain in the Low Countries.

'Refugees, fleeing from the Low Countries, settled in Norwich'

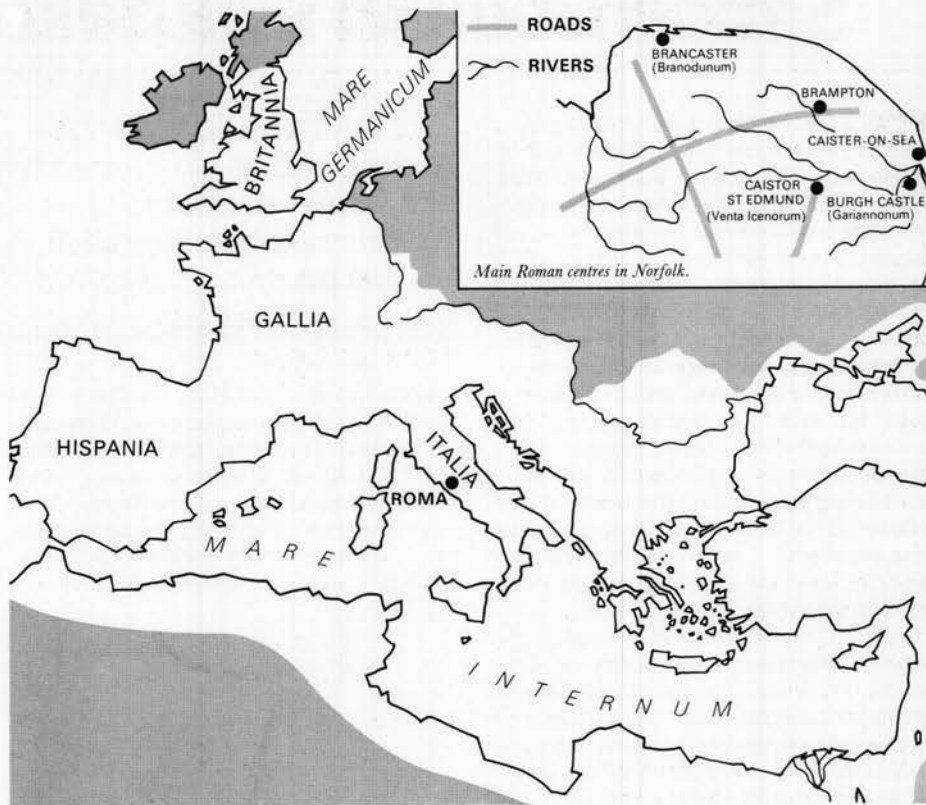
Major contribution from the Netherlands was the light two-horse Norfolk plough based on a Dutch design, and replacing the heavy eight-ox plough.

The Dutch, in addition, created the seed trade in England, and brought bulb growing to East Anglia, while it was another Dutchman, van Rossum, who built the first sugar-beet factory at Cantley, Norfolk, in 1912, to process the crop which had earlier been introduced from his native country, which was growing greatly in importance, and, indeed, was lifted in the early years of this century in various parts of Norfolk by gangs of workers from Holland.

All this, and much else besides, is vividly portrayed within the walls of the Keep of Norwich Castle, in pictures and exhibits (many of them, in another example of European co-operation, loaned or given as replicas by a wide variety of European museums). Admirably complemented by a lavish brochure (available in English, French, German or Dutch), the inextricable interweaving of European culture and that of Norfolk, in consonance with that of Britain as a whole, has been fashioned into a sweeping visual panorama. Nelson here rubs epaulettes with Erasmus; 'Turnip' Townshend finds himself in the unlikely company of the Norwich watercolourist John Sell Cotman; and an even greater pillar of the agrarian revolution, Thomas Coke, Earl of Leicester, eyes the people's champion Thomas Paine. For their part, the present-day citizens of Norwich - descendants, who know, of Neolithic farmers, the Iceni, the Romans, the Vikings, the Normans (another sort of Viking) or Flemish Weavers - look with approval on the evidence of their European past.

The idea for the exhibition was contained in the *Bulletin of the European Communities* (Supplement 6/77) entitled 'Community Action in the Cultural Sector', published in November 1977. It recommended that a pilot scheme be promoted by the Community to enable a museum to organise a permanent display to draw attention to the underlying cultural heritage of Western Europe. The following year, Roy Jenkins, then President of the Commission, announced that the Norfolk Museums Service had been selected out of all the museums in the European Community to organise an exhibition which, if successful, could be followed by similar projects in other European museums.

'Where Nelson rubs epaulettes with Erasmus...'



That it is a success is a tribute to a year's hard work of preparation and organisation involving almost the entire staff of the Norfolk Museums Service. It was opened three years ago by M. Robert Grégoire, Head of the Cultural Division of the European Community, and, earlier this year, after re-organisation which took a brief period, was opened once again.

Nowhere can the underlying community of interest and common background of the Community have been given such striking presentation. Some minor items often make the best highlights to a major theme, such as a note that in local Norwich dialect the word 'lookems' was a corruption of the Dutch word for the windows in weavers' garrets. Or the near-identical pictures portraying the Old Weigh House, Amsterdam, and the Custom House, King's Lynn. Or a yellow jersey of Norwich City Football Club surmounted by stuffed canaries, and an explanation that the club's nickname, 'The Canaries,' derives from the flourishing trade of canary breeding carried on by the weavers, resulting in a distinctive Norwich variety of bird.

If after all this, any visitor still doubts the exchange of culture that has gone to make Norfolk and its people what they are, and, in turn, their contribution to Europe, one final item may convince. In the section devoted to Industry and Trade in the 19th and 20th Centuries appears an item concerning Pasta Foods Ltd of Great Yarmouth. In 1972 they were producing spaghetti on Italian-made machines and exporting it. And in a supermarket in Florence it was outselling the local product.

Above: Norfolk in relation to Europe in the 2nd century AD, at the height of the Roman Empire. Below: Scandinavian place-names and maiolica from Italy - more reminders of the county's long-standing European connection.



PICTURES BY COURTESY OF NORWICH CASTLE MUSEUM, NORWICH

Simon Bolivar: tribute to a liberator

Latin America this year celebrates the 200th birthday of Simon Bolivar, the legendary 'Liberator', who contributed to the freeing of the Andean countries from colonial rule at the beginning of the 19th century. The European Community, wishing to add its own tribute to the anniversary celebrations, is organising an exhibition in Andean Pact countries recalling Bolivar's visits to Europe, and the strong ties that linked him to the 'Old World'.

To evoke the man – his personality, his life story, and the epic events that led to the independence of more than half a continent – we talked to Dr Marcos Alvarez Garcia, director of the Centre for Latin American Studies at the Free University of Brussels, who helped to organise the exhibition.

Says Dr Alvarez Garcia: 'It would take years to study this incredibly complex personality – a statesman and military genius who devoted all his resources, his fortune, his mind and his physical strength, to the cause of liberation.'

He regrets that, despite the roads and underground stations named after him and the monuments reminding us of his existence, Europeans generally know very little about Simon Bolivar. The Community initiative is, he thinks, important in showing that 'the Community's interest in Latin America is more than just economic and commercial.'

Bolivar spent his formative years in Europe, but the countries in which he stayed left very different impressions, according to Dr Alvarez Garcia. He was still very young when he arrived in Madrid in 1799 to finish his studies.

His teacher, the Marquis of Ustariz, a great scholar, had a considerable influence on his intellectual development. In Spain he also discovered freemasonry which was to influence his liberalism. The masonic lodges were to serve as models for secret societies of conspirators in Latin America.

But it was his periods in France, in 1802 and between 1804 and 1806, which influenced him the most. 'Paris was then the centre of the universe,' Dr Alvarez Garcia reminds us. The American continent fascinated Europe; someone was even to invent a 'Bolivar' hat. Intellectuals ardently supported independence movements, and Bolivar was deeply influenced both by his reading and by the people he met.

After his teachers in Spain, his friendship with the scholar Alexander Humbolt was a

The man who brought Europe's ideas of democracy to South America is remembered in his bicentennial year

major turning-point. Humbolt, back from South America, was to convince Bolivar of the importance of independence for his country. But it was his old tutor from Caracas, Simon Rodriguez, a fervent disciple of Rousseau and a convinced member of the liberation movement, who was perhaps the most decisive influence. They met in Paris, travelled together;

and it was Rodriguez who drew the young Bolivar away from 'worldly pleasures' to realise his true vocation.

The fact that Bolivar later refused the title of Emperor, preferring to keep the title of 'Liberator' and remained profoundly republican, Dr Alvarez Garcia believes, is because he refused to follow the example of Napoleon, whom he saw crowned as Emperor and King of Italy.

He admired Bonaparte, who no doubt inspired much of his military strategy, but also regarded him as a traitor to the revolution.

In 1805 he went to Italy, having first visited Rousseau's house at Chambéry and crossed the Alps on foot. There too, the people he met were as important as the culture and history that he absorbed.



'From revolution to democracy' – the Bolivar statue in Paris.

'He preferred the title of Liberator to Emperor'

So can we conclude that Bolivar was a 'complete man' in the seventeenth-century European sense? Yes, certainly; but in 1815 he himself wrote in his famous 'Letter from Jamaica', where he had been exiled. 'We are neither Indians nor Europeans, but an intermediate human species.' It is striking to note that, like many of his compatriots at the beginning of the nineteenth century, he saw himself more as a Latin American than as a citizen of any single nation. Although a Venezuelan, it was Bolivia that gave him his name. He led and took part in liberation struggles in several and was to offer his help to Cuba, where a secret society was named 'Rays and Suns of Bolivar' after him.

After his return from France, Simon Bolivar took part in the conspiracies that led to the downfall of the colonial governor of Venezuela in 1810. The first political task with which he was entrusted was to go back to Europe, this time as the new government's special envoy to London. According to Dr Alvarez Garcia, this trip was very different from his previous European visits. Bolivar was grown up. He was twenty-nine. The job was a delicate one, given that England was still allied to Spain. But he was able to observe British institutions and the experience later allowed him to use English methods to establish schools in the new republics.

Dr Alvarez Garcia is struck by the fact that, even in his earliest political writings, Bolivar appears to have been an extremely perceptive and even visionary politician. After the fall of the first Venezuelan republic and before he took over in 1813, he wrote: 'It is not the Spaniards, but our own division that has caused us to fall into slavery again.'

When the struggle for independence had only just started and was already suffering serious setbacks, he wrote in 1815 in his 'Letter from Jamaica' that 'the destiny of South



America is not yet fixed, but the links that united us with Spain are broken.'

The picture that he paints in this document, and his extremely accurate analysis of the situation in Latin America, has a prophetic tone. Dr Alvarez Garcia gives the example of Chile, his own country. Bolivar said: 'the Kingdom of Chile should abide by the laws of the Republic. If it is to continue to exist in America in the long term, I am inclined to think that it will be as the Chilean Republic.' But, being reluctant to leave the unstable north, Bolivar did not go to Chile. The history of that country up to 1973 is an almost complete vindication of his judgement.

In his letter, Bolivar proposed models for constitutional republics in Latin America, led by presidents for life. But therein, perhaps, lay his weakness. All the principles that he tried to apply in the countries he governed or liberated were there in 1815—revolution of the masses, leading to democracy, the fight against poverty, the priority of education, the exploitation of the continent's mineral resources—and, above all, the union of the South American continent.

This picture of Simon Bolivar, his fight for democracy and his links with Europe, recalls the history of a great continent. But it also raises astonishingly contemporary issues. It is very easy to think, for example, of the call by Colombian Nobel Prize-winning novelist, Gabriel Garcia Marquez, to 'thinking Europeans' to offer support in bringing about 'the unity of our dreams'.

Dr Alvarez Garcia argues that the creation of the Andean Pact, the South American Common Market, is an 'encouraging instrument of economic, political and cultural integration in Latin America'. He adds that the region must also strengthen its links with Western Europe but without losing its own identity. 'The Community is not only a good example to follow—it is also an area where closer links should develop.'

M.F. EBEL-STEWART

Letters

Safety labelling

We were interested to read the item 'Drive to save the children' in your July/August issue.

In England a child was seriously ill having swallowed some tablets. It was impossible to prescribe an antidote, because the label on the container showed neither the nature of the contents nor the name and address of the pharmacist, but only a trading name.

Fortunately, the police contacted the computer-based Business Names Registry, run by the London Chamber of Commerce and Industry, which was soon able to provide the name and address of the owner of the business name. The police then found the owner, who was able to identify the drug so that appropriate remedial action could be taken.

This is but one of the many advantageous services offered to the community by the new LCCI Business Registry.

Alex Roney,
London Chamber of Commerce
and Industry Business Register,
Cannon Street, EC4 5AB

Oiling the olive market

In your March issue you highlighted the problem of an olive oil surplus when Spain and Portugal join the European Community saying that 'the consumption in both countries will probably fall in favour of vegetable oils when the new members join.'

The general public have not been alerted to the harm that some of these vegetable oils can do.

They are new foods which are entirely new to the human digestive system, whereas olive oil is a pure natural oil which has been used in cooking for thousands of years. Medical evidence is now showing that many of the vegetable oils are positively harmful though they may be cheaper to buy.

The countries that produce olive oil should be allowed to sell it at an attractive price in the United Kingdom. At the moment it is roughly double the local price of Spanish olive oil.

I believe there is a growing demand for olive oil in the UK which could increase dramatically if the price was right. I feel sure that the manufacturers of vegetable oils are having some influence against olive oil imports.

It is tragic that the olive farmers' livelihoods are being threatened when their excellent product has, to my knowledge, never been promoted in the UK.

Elizabeth M. Gay
Newton Ferrers, S. Devon



'He admired Napoleon, but also regarded him as a traitor to the French Revolution'

While every other EEC country has been pruning its steel industry, the Italians have continued to expand production. In the past 10 years, Italy has increased its steel output by a fifth. Since 1974, Italy has lost only 2% of its steel jobs. In the same period, Britain has chopped 65% of its workforce and France has chopped 41%.

The two excuses for Italy's determination to ignore the collapse of the steel market have been that (a) Italian steelmakers are more efficient than most of their competitors in the EEC and (b) that Italy was for a long time foolishly encouraged by the EEC to expand its steel industry.

— Economist

All readers of the more serious specimens of the French press are tinglingly alive to the need to defend the language against dangerous Anglo-Saxons. Strange noises may be heard in the Isle of Beauty (Corsica) and the Phocian City (Marseilles, where as much Arabic as French is heard), but far, far worse, even in the sacred groves of the Académie Française, the descendants of Hengist and Horsa are keeping up the pressure, trying to turn that traditional plantigrade's picnic into a dog's breakfast.

— John Harris, in
The Times

Hanged if we do, hanged if we don't — that must be how the European Commission feels about the way everyone's reacting to its latest CAP reform proposals. If it submits bland ideas unlikely to offend, it's accused of lack of initiative. If it comes up with bold plans it's accused of rocking the boat and provoking discord.

As widely predicted, UK subsidies for beef, lamb and butter consumption are early candidates for the chop in a new package designed to lop £1800 million a year off the runaway EEC farm budget. It is hard to imagine circumstances in which the end of the subsidies would be acceptable to any British Government, just as cuts in the intervention price of wheat are unacceptable to the French, at least without a tax on oilseeds and cereal substitutes, which is unacceptable to the Dutch.

The fact that the Commission itself has been so bitterly divided over the proposals proves how rudderless the CAP has become. In the end, the high prices for grains, milk, colza and so on will be brought down by a taxpayers' revolt or a trade war with the United States.

— Meat Trader

Europe has the plant capacity to produce some 60m tonnes of steel more than anyone is likely to want to buy. The result has been low prices, inefficient steel industries, huge losses and a massive financial burden on European taxpayers.

Everyone can agree on the remedy: close unwanted, inefficient plant. But there has been a lack of political will to embrace it. Last week Ian MacGregor said: 'My biggest disappointment over the last three years has been the lack of progress within the EEC towards a sensible realignment of capacity and consumption.'

Of the 300,000 steelworkers to have been made redundant over the past decade, almost 130,000 have been British.

— Sunday Times

It would be unwise for Community members to misinterpret moves within the Labour party to reverse its election manifesto commitment to withdrawal from Europe. Even if the party's hierarchy now admits that Britain's interests would be served better inside Europe, a future Labour Government would not hesitate to sabotage the EEC if the terms of membership were not right.

Mrs Thatcher's mood is not dissimilar. She has recognised for some time that British public opinion will not tolerate indefinitely a system that imposes upon taxpayers a crippling financial burden.

— Yorkshire Post

French claims that the Triumph Acclaim car, made by BL under agreement with Honda of Japan, is 40 per cent Japanese in content, call into question the nature of the EEC rules of origin.

If the car, or any other product for that matter, is classified as EEC by origin it can circulate freely within the EEC without being subject to customs duties, levies or import quotas. Hence the attraction of the EEC market with 270 million people for, say, a Japanese investor.

But if the car is established as foreign then it is subject to these duties and quotas before it is permitted to circulate freely. Once inside the EEC, any product is theoretically allowed to move freely, with specified exceptions related to the by-passing of import restrictions in one country by moving the imported goods in through another.

— Financial Times

The mass of subsidies with which the EEC floods world markets with its surplus dairy produce, cereals and sugar, will continue. In this way food production in the developing world can never compete.

At the same time, the EEC's highly protected farmers are guaranteed export markets. Whatever cereals and dairy produce cannot be sold without causing total collapse on world markets, is given away as food aid, thereby ensuring agricultural underdevelopment in many Third World countries.

— Guardian

Carmakers selling in Britain are planning new moves to fight EEC Commission proposals which could substantially reduce new car prices in the United Kingdom.

A maximum price differential of 12 per cent between prices in Britain and other EEC countries is being sought by the Commission.

Although price differentials between Britain and Belgium have narrowed on specific car models, the prices in Britain can still be anything from 22 per cent to 59 per cent higher, according to one recent European consumer survey.

— The Times

the left-wing council at Liverpool has rejected a Common Market offer of £350,000 cash aid for the jobless.

The offer was contingent on the council putting up £87,500. Central government would have given £262,500, making a total of £700,000. But the council claimed that they would rather use their own cash on their own plans.

— Daily Telegraph

WHAT'S IN THE PAPERS

Lynda Chalker, parliamentary under-secretary of state for transport, called on Giorgios Contogeorgis, European commissioner for transport, to stress the importance of ensuring that EC regulations on coach safety are properly enforced by other member states. She has also asked him to consider whether more could be done at the community level to ensure safety for coach travellers.

The move comes shortly after the recent coach accidents on the continent.

Reporting to the House of Commons on her talks with the commissioner, Mrs Chalker said that the primary responsibility for coach safety in Europe rests with the national governments concerned.

— British Business

This new Community crisis arises because the Commission grossly underestimated the cost of running the CAP this year, and was unable to foresee the drop in income that has followed the decline in VAT customs revenue in the recession.

If the money runs out, the CAP — the one fully-fledged common policy the European Community has — will break down. What exactly would happen then is uncertain.

A spokesman in Brussels said: 'No one knows what would happen. Farmers would need paying, goods would need to be bought off the market, national governments would have to take the responsibility. If we don't get the additional budget, the cash runs out. If we do get it we might just scrape through.'

— Observer