

European Community NEWS

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COUNCIL ADOPTS EC ENERGY POLICY

The Council of Ministers agreed on September 17 in Brussels to move toward a common energy policy for the European Community. Such a policy, as proposed by the Commission, calls for developing nuclear power production; maintaining current EC coal production and use levels; reducing dependency on imported oil; expanding technological research and development, and rationalizing energy consumption. The Council also agreed to fix specific and quantified energy objectives before the end of the year.

Additionally, a tentative agreement for an oil-sharing plan in time of crisis was reached in Brussels, September 20, by experts from eight EC countries, the United States, and Canada.

BRITAIN MAY GET EC SUGAR SUPPLY HELP

Britain will not be forced to pay world prices for sugar when its Commonwealth Sugar Agreement expires this year, if the Council of Ministers adopts a recent Commission proposal. Britain, the largest EC sugar importer has been importing sugar at favorable terms, under the agreement. According to the proposal, the Community would buy sugar on the world market and sell it to Britain at the EC price (one third the world price). The Community would partly offset its loss by selling EC sugar on the world market.

Explaining the proposal to the European Parliament September 24, agriculture Commissioner Petrus J. Lardinois said the EC common sugar policy has saved the Community consumers \$5 billion by protecting them from world prices.

1973 EC-US TRADE BALANCE IN DEFICIT

In its first year of enlargement, the European Community's trade balance with the United States ran a deficit of 1.9 billion units of account (UA) in 1973, according to the EC Statistical Office. (One UA equals \$1.20635 at current rates.) The Community imported UA 15.460 billion in US goods, while exporting UA 13.538 billion last year. The EC 1973 trade balance with all third countries also ran a deficit of about UA 4.9 billion, with a total of UA 89.507 billion in imports and UA 84.562 billion in exports.

EMERGENCY EC FARM MEASURES APPROVED

Emergency measures to aid the European Community farmers were agreed to by the EC Council of Ministers September 20 in Brussels, subject to the formal approval of the German Government. The measures include: raising farm prices by 5 per cent after October 1; moving the 1975 price setting negotiations to February 1 from April 1; raising beef cattle subsidies and the British guaranteed milk price by 5 per cent, and calculating next year's farm prices so as to compensate for the high inflation rates of the past two years.

1974 ECONOMIC REPORT GLOOMY

The nine Common Market countries can expect moderate economic growth over the next 15 months, but will still face serious inflation problems, concluded the annual EC economic report, adopted by the Commission and sent to the Council of Ministers this month. The report said the Community's real growth rate would reach 3.5 per cent next year, compared to 2.5 per cent in 1974. The 1974 consumer price increase of 13 per cent would only drop to 10.5 per cent in 1975, the report said. Besides record inflation levels, the Community has been hit by a deficit on current account approaching \$20 billion this year. In 1973 the Community enjoyed a \$1 billion surplus.

EC TO MEET WITH BEEF EXPORTERS ON EMBARGO

Representatives of several beef exporting nations hurt by the European Community's temporary beef embargo will discuss with the Commission next month ways of stabilizing beef trade. On September 17, an official complaint about the embargo was lodged with the Commission by ambassadors to the Community from Argentina, Australia,

Brazil, Columbia, New Zealand, Paraguay, Uruguay, and Yugoslavia. The group argued that the embargo has: seriously disrupted their economies; contradicts EC espousal of free trade, and, coupled with subsidies for EC beef farmers, has further depressed prices. Commission President François-Xavier Ortoli and agriculture Commissioner Petrus J. Lardinois met with the group September 18, and said that lifting the ban would have to be linked to a new import plan which would ease the EC beef surplus.

US FOREIGN AFFAIRS FELLOWSHIPS AVAILABLE

Twenty fellowships for dissertation research on problems relating to United States involvement in international affairs are being made available by the International Studies Association. The three-month grants will help underwrite activities such as archival work, library material analysis, and interviews with policy makers. All US and Canadian university Ph.D. candidates are eligible. Candidates should apply before December 31, 1974 to the International Studies Association, Center for International Studies, University of Pittsburgh, Pennsylvania, 15260.

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