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## ROY JENKINS PRESENTS THE COMMISSION'S PROGRAM FOR 1980 TO THE EUROPEAN PARLIAMENT

On February 12, Roy Jenkins, President of the Commission of the European Communities presented the program of the Commission to the European Parliament meeting in Strasbourg. His address assessed what the Community had achieved in 1979 and outlined the main objectives for 1980. Mr Jenkins particularly emphasized the preoccupation that the Commission felt in view of the current difficult social and economic situation with special reference to the crisis in the energy, employment and research and development sectors.

### LOOKING BACK AT 1979

Mr Jenkins pointed out that 1979 "should be seen as a year of major Community advance". Substantial success was achieved on a number of major issues:

- 1) the creation and functioning of the European Monetary System is an "important landmark" in the development of the EC;
- 2) the accession of Greece to the Community "emphasizes the underlying vitality of the EC";
- 3) the Multilateral Trade Negotiations agreement "offers a reasonable prospect for a further development of the free world trading system on mutually beneficial lines";
- 4) the Lomé agreement on a renewed convention "enhances and strengthens the EC relationship with 58 African, Caribbean and Pacific countries";

5) the Economic Summit meeting in Tokyo showed the Community leading the way "towards establishing a new apparatus of cooperation in the energy field".

## THE CRISIS AHEAD

The President of the Commission sternly warned the European Parliament that "looking ahead, we face no less than the break up of the established economic and social order on which post-war Europe was built".

He pointed out that the Bretton-Woods type monetary stability had collapsed completely and that the energy crisis could push European societies "towards dislocation and eventual collapse" if nothing is done to help solve that problem in 1989 which "could be almost our last opportunity".

Mr Jenkins documented his pessimistic forecast for 1980 by outlining the basic economic picture for the year to come: the growth of the European economy could fall from 3.3% in 1979 to well below 2% in 1980 while unemployment rates could rise above 6% and inflation could hit 11.5%. Under the impact of last year's 65% increase in oil prices the external trade deficit of the Community could reach \$20 billion up from almost \$8 billion in 1979.

For Roy Jenkins, the essential question in 1980 is: "How do we adapt our society to the new economic realities?"

## ENERGY

Energy cost and shortage is one of the main aspects of these "new economic realities". "Energy conservation must be the cornerstone of our policy" is Mr Jenkins' basic view on the energy question, he added that by 1990, the EC energy savings should cut the import needs by 20%. "Throughout the Community we should rapidly raise the levels of our investment in new ways of saving energy, in exploiting our native resources, and in developing new sources of energy".

A three-pronged approach should be attempted:

- 1) revamping the consumption and production of coal;
- 2) developing without any more delays the EC nuclear energy capacity;
- 3) researching and developing new sources of energy.

## NEW ADVANCED TECHNOLOGY

Roy Jenkins is convinced "that the ultimate test of success or failure in the next decade will be the attitude we adopt to the challenge of the new electronic technologies". He warned that in that field "the technological gap between the U.S. and Japan on the one hand, and Western Europe on the other is if anything increasing".

The President emphasized the need to alter that situation by creating a homogenous European market for telematic equipment and services, foster the growth of a European information industry, promote industrial and user collaboration, enhance existing national and European programs for satellite communication, and above all apply the new technologies to the Community itself on the continental scale open to us".

## EXTERNAL RELATIONS

"Our western economies and societies" Mr Jenkins said "are rooted in the twin concepts of competition and cooperation. Without competition, there is a prospect of a widening gap between our achievements and those of our major partners and rivals. Without cooperation, we risk damaging each other and losing sight of the interests we hold in common".

As always the EC plans to play an active role in stimulating international cooperation both at the next Venice Summit meeting in June 1980 and by soon engaging in a further round of North/South dialogue.

The President outlined the three themes which will run through these North/South negotiations:

- 1) "the need to ensure a better balance between energy supply and demand";
- 2) "the steady growth of the economies of the poorer countries";
- 3) "the provision of special help for those in most need".

## EMPLOYMENT

Roy Jenkins also emphasized three points as far as the employment situation is concerned:

1) "our people must be informed about the changes that are occurring" in the economy as a whole;

2) "if we are to make the necessary but difficult changes in our society required by changing technology, our policies must encourage greater mobility and willingness to change jobs";

3) "we must reduce to the minimum the average period of unemployment".

#### EUROPEAN MONETARY SYSTEM

While regretting the absence of the United Kingdom from the EMS, Mr Jenkins stated that "last year, the Community framework was greatly strengthened by the introduction of the European Monetary System" and that the Community should strive towards the creation of the European Monetary Fund as part "of a common effort with our major trading partners to rebuild a framework within which the monetary turbulence we have experienced in recent years can be effectively contained".

#### CONCLUSION

After briefly touching the question of the Community budget, on which he hoped for a quick agreement between the Community institutions (Commission, Council of Ministers, Parliament); Roy Jenkins concluded his address by urging the Community to show a "spirit of solidarity" in front of a very dangerous international political and economic situation.

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