

EUROPEAN BACKGROUND INFORMATION COMMUNITY

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BACKGROUND NOTE

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EUROPEAN COUNCIL AGREES ON JOINT ECONOMIC MOVES AND SETS DATE FOR DIRECT ELECTIONS

The nine member states of the European Community have agreed to draw up a common economic strategy to combat the recession and have set June 7 to 10, 1979, as the dates for the first direct elections to the European Parliament.

Those were the two major decisions to emerge from the European Council, at its latest meeting in Copenhagen on April 7 and 8.

The European Council which meets three times a year, is composed of the heads of government of the nine member states of the European Community: Belgium, Denmark, France, Ireland, Italy, Luxembourg, the Netherlands, the United Kingdom and West Germany.

The economic strategy will be hammered out over the next three months, in time for the European Council's next meeting in Bremen on July 6,7. At that meeting the European Community is expected to decide on the common economic position it will present at the Western economic summit in Bonn, which will take place later in the same month and be attended by U.S. President Jimmy Carter.

Roy Jenkins, President of the EC Commission, the Community's executive and administrative branch, said after the meeting that most of the European leaders were now agreed that the time is ripe for new moves in the monetary field. He added: "In my view we should seek greater exchange rate stability between the currencies of member states of the Community and thus a stronger basis on which to deal more effectively in exchange rate policy with third countries, notably the United States."

Speaking in Berlin a week later, Jenkins stressed that none of the economic or monetary measures proposed or discussed at the meeting was in any way directed against the dollar or the United States. He added that stronger unity in Europe was in no way incompatible with the strengthening of transatlantic relations.

On direct elections Jenkins said: "No one should underestimate the significance of the decision we have taken. A directly elected Parliament will introduce a major new democratic dimension to the institutions of the Community."

The decision on direct elections was accompanied by a declaration on democracy to the effect that "the respect and maintenance of representative democracy and human rights in each of the member states are essential elements of membership of the European Communities."

Attached is the full text of the European Council's conclusions and statements on these and a number of other issues, including: the setting up of the European Foundation, terrorism, marine pollution, the Middle East, East-West relations, Namibia and the Community's relations with Japan.

Direct Elections to the European Parliament - "The Heads of States and Government note with satisfaction that in the Member States, the legislative procedures relating to the holding of the direct elections to the European Parliament by universal suffrage are being concluded. After reviewing the possible dates for these elections, they agreed that they should take place during the period 7 to 10 June 1979."

Declaration on Democracy - "The election of the Members of the European Parliament by direct universal suffrage is an event of outstanding importance for the future of the European Communities and a vivid demonstration of the ideals of democracy shared by the people within them."

The creation of the Communities, which is the foundation of ever closer union among the peoples of Europe called for in the Treaty of Rome, marked the determination of their founders to strengthen the protection of peace and freedom.

The Heads of Government confirm their will, as expressed in the Copenhagen Declaration on the European identity, to ensure that the cherished values of their legal, political and moral order are respected and to safeguard the principles of representative democracy of the rule of law, of social justice and of respect for human rights.

The application of these principles implies a political system of pluralist democracy which guarantees both the free expression of opinions within the constitutional organization of powers and the procedures necessary for the protection of human rights.

The Heads of Government associate themselves with the Joint Declaration by the Assembly, the Council and the Commission whereby these Institutions expressed their determination to respect fundamental rights in pursuing the aims of the Communities.

They solemnly declare that respect for and maintenance of representative democracy and human rights in each Member State are essential elements of membership of the European Communities."

Economic and Social Situation - "The European Council agreed that the Community and its Member Countries will over the coming three months develop a common strategy designed to reverse the present unsatisfactory trend in the Community's economic and social situation. The European Council was convinced that this course of action will constitute an important contribution to overall international action to promote world economic recovery. It will at the same time facilitate progress towards economic and monetary union.

The common strategy will cover economic and monetary affairs, employment, energy, trade, industrial affairs and relations with the developing world.

The European Council asked the Council (General Affairs) to coordinate the efforts of the Council in its various formations, and to prepare the necessary conclusions of the European Council at its session in July 1978.

1. The Council considers it essential that the Community will have achieved an annual growth rate of 4.5 per cent by the middle of 1979. With this in mind the Community will in the coming months assess the effects of present national economic policies and on this basis define the need for -- and in appropriate cases --- the margin of manoeuvre open to Member States for coordinated additional measures designed to realize the necessary growth within the Community.

During the same period the Community will through common measures support the action of Member States and make better use of existing common facilities to alleviate present restraints on Member Countries' possibilities for action. In this connection the Council referred to the so-called Community Loan Facility. It also invited the Governing Board of the European Investment Bank to adopt at its meeting in June a decision to double the capital of the Bank.

2. The European Council discussed the need for increased monetary stability both within the Community and on a world-wide basis. In this context it recognized the need to avoid disruptive capital flows.

3. The European Council expressed its deep concern over the persistent high rate of unemployment and agreed that an improvement in the employment situation is a key objective of the common overall strategy of the Community. It stressed the importance of the Community's growth objective in this context.

The European Council agreed that the need for complementary specific measures to combat unemployment, particularly with respect to young people, should be examined.

The European Council agreed with the Standing Committee on Employment that the best way of dealing with unemployment is to create new jobs through active economic employment and investment policies, but that there should be further examination of whether worksharing measures could have a supplementary part to play in alleviating the present grave employment measures.

4. The European Council was convinced that sustained international economic stability depends significantly on vigorous efforts in all industrialized countries to reduce dependence on imported oil through energy savings and increased energy production.

The European Council agreed that the high demand for imported oil is a critical problem for the Community. More comprehensive and vigorous efforts at national and Community level to reduce demand and increase supply of energy within the Community are urgently needed. It recognized that this presupposes large-scale investments. Such efforts will be given high priority, because they will at the same time promote economic activity, create new jobs and improve the balance of payments.

5. The European Council agreed that sustained growth in world trade is essential for the promotion of world economic recovery. Therefore protectionist tendencies must be resisted. A rapid and successful conclusion of the Multilateral Trade Negotiations will increase confidence in the world trade system.

The European Council agreed that further progress should be made to eliminate obstacles to the free movement of goods within the Community.

6. The European Council emphasized the need to restore the competitiveness of industries in distress. This remains the basic aim of national and Community policies in this field.

In this connection it underlined the necessity to set up tripartite frameworks on a European level to overcome the serious problems of structural over-capacity in several industries and to promote an industrial structure that can maintain itself in world-wide competition.

7. The European Council pointed out that the pursuit of greater internal cohesion implying also a reduction in regional imbalances, constitutes one of the key objectives of the Community enterprise.

8. The European Council recalls the Resolutions of the Council of Ministers of November 1975 and July 1976 recognizing the need for a re-examination of the agricultural problems affecting the Mediterranean regions of the Community.

In this spirit the European Council was of the opinion that the Council (Agriculture) should endeavor to reach a decision by the end of April taking into account the proposals from the Commission.

9. The European Council noted that an overall increase in the flow of aid to the developing countries will facilitate their possibilities of playing a greater part in a general recovery of the world economy.

The European Council reaffirmed the will of the Community to contribute constructively to progress in the North/South Dialogue in order to promote a more just and equitable world economic order.

10. The European Council asked the Council in its various formations to take the necessary steps over the coming three months toward the achievement of the objectives mentioned above.

Relations with Japan - "The European Council heard the report from the President of the Commission on the progress made in fulfilling the mandate given to him by the European Council at its last meeting in December to continue and intensify his consultations with the Japanese Government with special reference to Japanese balance of payments surpluses in the context of the world economy as a whole.

The European Council agreed that the EEC-Japan joint communique of 24 March could be regarded only as a first step in continuing consultations which should be pursued vigorously with the Japanese Government on the basis of the guidelines agreed by the Council of Ministers in February. The European Council noted with approval the conclusions reached by the Council of Ministers on 3 and 4 April and drew attention to the need for Japan to take appropriate measures for the rapid reduction of its current account surplus, which continues to cause concern.

The European Council asked the President of the Commission and the Council of Ministers to keep the question under review and complete the report to be considered at its next meeting in July."

Terrorism - "The European Council declared its deep distress at the kidnapping of Aldo Moro and the murder of his escort. The Council wished in this connection to express its complete solidarity with the Italian people and Government.

The Council expressed its great concern at the continually increasing number of acts of this kind and at the extension of terrorism in general which, if not effectively combated, will strike at the functioning and the very principles of democracy. The Council stressed that the nine Member States were firmly resolved to do everything to protect the rights of individuals and the foundations of democratic institutions.

The European Council agreed that high priority must be given to efforts to intensify cooperation among the Nine to defend our societies against terrorist violence.

It was agreed that the relevant Ministers will increase their mutual cooperation and will as soon as possible submit their conclusions on the proposals before them for a European judicial area."

Marine Pollution - "The European Council, after hearing a statement by the President of the French Republic concerning the running aground of an oil tanker on the French coast,

1. Considers that the Community should make the prevention and combating of marine pollution, particularly from hydrocarbons, a major objective,
2. Consequently invites the Council, acting on a proposal from the Commission, forthwith to adopt appropriate measures concerning in particular:
 - (a) the swift implementation of existing international rules, in particular those regarding minimum standards for living and working conditions at sea;
 - (b) the prevention of risks of accident through coordinated action by the Member States

- to reinforce and adapt the system of compulsory shipping lanes,
- and to increase checking of substandard vessels;

(c) the search for and implementation of effective measures to combat pollution."

Middle East - "The European Council has examined the situation in Lebanon and the Middle East. We deplore all the recent acts of violence and we wish to express our deep anxiety at the tragic events in South Lebanon. We reiterate our support for resolutions 425 and 426 of the United Nations Security Council and we wish for a swift and complete implementation of these resolutions.

We ask all parties to cooperate fully with the United Nations interim force in the execution of its duties.

We stress our commitment to unity, sovereignty and territorial integrity in Lebanon. Developments in Lebanon must not be allowed to jeopardize the efforts for a negotiated overall settlement to the Arab-Israeli conflict; the impetus of the peace process in the Middle East must be maintained. We reaffirm our position that a settlement must be based on Resolution 242 of the Security Council, applied in full on all fronts. We confirm that the principles set out in our statement of 29 June 1977 remain entirely valid. (Mr. Jørgensen stressed that this position does not represent a new formal EEC statement on the Middle East)."

East-West relations - "The Council held an exchange for views on the recent developments in East-West relations. It noted that detente is undergoing the influence of events throughout the world. It stressed the importance of continuing the multilateral discussions on the implementation of the Final Act of Helsinki which were begun in Belgrade. The Nine intend, therefore, to pursue their close collaboration in preparation for the forthcoming meeting which forms part of the follow-up to Helsinki, planned for 1980 in Madrid."

Namibia - "The European Council has taken note of the proposal for a settlement in Namibia prepared by the Five Powers. The Council supports the action of the Five and considers the proposal to be a fair and reasonable settlement. It hopes that all the parties involved will feel able to accept this important opportunity for a negotiated peaceful solution in accordance with Security Council resolution 385."

European Foundation - "In pursuance of the decision of principle taken at the meeting of the European Council on 5 and 6 December 1977, the Heads of State and of Government laid down the scope and objectives of the Foundation and agreed on the framework for its structure and financing. The European Council decided that formal discussions on setting up the Foundation should be conducted as soon as possible. The seat of the Foundation will be Paris."

Economic and Social Committee - "The European Council declared the importance it attaches to the activities of the Economic and Social Committee. It calls on all parties concerned in connection with the renewal of the Committee in September 1978 to cooperate in increasing the Committee's effectiveness as regards its role in the Community's decision-making process."