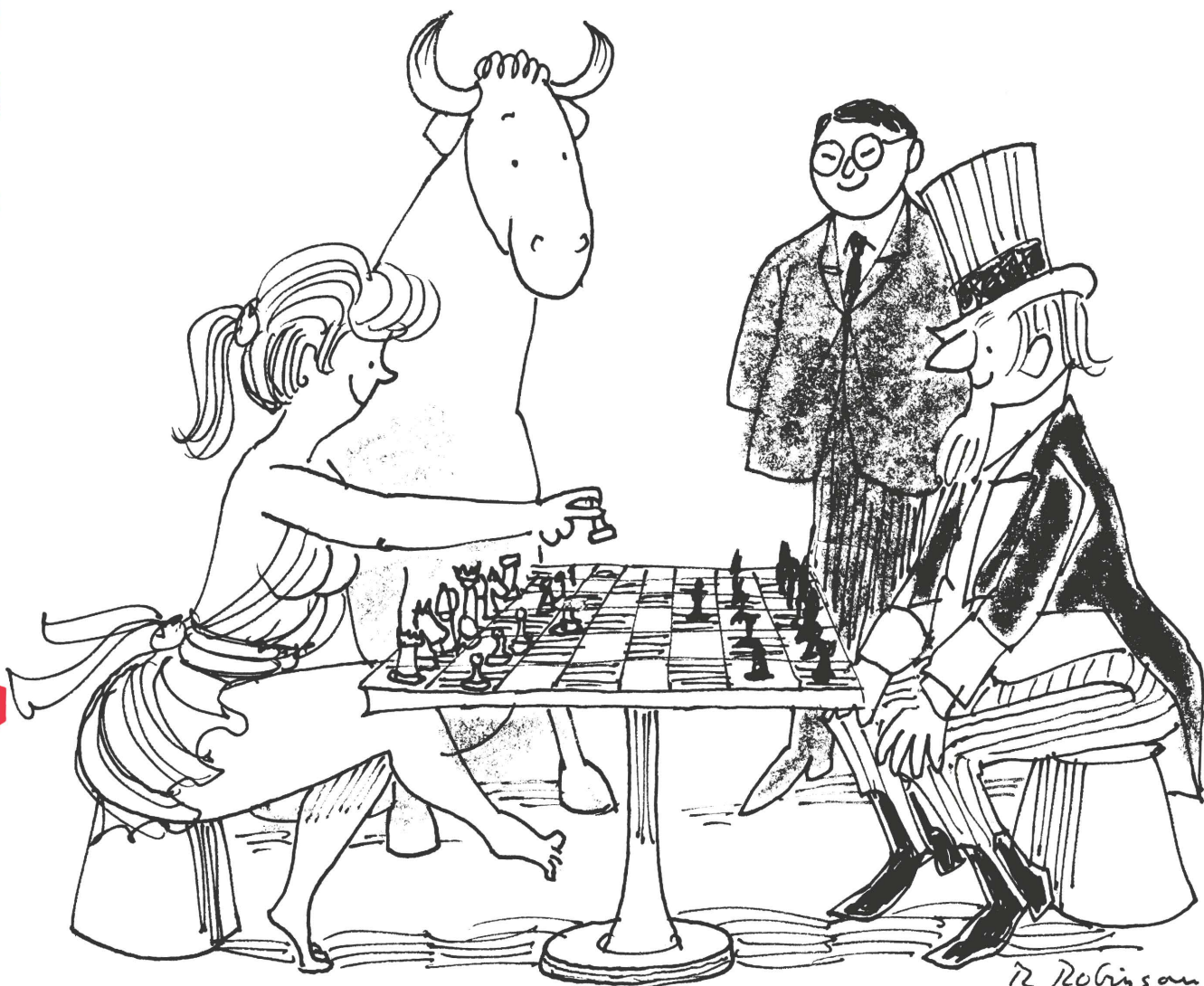


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European Community is published in English, French, Italian, German, Dutch, Greek, Spanish, and Turkish by the offices of the European Community Information Service. Subscriptions can be obtained from the European Community Information Service.

Washington, D.C.:

2100 M Street, N.W., Suite 707, 20037

New York, N.Y.:

277 Park Avenue, 10017

London:

23 Chesham Street, SW1

Paris:

61, rue des Belles-Feuilles, 16^e

Rome:

Via Poli, 29

Bonn:

Zitelmannstrasse 22

The Hague:

Alexander Gogelweg 22

Brussels:

200, rue de la Loi

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72, rue de Lausanne

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This material is prepared, edited, issued, and circulated by the European Community Information Service, 2100 M Street, NW, Suite 707, Washington, DC 20037, which is registered under the Foreign Agents Registration Act as an agent of the Commission of the European Communities, Brussels, Belgium. This material is filed with the Department of Justice where the required registration statement is available for public inspection. Registration does not indicate approval of the contents of the material by the United States Government.

Community News

Monetary Cooperation Fund Begins Operation

The European Monetary Cooperation Fund, provisionally located in Luxembourg, became a reality on April 6, five days after its planned birth date of April 1.

The purpose of the Fund is to

- promote the proper functioning of the progressive narrowing of the margins of fluctuation of the Community currencies against each other
- supervise the intervention in Community currencies on the exchange markets
- arrange settlements between member states, central banks eventually leading to a harmonized policy on reserves.

Initially, the Fund will oversee the proper functioning of the Community exchange system and will act as a clearing house for intra-Community settlements. It will also handle the administration of the short-term financing provided for by the April 10, 1972, agreement between the Central Banks of the enlarged Community and the administration of the \$1 billion provided for short-term monetary support.

A Board of Governors, made up of members of the Committee of Governors of the Community Central Banks, will manage the Fund. A member of the European Commission will take part in Board meetings.

Plans for a Monetary Cooperation Fund began in early 1972 when a Commission proposal to the Council concerning economic and monetary union included the creation of the Fund. It was not until September, however, that the Council of Ministers, meeting in Rome, agreed in principle on the Fund. At the Paris Summit in October, the EC Heads of State or Government announced that the Fund would be established April 1, 1973 (see *European Community* No. 161, page 8).

In January 1973 the Commission submitted a proposal to the Council of Ministers outlining the Fund's functions. The Council on March 22

discussed the Fund but could not agree on a suitable location. Luxembourg, along with other member countries, wanted the Fund to be located in Luxembourg while the United Kingdom thought it should be in Brussels with several other Community institutions. Luxembourg bases its claim on a 1965 decision taken by the EC original six members to locate Community institutions concerned with finance in the Luxembourg capital.

The Fund could not then be established on April 1 as planned, but the Council of Foreign Ministers, meeting April 2-3, decided that the Fund would begin operations on April 6, provisionally located in Luxembourg. A final decision on location will be made by June 30.

Member States Agree to Consult On Anti-Pollution Laws

Community member states have agreed to inform the Commission of any planned anti-pollution legislation that

- may directly affect the functioning of the Common Market
- is relevant to the Community's program to improve the environment
- could have repercussions on partner states.

According to the March 5 agreement, member states will try to coordinate their action to curb pollution. If the Commission tells a member government within two months of receiving information on planned legislation that it plans to submit proposals for Community action in that sector, the government concerned is expected to suspend action on the draft laws. In exceptional cases where safety or health reasons make action urgent, a member government may enact the proposed national anti-pollution measures.

Young Europeans "March for Europe"



City officials including Elderman Guy Messiaen (left) and Mayor Jacques Van Offelen (third from left) accompany the young marchers in Uccle, a Brussels suburb.

An early morning demonstration on April 17 frightened passers-by in Uccle, Belgium, until they noticed that the young demonstrators were cheered on by local officials.

The 25 participants were "marching for Europe" along a 300-mile route from Uccle to Strasbourg to increase support for the direct election of the European Parliament. Most of the marchers were students and members of the local branch of the international group, Euro-Meetings. As they continued their two-week walk across

Europe, they urged local citizens to join in their march, whether for a few feet or several miles.

The "March for Europe" had several sponsors, all organizations supporting European unity and the direct election of Parliament. The marchers did, however, meet some opponents along their route. Several Belgian officials voiced the opinion that direct election of the Parliament would result in Belgian interests being outnumbered in the Parliament.

Center to Spur Commercial Cooperation

The Business Cooperation Center (*Bureau de Rapprochement des Entreprises*), an information service designed to spur intra-Community commercial cooperation, began operations in May following the Council of Minister's April 16 decision approving the necessary funds.

The Center provides information on national or Community legal, fiscal, financial, or administrative provisions concerning cooperation between firms of different member states. It also helps firms interested in cooperation to contact one another, but does not intervene in the choice or arrangements of any subsequent cooperation agreement.

The Center will assist firms de-

siring any form of cooperation including mergers or any field of cooperation including research and development, production, or marketing.

The Business Cooperation Center was established primarily to help small and medium-sized firms, but large firms may also take advantage of the information service. Firms incorporated in non-member states will not be eligible for the Center's services. The Center is obligated to act in a neutral and non-partisan manner; it guarantees complete confidentiality.

For more information, write: Bureau de Rapprochement des Entreprises, 15-17 rue Archimède, 1040 Brussels, Belgium.

US Trade With EC Still in the Black

The United States still has a trade surplus with the European Community, according to EC statistics. Calendar year 1972 saw US trade with the Community in the black by \$264 million. US exports to the Community totaled \$8.584 billion, while US imports from the Six amounted to \$8.320 billion.

When US trade with Britain, Denmark, and Ireland, which joined the original six members of the Community on January 1, 1973, is taken into account, the United States had a trade surplus of \$188 million with the enlarged Community in 1972. US exports to the "Nine" totaled \$11.900 billion, while US imports from the Nine amounted to \$11.712 billion.

US Commerce Department figures, on the other hand, show US trade last year with the Community of Six in the red by \$165.4 million—the first time, according to any statistics, that the United States has run a trade deficit with the European Community.

Discrepancy in trade statistics is nothing new. Trading partners' export and import figures rarely match. The discrepancy in EC-US statistics is partially due to the method of tabulation. The European Community figures its imports on a cost, insurance, and freight (CIF) basis and its exports on a free on board (FOB) basis. The United States tabulates both exports and imports on a FOB basis.

There is also the "Rotterdam factor," or problem with port of entry. US figures for exports to the Community are somewhat inflated

by the inclusion of exports to Rotterdam which are destined for Switzerland or other non-Community countries. Another statistical discrepancy comes from the fact that US exports to the Community via Canada are counted by the United States as exports to Canada whereas the Community registers them as US exports to the Community.

Award Offered for European Study

An award of 15,000 French francs (approximately \$3500) is being offered for a thesis or study which promotes European solidarity and cooperation in the social, economic, political, and cultural fields, contributes to the development of European institutions, or fosters good relations between Europe and the rest of the world.

The award was created and named in honor of the late Adolphe Bentinck, a former Deputy Secretary General of the North Atlantic Treaty Organization, Dutch ambassador to the United Kingdom and Iceland, and an active advocate of European unity.

Authors, editors, or institutions must submit their papers by July 1, 1973, to: l'Association des Amis de la République Française, 35, Avenue Victor-Hugo 75116 Paris, France.

Further information may be obtained at the same address.

Community Increases Food Aid

The Council of Ministers announced in April an increase of 252,000 tons of grain in the Community's 1973 food aid program for developing countries.

Previous Community contributions of food aid to developing countries amounted to 1,035,000 tons of grain per year. The increase, resulting from the enlargement of the Community, brings the annual contribution to 1,287,000

tons per year. Half of the increase, 126,000 tons, will be added to the Community aid program by June 30 of this year. The remaining half will be distributed to recipients over the last half of the year.

Total Community aid consists of national and Community contributions. The Community assumes responsibility for about 40 per cent of the total aid. Individual member states contribute the remainder.



EC Commissioner Ralf Dahrendorf signs the agreement with IAEA on a nuclear safeguard system. IAEA Director General Sigvard Eklund is seated at the left.

Euratom and IAEA Sign NPT Accord

The European Atomic Energy Community (Euratom) and seven of its member states signed on April 5 an agreement with the International Atomic Energy Agency (IAEA) on a safeguard system to prevent the conversion of fissile materials into nuclear weapons. The other two members of the European Communities—France and the United Kingdom—did not sign due to their nuclear military status but they are still subject to Euratom's safeguards.

The accord, negotiated in accordance with the Euratom Treaty (Articles 101 and 102) on the authority of a European Communities Council of Ministers directive of December 20, 1971, is based on Article III, Paragraphs 1 and 4, of the nuclear Non-Proliferation Treaty (NPT).

The accord subjects Euratom's nuclear safety controls and guarantees to verification by the IAEA. This verification includes independent observation by IAEA teams but takes into account Euratom's own effective nuclear guarantee system. The accord stipulates that IAEA's verification will not cause any unjustified interfer-

ence in Euratom's peaceful nuclear activities or its overall economic and technological progress.

IAEA Director General Sigvard Eklund signed the accord for the Agency, and Ralf Dahrendorf, Commissioner responsible for the European Communities' science, education, and research activities, signed for Euratom. The EC Permanent Representatives of Belgium, Denmark, Germany, Italy, Ireland, Luxembourg, and the Netherlands signed for their countries.

At the signing ceremony, Commissioner Dahrendorf said that neither the accord nor the nuclear Non-Proliferation Treaty itself would hamper the application of the Euratom Treaty. The member states had thus attained their political objective, he said.

"This agreement . . . can constitute an important milestone in the applications of the Non-Proliferation Treaty, and could, for example, promote the conclusion of other international agreements not only towards non-proliferation of nuclear weapons, but also on the way to effective nuclear disarmament," Dahrendorf said.

EC May Impose Restrictions On Tape Recorder Imports

At the request of the Italian Government, the Commission recommended on April 18 that the Community impose temporary quotas on tape recorders imported into Italy from outside the Community. Surveillance measures were introduced for imports into the Community as a whole at the same time.

If approved by the Council of Ministers, an import quota of 150,000 tape recorders will go into effect immediately in Italy and last until September 30, 1973. Until then, the Community will study the

pattern and effect of imports in detail and decide whether subsequent action is necessary.

Tape recorder imports into Europe from the Far East have risen sharply in recent years. In Italy, imports rose from 99,000 tape recorders in 1969 to 478,000 in 1972, an average annual increase of 69 per cent. This rapid rise of imports has recently been accompanied by a reduction in Italian domestic production which in 1969 was 380,000 tape recorders but had fallen to an estimated 136,000 in 1972. The

share of the Italian market taken by imports from "the main Far Eastern supplier," rose from 16 per cent to 48 per cent in the same period, the Commission noted.

The criteria for applying safeguard measures under Community regulations are essentially the same as those laid down by the General Agreement on Tariffs and Trade (GATT), which is being informed of the new arrangements. The Commission recommended the action because imports of tape recorders into Italy were occurring

in such increased quantities and under such conditions that they were resulting in serious injury to domestic producers.

It is generally accepted that the fullest possible liberalization of trade can be achieved only if fair and effective safeguard measures can be taken when sudden and severe disruption occurs. Urgent action is needed, the Commission says, even if only on a temporary basis, to prevent further damage in an otherwise rapidly deteriorating situation for Italian producers.

Commission Disappointed in First Stage of Economic Union

The results of the first stage of economic and monetary union are in some respects disappointing, the Commission reported in a memorandum to the Council.

The memorandum, adopted by the Commission on April 19, evaluates the progress achieved in the first stage of economic and monetary union which began on January 1, 1971. It then outlines a program of action for the second stage, lasting from January 1, 1974, to December 31, 1976.

Few of the hopes for the first stage were realized, the Commission reported. The coordination of short-term economic policies did not produce the desired results, and governments often disregarded the principle of prior consultation. Progress was slow in tax harmonization, and it was not until January 1973 that the value-added tax (VAT) was extended to all six original members.

The Commission said that unforeseen difficulties, such as international monetary instability, had hindered progress. It said that in the future, the measures decided upon in the first stage must be strictly applied and structural and regional problems given top priority.

The second stage will take into account three important EC objectives: an effective fight against inflation, the establishment of a well defined Community identity toward the outside world, and the pursuit

of a Community development policy, the Commission said. The second stage will include increased coordination of national fiscal policies and constant consultation on methods of financing budget deficits. In monetary affairs, Community action would include increased harmonization of domestic monetary policies, the narrowing of fluctuation margins between member nations' currencies, fixed exchange rates within the Community, completion of a common trade policy toward non-members, and introduction of a monetary unit of account with a growing currency role.

During the second stage, the Commission plans to make proposals leading to a Community regional policy aimed at correcting regional economic imbalances in the enlarged Community. The Commission will also propose the strengthening of the European Parliament's budgetary powers. An Economic Analysis and Research Institute will be established to study European integration problems.

The Commission said that the Community will have to assume new responsibilities during the second stage. Decision-making procedures will have to be improved to ensure the completion of economic and monetary union. The memorandum said the efficiency and speed of Community action will also depend on the Commission's assuming wider executive powers.

Cheysson Named New Commissioner

Claude Cheysson has been chosen by the member governments to replace Jean-François Deniau as a member of the Commission of the European Communities, it was announced in Brussels on April 19.

Commissioner Cheysson took over Deniau's dossier which included the Communities' budget and financial supervision and development aid and cooperation. Deniau, who had been a member of the Commission since 1967, resigned to become the French Foreign Minister's Secretary of State.

Cheysson, born on April 13, 1920, has studied at the French Ecole Nationale d'Administration and has held several posts within the French Ministry of Foreign



Claude Cheysson Jean-François Deniau

Affairs. From 1957 to 1962, he was Secretary-General of the Commission for Technical Cooperation in sub-Saharan Africa (CCTA), based in Lagos, Nigeria. The CCTA pioneered pan-European assistance to Africa. From 1966 to 1970, he was France's envoy in Indonesia.

Month in Brief

APRIL 1973

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- 4-6** The European Parliament meets in Luxembourg.
- 5** Commission Vice President Christopher Soames gives a speech describing the Commission's viewpoint on future relations with the Community's associates (see page 6).
- 5** Euratom signs an agreement

- with the International Atomic Energy Agency (see page 4).
- 6** The European Monetary Cooperation Fund begins operations (see page 3).
- 10** President Richard M. Nixon sends his proposed trade bill to the US Congress.
- 16** The Council of Ministers approves funds for the Business Cooperation Center (see page 3).
- 17** Twenty-five young people begin "March for Europe" (see page 3).
- 19** The Commission adopts a memorandum to the Council on economic and monetary union (see page 5).
- 19** Claude Cheysson replaces Jean-François Deniau as member of the Commission (see page 5).

Speaking Out On Trade and Aid

CHRISTOPHER SOAMES, Vice President of the Commission of the European Communities

The arduous process of preparing for world trade talks in the General Agreement on Tariffs and Trade (GATT) has begun. The EC Commission transmitted its position paper on the GATT talks to the Council of Ministers on April 4. President Richard M. Nixon submitted his proposal for trade legislation to the US Congress on April 10. Vice President Soames outlined before the European Parliament on April 4 the general policy objectives on which the Commission hopes to see the trade talks based. The first article is taken from that speech.

On April 5, Vice President Soames spoke before a dinner sponsored by Time magazine at the Cercle Royal Gaulois in Brussels. At that time, he described the Commission's viewpoint on the Community's future relations with the developing countries, mostly those which have or have had special links with EC member states. The second article is adapted from his April 5 speech.

I. WORLD TRADE: AN "OVERALL VIEW"

The House [European Parliament] will recall that at the Paris Summit conference last October the Community's institutions were asked to formulate by July 1 their "overall view" on the forthcoming multilateral trade negotiations in GATT. The paper we are sending to the Governments is the Commission's contribution to that overall view.

In all our reflections on this matter there is one thing I am convinced that we must never forget. We shall of course be negotiating about very concrete economic issues. There will be vested interests involved on all sides and domestic political difficulties within each of our countries. The results of the negotiations will be of great significance in themselves. Previous GATT negotiations on trade liberalization have had considerable beneficial effects on world trade expansion. Indeed it is this, accompanied by a notable economic expansion within the Community, which has provided the basis for its high and comparatively stable level of employment and the notable rise in the standard of living in recent years. But this is not the only importance we should attach to these negotiations. They have a political significance that goes beyond the material issues actually to be discussed round the negotiating table.

THE POLITICAL IMPORTANCE OF TRADE

We must bear in mind that trade is one of the few matters on which at present the Community can, and indeed must, speak with a single voice. It is therefore through trade negotiations that the Community can develop its personality and make its political impact and contribution to world affairs. We must appreciate, therefore, the political importance which all our partners will attach to these negotiations, inasmuch as they provide them

with one of the rare opportunities to engage the Community as a whole. I am sure this is particularly true of the United States, which sees these negotiations as part of an important relationship in which trade has its place but in which many other wider political considerations are equally involved.

The subjects on which we shall be negotiating will be technical, intricate, often intractable in character. There is no doubt in my mind they will be very tough negotiations. They will require all the skill our trading experts can muster. Nonetheless, the strategy of these negotiations must not be confounded with their tactics. They must on no account be allowed to run into the snags of technicality. That is why I hope that members of Parliament, and the representatives of the member states in the Council of Ministers, will give these technical matters their full attention. For they are bung-full of political content and will need positive overall political control. That control must not merely make certain that our policies in the economic domain are compatible with the political purposes which we and our major partners have in common, but also that the developing countries of the world would stand to gain from what we do.

How in fact do we see the world context of these negotiations? We in the Commission believe that the moment is ripe for a major step forward in the freeing of world trade and that we should make the most of the opportunity. We believe that the Community has a great deal to contribute and also a great deal to gain.

TWO PARAMOUNT AIMS

We have recently been living through the most profound disturbance in the world's monetary system since World War II. That does not in any way, however, diminish the need to liberalize world trade. It must be clearly stated that the large-scale international benefits which we hope will grow from these negotiations would be seriously jeopardized if ways are not found to shield the world economy from monetary shocks and imbalances such as have occurred in the last few months. The Community must make its contribution to the necessary monetary measures involved.

In the trade negotiations, we believe that the Community should have two paramount aims. Between the industrialized countries we must consolidate and continue the process of liberalization and do so on a reciprocal basis to our mutual advantage. For the less-developed world, we must ensure not simply that their interests are not damaged, but, on the contrary, that they secure greater opportunities for their economic expansion as a result of what we do. Without detriment to the advantages enjoyed by those countries with which our Community has special links, new opportunities must be given to developing countries to increase their trade.

Let me now come to our more detailed suggestions for the overall view of these negotiations. They will involve, among other



EC Vice President Christopher Soames

things, discussions on tariffs, on nontariff barriers, on agriculture, on what we can do to help the developing world, and on safeguard clauses.

We do not suppose that we shall reach a world without tariffs in these coming negotiations, nor do we think that the time is ripe to try to do so. I do hope, however, that we shall achieve a significant further lowering of tariffs. What we need is a formula for lowering tariffs on industrial products—a simple formula which can be generally applied. We now have big differences between the tariff systems of industrialized countries. Some have a fairly even tariff that does not vary too much from product to product. Other countries have a tariff barrier that looks more like a craggy mountain range, with very high duties on some goods and very low duties on others.

NO OVERALL FORMULA

We should settle on a broad principle that the higher the tariff, the greater the reduction should be. For the very low tariffs we can set a threshold, so that they don't have to come down any further. That way, we will help to reduce the problem of reciprocity with some of our trading partners.

Nontariff barriers are clearly going to play a very important role in these negotiations. But they are so disparate in character,

so complex and so inchoate, that simple overall formulae will be impossible to find. So we should be selective in our strategy here. GATT and the Organization for Economic Cooperation and Development have already made various studies. We can pinpoint some individual nontariff barriers in different countries where changes can yield substantial benefits to trade. We should agree to pick out some of the main fields where we can get rid of a complex of nontariff barriers, or at least regulate them by codes of good conduct. Certainly we can draw up a list of the main nontariff barriers applied against us by our trading partners that we want to see disappear. To make the negotiations credible, however, we will also have to prepare a list of our own nontariff barriers that we ourselves are prepared to throw into the pot in return—to negotiate away, or at least to adapt.

AGRICULTURE: A SPECIAL CASE

For the most part, these barriers are not imposed by the Community. They are imposed by our individual member states. We must look to the member states to work together with the Commission to draw up a list of them which is substantial enough to set against, in a spirit of reciprocity, what we will be seeking to obtain from our partners. Under no illusion that it will be easy to calculate reciprocity here, the best we can do is to aim at a package deal that is fair overall.

Of course the negotiations on agriculture will be different in character from those on tariffs and nontariff barriers on trade in industrial goods. We have to take into account the special characteristics of agriculture. Both the Community and our main trading partners each apply support policies of one kind or another for the benefit of their own farmers. We have to take into account, too, the instability of world markets. The Commission believes that our overall objective must be to negotiate measures on a reciprocal basis to permit the regular expansion of agricultural trade. We shall resist any attack on the principles of the common agricultural policy, but we must equally be prepared to apply the instruments of that policy in such a way that our broad objective of expanding agricultural trade in the world can be achieved. We will be suggesting that in the negotiations we should consider drawing up with our partners a code of good conduct on agricultural export practices. We shall also propose that international arrangements should be considered for certain commodities.

IMPROVING TRADE WITH DEVELOPING COUNTRIES

Next I come to our contribution to improving the trade opportunities for developing countries. We have given a great deal of thought to this question. It will not have escaped the House that the lowering of tariffs between industrialized countries, even though extended to the developing countries on a most-favored-

nation basis, does very little to help. On the contrary, the lower the most-favored-nation tariffs are, the less use is the generalized preference plan to the developing world. The lower the tariff, the less does exemption from it help. To some extent, of course, developing countries will benefit from any expansion of world trade. But we do not intend to let matters rest there.

First of all, it is essential that all developed countries should now apply generalized preferences. The Community has done so. We are greatly encouraged to hear that in the forthcoming trade bill our American friends now intend to incorporate provisions to introduce a generalized preference plan of their own. We for our part believe that the best way to help developing countries would be for us and others to extend generalized preference schemes. We would like to see them cover a greater number of transformed agricultural products. We would also like to see an increase in the quantitative ceilings on certain sensitive products. We should also make special efforts to take account of the interests of developing countries when we consider nontariff barriers and when we consider agricultural trade. We might think in terms of food aid commitments when we are considering how to regulate agricultural markets.

A SELECTIVE APPROACH FOR SAFEGUARDS

The last detailed point to mention is the vexing question of safeguards when domestic producers are gravely threatened by the results of trade liberalization. We believe that the provisions of Article XIX of the GATT should be maintained as they are. This article, however, has not proved easy to apply effectively in the past. Perhaps we should extend its provisions so that we can apply safeguard measures selectively rather than across-the-board. In that case, we should agree with our partners on very stringent criteria. We may need more flexible safeguard procedures, but we must remember the danger that too many over-lax safeguard procedures could eventually jeopardize confidence in the worldwide liberalization of trade.

That is the main content of the paper which we sent to the Ministers. It does not set out to be a draft mandate for the negotiations or to be exhaustive. Neither does it represent some sort of response or riposte to the preparations which our partners in these negotiations are making at the moment. None of that would seem at this stage either necessary or wise. We are trying to draw attention to the main problems and help the Community as a whole to prepare a constructive overall approach to what we hope will prove an economically fruitful and a politically constructive negotiation.



Given limited resources, the Community will continue to do proportionately more for its associates than other developing countries. Donkey and zebu caravans ford the Senegal River between Senegal and Mauritania. Photo: © Maya Bracher, Dacca, Senegal

II. THE COMMUNITY AND ITS ASSOCIATES

Our special links with certain developing countries have formed the target of some criticism in the United States—not because they are of any major economic significance, but on doctrinal grounds.

If we started the world today from scratch, there might be little reason for us to go out of our way to do more for one developing country than another, except on economic criteria. But we don't start from scratch. In building the future, we have to take into account the realities of the present and the past. Several of the original member states had their historic connections in Africa, in the Mediterranean, and elsewhere. Other African countries, and a number of small islands dotted about the oceans, have been relying heavily on Britain through their Commonwealth connection. We could not, in coming together to increase our own prosperity and to make a more effective contribution to the future of the world, have started by sacrificing the vital interests of these developing countries. Their acquired links, their heavy economic dependence on us, the legal commitments we had made to them could not be ignored or broken.

COMMUNITY WILL CONTINUE TO FAVOR ASSOCIATES

That is why the Community originally committed itself to its existing associates; and that is why, in the Treaty of Accession, all the member states of the enlarged Community pledged themselves also to offer certain independent Commonwealth countries special arrangements suited to their development needs. The negotiations with these countries are to start this August.

We believe that, given our limited resources, we will have to continue to do proportionately more for these countries than we are able to do for the rest of the developing world. On aid, for instance, individual EC member states have bilateral programs all over the world and also make their contribution to multilateral programs on a world scale. In our aid programs we have not, over the past few years, fallen behind what other countries are doing. Indeed the 1 per cent of our gross national product going to finance development all over the world has compared very favorably with most other peoples'. We do not believe that, compared with other countries, our member states are neglecting those developing countries with which we have no special links. Over and above that general worldwide aid given by our member states, we are pledged as a Community to give special aid to our associates. That is a pledge we shall honor.

On trade, the Community has for nearly two years been operating a generalized preference system for the benefit of all developing countries worldwide, associated or not. We very much hope that the United States will, in its turn, not wait much longer before implementing a generalized preference system of its own, more generous in the future by including more products, by raising import ceilings, and in other ways. But we will have to look to other industrialized countries to make a similar effort. The Commission regards this as an essential part of its overall approach to the forthcoming trade negotiations.

ASSOCIATES DEPENDENT ON EC MARKETS

We also see it as our duty to ensure that the Associate States, who number among them some of the least developed countries in the world, should be given additional advantages on our markets. They are dependent for the bulk of their exports on a very few products which historically they have always sold on our markets. They must continue to be able to do so. Otherwise we run the serious risk of creating economic followed by political vacuums with all the dangers that would involve for the Western world as a whole. We are dealing on the one hand with the continent of Africa, the political importance of which I need hardly stress. We are dealing on the other hand with a host of small islands dotted over the oceans, whose economies are weak, whose populations are small, but whose political importance in global terms we must not underestimate. Because of our history we carry a special burden and responsibility here. Only we can shoulder it. Who else could or would take it on? We are not complaining about it—but I fail to see why others should.

The Community does not seek to extend its policy of association and preferential trade agreements beyond the limits which history and close geographical links have made necessary. The Commission, having considered this question, has no intention of proposing any additional agreements of a preferential kind with countries which lie outside Africa, the Mediterranean basin,

and the list of other developing countries referred to specifically in the Treaty of Accession. The list may look long, but these countries represent a mere ninth of the gross national product of the developing world as a whole and a minute proportion of world wealth and trade.

EC WILL NOT SEEK REVERSE PREFERENCES

We do not propose to ask for any reverse preferences from anyone. The Commission believes we should not seek any preference for our goods on any markets over American goods, or Japanese goods, or those of any other trading country. The Community will not make the benefits of technical and financial cooperation or tariff preferences dependent in any way on the existence of reciprocal trade preferences in its favor. Any Mediterranean country, any present associate, any new country that joins the next Convention of Association will be free to use its own tariff sovereignty.

The Commission's proposal is based on a free trade area. Not because of what we want, but to conform with GATT rules, our associates will have gradually to abolish their customs tariffs on our goods. But they would be free to offer the same treatment to others in return for what they will. Equally, nothing would prevent them from levying non-discriminatory fiscal duties on *all* imports, including those from the Community, and from protecting their new industries against imports from all sources. We fully recognize the needs of their budgets and of their own economic development.

Then there is the problem of the extreme degree of dependence of many of these countries on a single commodity. In Protocol 22 of the Accession Treaty, the Community declared "its firm purpose" to safeguard the interests of "all the countries referred to in this Protocol whose economies depend to a considerable extent on the export of primary products and particularly of sugar." That is a pledge which we take seriously indeed. We must find means of stabilizing their export receipts and also safeguarding their levels of employment. That will not be easy; it may also not be cheap. Moreover we must be careful to avoid freezing the economic structure of these developing countries in the production of commodities that have an indifferent future on world markets and, at the same time, encourage the conclusion (or the further development) of suitable arrangements on a world scale.

That is how the Commission sees the future relationship with these countries. We want as many of them as possible to come to the negotiating table. We pose no preconditions. We want them to come and talk to us, to explain their concerns, and to help us to find together the most appropriate solutions for their problems.

Clouds Over the Atlantic

FLORA LEWIS, *Paris Bureau Chief*, The New York Times

It is a time of changing perceptions. The words are the same as a generation ago—"Atlantic," "Europe"—and they still carry a certain aura of misty vision. Beneath the mists, however, time has gradually laid down hard layers of fact which are surfacing now as a reef suddenly jabs its way above the water.

Harmonious relations between the United States and the members of the European Community can no longer be taken for granted. The people who care, on both sides of the ocean, have become aware with some foreboding that continued smooth sailing is going to require skilled and careful navigation. That awareness has provoked a host of questions about what happened, whether it is for better or worse, and what produced the idea of "Europe" in the first place.

"We like to think of ourselves as being the motherland," a veteran European Atlanticist said recently. "But of course looking back, it is clear that Europe in the sense of community is really the creation of the United States. Oh yes, Jean Monnet, and Robert Schumann and Konrad Adenauer and Alcide de Gasperi mattered. But they would never have been able to manage it without US support. We Europeans ought to acknowledge that more, and at the same time, Americans must not forget why you did it. The reasons are still valid."

It is essentially a concern that the reasons no longer seemed so obvious which brought some 400 people together at a Europe-America conference in Amsterdam last March. The hope had been to revitalize the link and refurbish the sense of fundamentals which seemed to be frittering away in the disputes of the moment. It didn't work very well.

NO LONGER AN UNQUESTIONABLE BOND

On the contrary, the very atmosphere of the meeting with its nostalgia and its trimmings of an alumni reunion confirmed the feeling that times had changed, that the old slogans of unity, mutual interest, and enlightened internationalism had lost their reverential magic. Joseph M. A. H. Luns, Secretary General of the North Atlantic Treaty Organization (NATO), warned intently that "Prosperity is no substitute for security." Former Under Secretary of State George W. Ball scolded Europeans and Americans alike for pursuing immediate interests with a concentration that risked losing sight of basic goals. François-Xavier Ortoli, the new President of the Common Market's Commission, paid appropriate obeisance to the grand notions, but he sounded more practical than pious in his Atlantic faith. There was no escaping the conclusion that American-European relations have become a matter of arguments, no longer an unquestionable bond.

The official arguments are about money and trade. They are difficult enough in themselves, but the maneuvering for position in preparation for negotiations on these issues has sharpened the edge of dispute. The style of former Secretary of the Treasury John B. Connally has not been forgotten, or forgiven, by many

Europeans. "Those tactics can't be used again," said one Common Market official. "Next time, they will backfire." President Richard M. Nixon's trade bill sent to Congress on April 10 brought polite public murmurs of welcome from Europeans, but the stage whisper of wariness was much louder in private comments. The powers which the US President has sought from Congress could indeed permit fruitful negotiation, but they could also permit an awful fracas. In the military idiom, they establish a capacity but they don't give much assured guidance of intention.

It is the question of intention, of underlying political direction, which has unsettled the Atlantic relationship much more than the actual questions of capital movements, farm policy, reverse preferences, monetary parities, and others up for negotiation.

On the European side, there is the question whether the United States really supports the idea of West European unity and would still like to feel a cohesive European weight at the other end of the late President John F. Kennedy's awkward image of a "dumbbell." Most people in positions of authority answer yes, but they acknowledge the question as a real one. They do not dismiss it out of hand as they would have done a few years ago.

US PREOCCUPATIONS OUTSIDE EUROPE

The doubt has been fed both by observation of the United States and some shifting perception of self-interest.

The United States has lost its unchallenged economic dominance of the industrial world and is feeling the competition of societies it helped try to catch up. The Europeans are fond of quoting figures to show that America's trade deficits come from expanded imports from Japan and Canada, not from Europe. But they know that they do, in fact, have the capacity to make things they used to buy and sell things they used to unload only on highly protected domestic markets. The facts of world trading life have changed, and whatever causes are argued in finger-pointing allocation of blame, the United States has been relatively disfavored and the Common Market has been favored.

It is evident that the United States became mesmerized by Vietnam and, at the least, suspended its fascination with Europe as the one part of the world that really mattered to Americans. Whether or not the conviction remains that America's safety depends on Western Europe's being free from domination by any hostile power, not many Americans are devoting themselves to consideration of that thesis nowadays.

It is evident that the wintry clarity of the Cold War has disappeared and that all major nations are groping for readjusted relations in the early spring haze of détente. The United States has chosen to deal directly with the Soviet Union and China in the effort to rest its hopes for an orderly world on a balance of power. That is more or less what Europeans were urging Americans to do for many years, but now that it is happening it forces open the old assumptions about what Western Europe's place in the pattern can be.



Former Commission President Walter Hallstein (from left), President of the European Parliament Cornelis Berkhouwer, and Secretary General of the North Atlantic Treaty Organization Joseph Luns enjoy a break during the March Europe-America Conference in Amsterdam. Photo: Photoreporters Inc., New York City.

EUROPE HAS CHANGED TOO

These are the great, and real, changes in America's place in the world. Europe has changed too.

The Community has become a major economic power tied to the dollar but no longer by an apron string. Yet it is acutely conscious that it is not at all a political power, and that international negotiations wind up being political even if the subject is ostensibly limited to the price of turnips. This handicap for Europeans is the kind of embarrassment which brings resentment when it is spotlighted. It is always unpleasant to be reminded of the truth, especially when the fact lags stubbornly so far behind the hope.

The East-West division of Europe is more a challenge than a threat after a generation of continental peace.

There are Europe-builders who find a silver lining in the cloud of tensions in their relation with the United States. The historic task of creating some kind of union among nations with so long a record of hostility requires an "external federative pressure," they point out. For a variety of modern reasons, including the often unacknowledged one of fear, the Soviet Union will not do

in this role nowadays. The United States can serve the purpose, sometimes all too willingly.

Above all, America no longer appears to be a golden dream to those Europeans who never felt the urge to transplant themselves across the sea. The American image was always distorted in European eyes; it is the nature of images to be false.

Nonetheless, the disillusion of today tends to magnify the romance of yesterday and to enlarge itself in the process. Vietnam had a lot to do with it. Corporate and political scandals have to do with it. In fact, the United States has had scandals throughout its history and repeatedly engaged in what would now be called colonial wars—Cuba, Mexico, the Philippines, Haiti, and Nicaragua. Somehow those memories faded, leaving today a sense of former innocence corrupted, ideals betrayed. When Europeans formerly made fun of Americans, it was to veil with decent modesty an excessive admiration and not a little envy. Now the fashion in anti-Americanism is more toward contempt and self-righteous repugnance, as though the supposed natural goodness of Uncle Sam makes it far more evil of him to do what others did before him.

TASTING THE WORM

The post-industrial age has not quite arrived, but notice of its coming has been served, illuminating wrinkles and blotches on the once shining face of America. The United States taught Europe how to produce more and better, how to consume more and worse, and how to distribute more with less satisfaction. Having plucked the apple of plenty, Europe is not about to discard it but Europe too has begun to taste the worm. America embodied the notions of modernity, efficiency, and expansion. The spreading disenchantment with those notions in all industrial societies has brought some disenchantment with America as well, especially now when the United States seems to be moving politically to the right while most European countries are sidling to the left.

All this makes a climate. The matters of money and wheat and tariffs would have to be discussed anyway. Nonetheless, negotiations will be more difficult in today's climate than in yesterday's when they seemed of secondary importance to a grand and noble concept.

American relations with the European Community have not spoiled beyond refreshing. Things can be done to temper the climate when it gets too hot or too cold, but people have to do them consciously and deliberately. Some are trying now. Some see no reason to tamper with a trend that emphasizes immediate self-interest. That is a pity, because while it is a truism that no one responsible in Western Europe or the United States wants to break the tie which has served both so well, it can fray and disintegrate under the pressures of the crises and crusades of the moment.

European Law: a Growing Force

JEAN LECERF, *Reporter for the French Newspaper Le Figaro*

The European Court of Justice is the child of the 1952 Treaty of Paris which established the European Coal and Steel Community, and, as such, according to its current President Robert Lecourt, "did its teething exercises on gewgaws of coal and baubles of steel." From there the Court extended its purview to the Common Market and Euratom and, this year, to the enlarged Communities of the "Nine".

Its role is to interpret the Treaties and the law flowing from them in instances of dispute. Thus, the Court's attention is often focused on decisions of the Commission and of the Council of Ministers. Two examples reveal the type of adjudication in which the Court becomes involved.

After the upheaval of May 1968, France underwent a massive flight of capital. To beckon currencies back, the French Government directed the Bank of France to charge preferential interest rates on loans to exporters. The Commission declared the move contrary to the Common Market Treaty's prohibition of export subsidies. France replied that it was in the Common Market's interest for a member state to put its balance of payments in order and that, to this end, freedom of action was essential. The Court of Justice upheld the Commission's viewpoint and France was obliged to discontinue the contested practice. In this way the Court affirmed its role as arbiter between member states and Community institutions.

Another as yet undecided case involves a German engineer who, after five years with a firm in his own country, obtained his employer's consent to take a position in Alsace. Soon after his arrival in France, he was the victim of an on-the-job accident. Who pays—the French social security system or the German? Without the Court of Justice, the engineer might have run up against a double refusal. As it happened, the matter was put before a German court which, finding Community law on the subject inconclusive, deferred judgment pending the European Court's reading of the appropriate text. In this instance, the Court emerges as the supreme authority for the interpretation of Community law. As a result, it is finding its way more and more into the daily lives of ordinary citizens.

THE GLUE AFFAIR

The Court's growing stature raises an important question: when Community and national law conflict, which should prevail? The problem came up in the prosaic "glue affair."

A Dutch glue manufacturer had been importing ureformaldehyde from Germany and paying an 8 per cent import tax in accordance with a July 1958 Benelux duty agreement. Before the agreement took effect, he had been paying only 3 per cent. The importer protested to his Government, arguing that the Common Market Treaty forbids raising duties above their January 1, 1958, levels. The Dutch customs administration rejected this viewpoint, but the national court hearing the case hesitated and asked the

Court of Justice for an elucidation of the Treaty.

Realizing the high stakes involved, the Dutch and Belgian Governments urged that the Court refuse to hear the case; a common citizen could not, even through the instance of a national court, request the European Court to impeach the authority of a state. The Court rejected this line of reasoning, declaring itself competent whenever a national magistrate raises an issue involving the interpretation of Community statute.

COMMUNITY LAW OVERRIDES NATIONAL LAW

A minor case has served to bring home the preeminence of the European Court in its area of jurisdiction. An Italian citizen had been called before a judge for having refused to pay an electricity bill on the grounds that the nationalization of the electricity industry violated the Rome Treaty. The judge invited the Court of Justice to interpret several Treaty provisions.

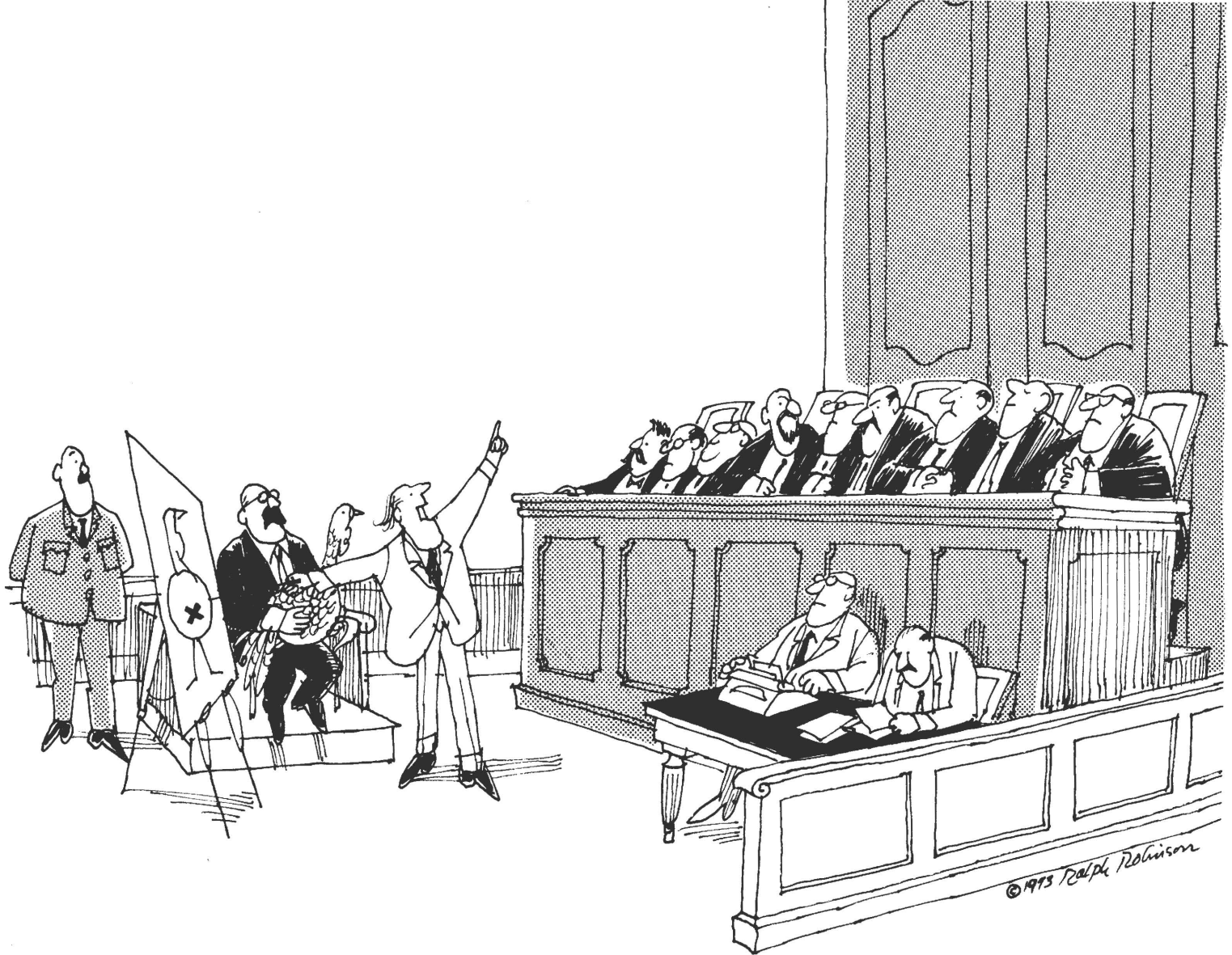
The Italian Government pleaded that the case should be thrown out, arguing that the national judge should apply his country's law without questioning whether it conformed to "European law." The issue was particularly serious in that a recent opinion of the Italian Constitutional Court had held that any national law overrode an earlier Community statute.

The European Court disagreed. "Executive power," it stated, "may not be stripped away by any State in favor of subsequent national laws without imperiling Treaty goals . . . or provoking unauthorized discrimination."

Recent decisions have confirmed the primacy of Community law within its self-defined purview. The Court's verdict last July against the Italian Government for having continued to levy a tax on exported art objects, a practice prohibited by the Treaty, established an important legal point. "The effect of any directly applicable Community law," the Court wrote, "is to divest national courts of the right to apply contrary national law. Application of Community law is to be identical at all times and in all parts of the Community and must prevail over any obstacle that a member state may place in its way. In relinquishing to the Community the rights and powers corresponding to the Treaty provisions, the member states have effected a definitive limitation of their sovereign rights which no national statute may disavow."

National courts recognize this order of affairs most of the time. In the Commission's general report, the chapter on Community law lists numerous instances of compliance and also cites a few intrusions of intractableness.

The European Court's authoritative stance has greatly contributed to enlarging the scope of Community law. Some criticize the strictness of its verdicts, maintaining that agreements among member countries would be more easily reached if a strict interpretation by the Court were not so predictable. The hindrance may be real enough, but the advantages of firmness become apparent in the long run: a too liberal interpretation vitiates the law.



THE FAMOUS GRUNDIG TEST CASE

The Court is frequently the scene of litigation involving business. The earliest cases came to it through the Treaty of Paris provisions governing price disclosure for coal and steel, buying mechanisms for steel products, and trusts and cartels. The Common Market Treaty indeed activated the field of competition law, and the Court's verdict in the Grundig case stands as a landmark decision in the area of exclusive contracts.

Grundig, a German firm, had established exclusive distributorships in the different countries of the Common Market. A French firm began buying Grundig appliances from German retailers and reselling them, thus entering into competition with the exclusive French distributor. This situation raised the issue whether exclusive contracts violated the Treaty.

The European Court responded by setting forth the doctrine of "absolute territorial exclusivity"; exclusive contracts may be legitimate but an agreement between a supplier and a distributor which tends to restore national commercial barriers among the member states may violate the Community's most fundamental objectives. Local firms should always be able to compete in some measure with the national distributor. In short, private contracts should not rebuild the commercial walls that the Treaties have torn down.

IS TURKEY RUMP POULTRY MEAT?

The most picturesque of all the Court's activities was undoubt-

edly the case of the turkey rumps. Were the judges competent to determine whether rump is poultry meat or merely offal? In spite of appearances, a serious question was at issue.

A German importer had been buying turkey rumps outside the Common Market and turning them into cold cuts. It was good business to do so since the common external tariff (CET) on turkey rumps, classified as offal, is low. One day, however, the German customs administration began imposing levies on the rumps at the going rate for poultry meat. The importer objected. The German administration, although admitting its obligation to apply the CET, asserted that it, a national agency, was authorized to apply the tariff as the agency understood it. The crucial point raised was whether national authorities had the power to interpret Community regulations. On an interlocutory question referred to it by the German Federal Finance Court, the Court of Justice ruled that turkey rumps should be classified for tariff purposes in the same category as turkey backs and necks. The Court also ruled on a point of law that while member states were obliged to eliminate any obstacles placed by their legislation in the way of application of Community regulations, they were not thereby authorized to interpret these unilaterally.

The European Court has been called upon to defend the interests of Europeans of modest means. Recently it took up a request from a group of Italian farmers who had slaughtered cows in order to earn a premium granted at the Community level only to find the premium was disallowed by their Government. Thanks to the Court, they were able to make good their claim.



The new enlarged Court of Justice meets for the first time after Britain, Ireland, and Denmark join the Community. In addition to the nine judges, two advocates general and one clerk of the court sit in on court decisions.

MEN'S SALARIES—AND WOMEN'S

It appears likely that in the coming years the Court of Justice will become an instrument of recourse in the application of Article 119 of the Common Market Treaty which stipulates that men and women shall receive equal pay for equal work.

One case already brought up involved a Community official employed at the European Parliament in Luxembourg. When unmarried and living in Italy, she was assigned to a post in the Grand Duchy which entitled her to an "out-of-country" allowance. Upon marriage in Luxembourg, as provided in official regulations, she lost the right to this compensation because her husband was not a Community official and because she did not qualify for status as "head of household." She remonstrated that, had she been the husband, she would have retained the allowance and that she had thus been subject to salary discrimination on the basis of sex. The Court vindicated her.

In another case, a stewardess for the Belgian airline Sabena had been released from service at age 40 by virtue of her employment contract which required women crew members to relinquish their positions upon reaching that age. She accused the airline of unjustified breach of contract, saying that its rules on job duration and retirement differed for men and women and therefore went against the Common Market Treaty. Here, the

European Court decided against the plaintiff, stating that the alleged discrimination is distinct from the concept of equal remuneration set forth in Article 119.

THE SUITS OF PRIVATE CITIZENS

Some grievances brought before the Court of Justice have encountered the response that the Court is not competent to judge the suits of common citizens. Refusals of this sort must be understood in the context of complementary jurisdictions.

The body of European law applies directly to all Europeans, but generally it is the national courts which pass the verdicts flowing from it. A lawyer may strengthen his case with a provision of European law and, should doubts arise, the national court—be it of first instance, appeal, or last resort—may request an interlocutory opinion from the Court of Justice which, while not deciding the case, may clarify a point of law for the presiding national judge. The Court's interlocutory views are in increasing demand.

European justice for the time being can claim neither appellate tribunals nor enforcement powers. Everything depends at present and for the immediate future on the cooperation of the national judiciaries. Even with these limitations, European law is henceforth a reality to be reckoned with.

Old Age In the Old World

WILL RECKMAN, a Dutch freelance journalist working in Brussels

Europe is growing older. The death rate is down and life expectancy is up. It is the dip in the birth rate, however, that mainly accounts for the overall aging of Europe's population. The day is not distant when the Western World will boast more retirement homes than schools.

It is typical of our consumer society, with its belief in the powers of conditioning and catchwords, to have given bright new labels to age itself. Old people have become "senior citizens", and their time of life has become the "harvest years." Whatever the euphemism, ageing carries as many problems today for old people and for society as it did a half-century ago.

The lot of Europe's elderly is veiled in myths which have a point of departure in reality. Today's older Europeans are unquestionably healthier than their parents and grandparents, thanks to the modern arsenal of drugs and other remedies. They also benefit from another latter-day advantage: the minimum income which most Western nations now guarantee to their oldest members. The double acquisition of pensions and better health has given rise to the assumption that the age question is more or less settled. In fact, it has scarcely been posed.

As old people have become more numerous, both absolutely and in proportion to younger elements, an increasing load has been placed on the economically productive age groups which must assume the burden of pensions and other benefits granted to the elderly.

In recent years, government provision for the aged in Community member states has improved. The example of Germany and the Netherlands in establishing a minimum income has been followed by the remaining Community countries.

THE ECONOMICS OF BEING OLD

The minimum pension in France is 818 units of account (UA)* annually, while in Italy the yearly base allotment for persons over 65 is UA612. In other Community countries and in the United States minimum annual pensions are granted to single and married old people as follows:

	Single	Married couples (with one income earner)
Belgium	484 UA	726 UA
Britain	520 UA	832 UA
Denmark	1373 UA	2072 UA
Germany**	852 UA	1536 UA
Ireland	780 UA	1352 UA
Netherlands	1340 UA	1900 UA
US	\$1014	\$1521

To put these figures into perspective, the average 1971 income of a salaried worker in the Nine was UA4,270, compared to about UA8,740 for the United States. The average guaranteed minimum

* One UA equals one 1970 dollar.

** Germany has no minimum government pension. Figures here are minimum rates for social aid received by persons over 65.



Old age to many Europeans means poverty, bad health, poor housing, and that age-old human plague, loneliness. An elderly woman gazes across a cut glass display at the antique market in Bermondsey, London, England. Photo: © Jonathan Bayer, London, England

income for the elderly in Community countries comes to approximately UA847, not enough to live by and barely enough to elude starvation.

In most Community countries retirement age is fixed at 65 for men and 60 for women. (In Ireland, it is 70 for men and 65 for women.) The percentage of men still working after 65 is only 18 per cent in the original EC members, whereas in Britain and Denmark, economically active older men represent 28 per cent and 38 per cent, respectively, of their age group. For women, the percentage is lower: 4 per cent, for example, in Belgium and 8 per cent in Britain and Denmark.

Surveys show that most Europeans continuing to work after retirement age do so for financial reasons—in other words, by necessity. Only a tiny segment go on working to keep busy, and fewer still for love of their profession.

The elderly occupy an enclave of penury in Europe's affluent landscape. For many of them, the financial difficulties of retirement are compounded by psychological problems associated especially with later life: feelings of uselessness, solitude, and boredom. At first glance it might seem reasonable to raise retirement age, and there is in France a good deal of support for doing so in exchange for higher pensions. It appears, however, that 75

per cent of old people consider themselves incapable of working. Of the 25 per cent who feel they can still hold jobs, only a third are willing to accept employment.

THE HOUSING DILEMMA

Another problem that the aged share with society at large is housing. In the enlarged Community, the percentage of elderly home owners varies from Britain's 33 per cent to Belgium's and Denmark's 50 per cent. The portion of the older population living in retirement and rest homes remains small, ranging from a high of 11 per cent in the Netherlands to a low of 3.5 per cent in Belgium. In the United States, approximately 3.7 per cent of the elderly live in rest homes.

There thus remains a sizeable number of old people in Europe who must apply their diminished income against rent, often on a prohibitively expensive real estate market.

The elderly person's position in European society has slipped from its former eminence, in keeping with the modern trend to subordinate "personal experience" to the findings of science and technology. White hair, once the emblem of wisdom, today suggests to many that its owner is "out of touch." Fifty years ago, the average age of ministers in any European cabinet was closer to 65 than to 50. The contemporary practice is to keep the aged away from command posts for fear of excessive conservatism.

A few further details must be added to the profile of Europe's oldest age group. To begin with, women outnumber men more heavily among the aged than in the population at large.

	Overall Population (Number of Women per 1,000 Men)	Elderly Population (Number of Women per 1,000 Men)
Belgium	1,042	1,441
France	1,052	1,638
Germany	1,097	1,598
The Netherlands	1,042	1,366
Italy	1,035	1,333
Luxembourg	1,004	1,265

In addition, it is the cities of at least 100,000 inhabitants and the small towns of less than 2,000 inhabitants that claim the largest proportion of the elderly. This development seems due to the low birth rate in cities and to the propensity of old people to live out the retirement years in rural areas.

The image of today's elderly European emerges with clarity from a few revealing statistics. In most cases, his guaranteed income cannot deal with the material stringencies to which he is exposed, much less with the spiritual discomforts of age which the modern mentality has tended to heighten. National efforts, by and large, have fallen short, and a Community-level approach is now in order. As Europe grows older, Europe faces an obligation to confront the problems of later life.

Number of old people

(absolute figures and percentage of total population)

	1900		1969-70	
	Absolute	%	Absolute	%
Belgium	414,100	6.2	1,289,000	13.3
Denmark	162,500	6.7	566,000	11.7
France	3,129,000	8.2	6,254,020	12.7
Germany (West and East)	2,750,400	4.9	7,846,900	12.9
Great Britain	1,734,300	4.8	7,133,000	12.7
Ireland	—	—	326,900	11.2
Italy	2,002,000	6.2	5,100,000	9.9
Luxembourg	—	—	41,100	12.2
Netherlands	306,600	6.0	1,311,000	10.13

Two elderly Frenchmen play "Pétanque", a bowling game played with light metal balls, in the southern French village of Lacoste. Photo: © Jonathan Bayer, London, England



Latin America and Europe: An Evolving Dialogue

BETSY BAKER, a freelance journalist specializing in problems of developing countries

Community contacts with South America are expanding, partly through continuing pressure from the Latin Americans for bilateral and multilateral links with the Community.

During the past two years, the 22 members of the Special Coordinating Committee for Latin America (CECLA)* have attempted to give substance to the 1970 Declaration of Buenos Aires, which stressed the need for more cooperation between the Community and Latin America. A subsequent CECLA declaration, submitted to the Community in September 1972, indicated that the Latin Americans felt their relations with the Community were developing too slowly. In their view, the Community's system of generalized preferences for developing nations has not yet had substantial effects on their trade. A resolution attached to the second CECLA declaration listed activities which Latin Americans would like the Community to consider top priority:

- consultations on the consequences of Community enlargement, on the forthcoming General Agreement on Tariffs and Trade (GATT) negotiations, and on the Community's system of generalized preferences
- promotion of Latin American exports in Community markets, particularly through the use of European investment
- consideration of Latin American interests in reform of the international monetary system, including the possible consolidation of Latin American countries' foreign debts
- extension of the European Investment Bank's activities to Latin America and the establishment of an investment and pre-investment fund
- establishment of a Community program for technical, scientific, and technological assistance to Latin America and the coordination of EC member states' bilateral technical and financial assistance programs to CECLA members
- respect of the Latin Americans' right to develop their own merchant navies
- aid to the process of Latin American integration
- examination of the Community's policy on commodities, beginning with sugar.

In November 1972, Sicco L. Mansholt, at that time Commission President, received a delegation of Latin American ambassadors who, in the name of CECLA, urged the Community to act on its declarations of intent, particularly the commitments to developing countries undertaken at the Paris Summit a month earlier. Mansholt assured the envoys that the Commission would do all it could to meet CECLA's demands, especially on commodities, generalized preferences, and development aid. The Latin Americans also asked the Community to draw up an overall policy for their area, similar to that planned for other geographical areas such as the Mediterranean basin.

* *Argentina, Barbados, Bolivia, Brazil, Colombia, Costa Rica, Chile, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, the Dominican Republic, Trinidad and Tobago, Uruguay, and Venezuela.*



Coffee, a major Brazilian export, will be discussed in ongoing trade negotiations between Brazil and the Community. A farmer protects his coffee bean plants from the sun. Photo: Pan American Union, Washington, DC.

ECONOMIC INTEGRATION IN LATIN AMERICA

The Andean Group, made up of Bolivia, Chile, Colombia, Ecuador, and Peru, is a regional organization designed to promote balanced and coordinated development of member states through economic integration. In December 1972, the Community and the Andean Group decided to set up a committee to study problems of generalized preferences (for example, inclusion of processed farm products) and the promotion of reciprocal trade. The Community is particularly interested in the Andean Group, which it considers the most advanced economic cooperation unit outside Europe.

The Andean Group would like to establish multinational companies with investment from firms based in the Nine. The Com-



Argentina would like to negotiate a long-term agreement with the Community to stabilize its beef and veal market. Gauchos rope steers on the Argentine pampas. Photo: Pan American Union, Washington, DC.

munity has agreed to send experts to help with plans to coordinate foreign investment programs. If they can achieve investment coordination, the Andean nations will have outpaced the Community, which has not yet been able to agree on a common policy for overseas investment.

The Commission organized meetings in Brussels last February attended by representatives of the Andean Group, the Community's engineering and electrical industries, and the Commission. The meetings explored the possibilities of European industry's taking part in carrying out the Andean Group's program to expand their industries to meet domestic demand and to increase exports. The program involves technical cooperation, supplies of equipment, and finance from abroad with each Andean Group member country specializing in a certain field.

Venezuela, too, has requested aid for its industrial development program. Like the Andean Group, it seeks the aid of multinational companies based in the Community. Neither Venezuela nor the Andean Group has so far requested a special trade treaty.

ARGENTINA HOPES TO EXPAND CURRENT AGREEMENT

Argentina has been the most active Latin American country in seeking bilateral relations with the Community. Its non-preferential agreement with the Community, dealing primarily with beef

exports, went into effect January 1, 1972. Argentina would now like the Community to help stabilize its beef and veal market. Continual changes in Community levies on farm imports have made it difficult for Argentina to plan the development of production for export. Mansholt, who always favored international organization of major agricultural markets, said during a visit to Buenos Aires last July that the negotiation of an international long-term agreement on veal and beef could begin in 1973.

Argentina is also concerned over Community rules for a common fruit and vegetables market. As one of the chief exporters of apples and pears to the Community, Argentina seeks assurance that its exports will not suffer.

Argentina believes it can help the Community's efforts to stabilize the cost of living without harming European farmers by negotiating long-term agricultural agreements on quantities and prices. It considers its current agreement with the Community as a mere beginning and hopes to discuss various trade problems including the annual Community estimates for frozen beef and veal, the new formula for fixing import prices for fresh and frozen beef and veal, criteria for fixing duty-free beef and veal quotas, greater inclusion of processed agricultural products under generalized preferences, and examination of the consequences of increases in the United Kingdom's import duties (as a result of Community entry) on meat and grains.

On the EC side, some member states have reproached Argentina for its flag-discrimination policy which gives preference to its own ships in transporting freight. Argentina has stated flatly that it intends and has a right to develop its own merchant fleet.

The Netherlands has recently asked the joint EC/Argentina committee to raise another issue: Argentina's alleged discrimination against the privately-owned petroleum industry.

URUGUAY AND EC CONCLUDE AGREEMENT

Uruguay began negotiations with the Community in April 1972 for a three-year non-preferential trade agreement, similar to the one between the Community and Argentina. The agreement, signed on April 2, 1973, will help Uruguay to increase its exports of frozen and refrigerated beef and veal to the Community by about 30 percent. The Community agreed to subtract the weight of bones from the existing annual quota of 22,000 tons. The Community will also suspend as much as possible import levies on chilled beef products and review annually tariff provisions for Uruguayan meat produce. Uruguay also obtained duty exemption on certain handicrafts.

During negotiations, the Community sought the right to fish in Uruguay's 200 miles of territorial waters. The joint EC-Uruguay committee that is being established will try to ensure satisfactory conditions of access for Community vessels and the processing in Uruguay of catches by Community vessels. Agreements of this kind have been concluded by the Community with Spain and South Korea. The joint committee will also

try to help boost Uruguay's exports to the Community and the flow of European private investment to Uruguay.

BRAZIL REQUESTS LINKS

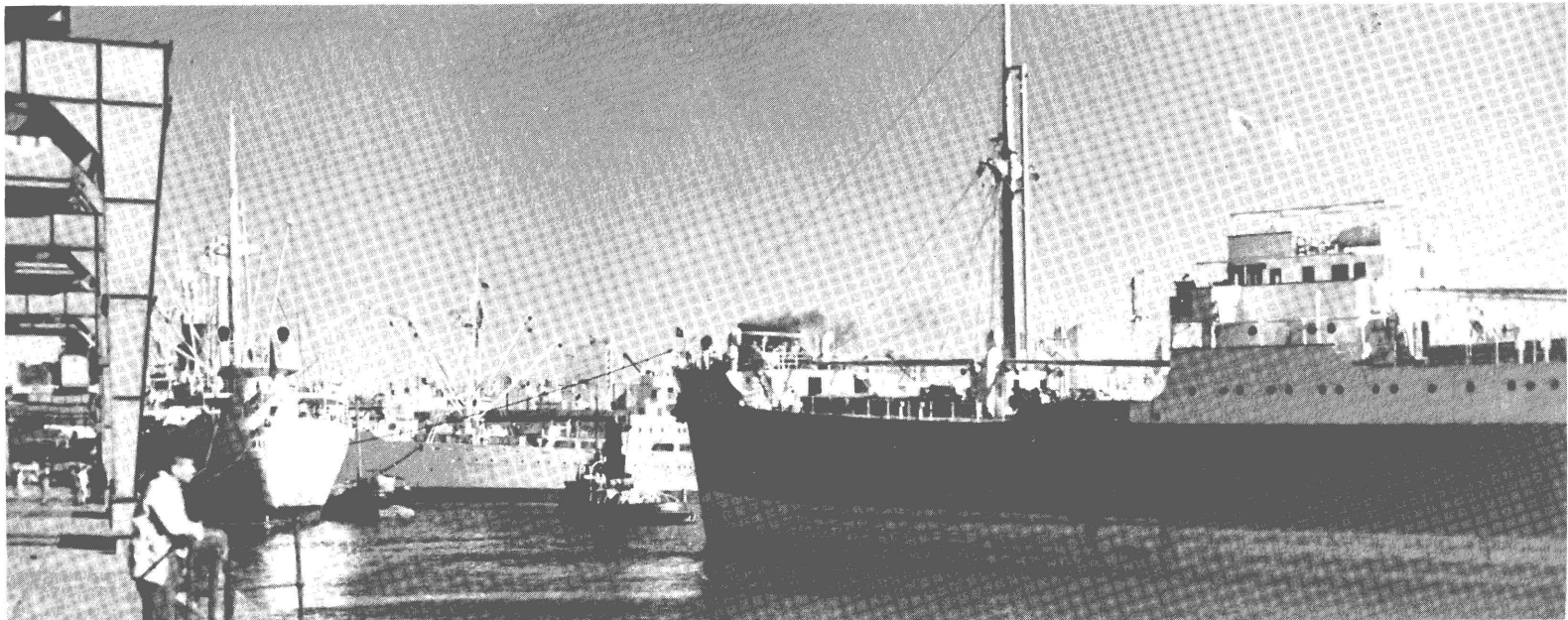
In May 1971, Brazil asked to open negotiations with the Community and in July 1972 the Commission, reporting to the Council on its exploratory talks with Brazil, recommended that Brazil's request be granted. The Council of Ministers approved the Commission mandate for negotiations on March 5, 1973. The three chief questions the Commission had to decide before recommending the opening of negotiations were:

- Should bilateral negotiations with Brazil begin while new GATT negotiations for 1973 were being prepared?
- Should cocoa butter and instant coffee be included in the talks?
- Should shipping problems be discussed?

The Commission finally decided that a bilateral agreement could indeed serve a useful purpose as the GATT negotiations would not begin until late 1973. On the question of cocoa butter and instant coffee, the Commission decided, after consulting the associated African states, that the present Community system left enough room to allow concessions to Brazil without harming the Associate States. It regarded Brazil's merchant marine as a significant problem that could not be neglected. Brazil's discriminatory flag policy sets an example for other Latin American countries, much to Europe's displeasure.

The talks are expected to lead to a three-year non-preferential

Shipping policies and fishing rights in South American nations' territorial waters are often points of contention in EC-Latin American negotiations. Waterfront at Montevideo port, Uruguay. Photo: Pan American Union, Washington, DC.



trade agreement with a renewal option. On beef and veal, the Community plans to offer Brazil a system similar to that established with Argentina and negotiated with Uruguay. The agreement will include clauses on shortages of agricultural products, exchange of information, and international consultation.

There could also be an "evolutionary" clause dealing with the possibility of concerted action in the economic field. The principle of reciprocity is accepted, and the Community will present its demands for counter offers in return for tariff and quota concessions. A joint committee will probably supervise the working of the agreement.

The most difficult questions will probably arise over cocoa butter and shipping, and to a lesser degree over instant coffee. Although all three are negotiable, cocoa butter is of significant interest to some Associate States, particularly Cameroon and the Ivory Coast, the Community's chief suppliers.

On shipping, the Community will not demand measures limiting development of the Brazilian merchant fleet. Nonetheless, it will ask for a guarantee that the development take place according to non-discriminatory methods.

Concessions on instant coffee, which no Yaoundé associate yet exports, would probably include a reduction in the difference between the 7 per cent duty applied to green coffee and the 18 per cent duty applied to processed instant coffee. A sufficiently wide margin would remain to protect the Community's processing industry. Concessions on both coffee and cocoa butter would be linked to EC requests that Brazil change certain marketing practices involving these products.

Could Europe Elect a Parliament?

Coalition Politics Would Thrive

RICHARD ROSE, *Professor of Politics, University of Strathclyde, Scotland.*

The logic of politics is eliciting questions about the direct election of a European Parliament. Many people, before making up their minds on the issue, will want to know how practicable an all-Europe election is and what kind of party alignment would result.

Many of the problems of electing a European Parliament are institutional. For example, how big should it be? The Parliament now has 198 representatives, far too few to provide direct links between representatives and constituents and not enough to carry the burdens of an effective legislature. Nonetheless, a European Parliament with the same ratio of members of parliament (MP's) to voters as Westminster would have more than 2,500 members, far too large to be workable.

As a rough rule of thumb, you might expect a European Parliament to have one deputy for every 500,000 people. Based on current population figures, this would produce an assembly of 493 representatives. Several dozen extra seats could be allotted to give small nations greater voice. A European Parliament with about 500 representatives would have about the same ratio of seats to votes as in the US House of Representatives.

Whatever method of counting votes is employed, one thing seems certain: the "first-past-the-post" British electoral system, with single member districts, would not be adopted. (In Britain, the candidate who receives the largest number of votes is declared elected, even though he may have received only a plurality rather than a majority of the votes.) The British system, which strengthens the two largest parties at the expense of small groups, is suited only to a society with relatively few social differences which can be represented by two parties.

Most states of the European Community have multi-party systems, reflecting religious as well as class differences.

Every Community member except Britain uses some form of proportional representation to choose its national parliament. In a proportional representation election, each constituency returns several members and seats are distributed to parties in proportion to the number of votes they receive. British voters would therefore have to adapt to a new form of ballot. If voters in Sicily and Galway can understand the mechanics of proportional representation, Londoners and Mancunians should be able to cope. Undoubtedly some British voters would prefer a ballot that allowed a choice between more than two alternatives.

INTRA-PARTY DIFFERENCES COULD BE INTENSIFIED

British parties would find that a proportional representation system raises novel problems in nominating candidates, whether done centrally or in *ad hoc* organizations formed to match

new boundaries. If the voters are allowed to rank the party's nominees in their order of preference, as in Ireland, intra-party differences will be intensified. If the party must fix the order in which members of their slate are to be favored, then the politics of nomination would cause controversy.

The German system of electing members of the Bundestag is a compromise between the British system and the proportional representation method. It allocates half the seats by the direct election of individuals from single-member districts and half by proportional representation. This arrangement helps offset imbalances arising from geographical concentrations of voters.

The decisions made in Britain about electing European deputies will not determine the political character of a European Parliament, because no country could have as many as one-quarter of the seats there. Any "nation-centered" coalition of European deputies would, at a minimum, require unity among three of the big four Community nations; France, Germany, Italy, and the United Kingdom each have 36 of the 198 seats. Even under the present formula, the smaller countries cannot use their disproportionately greater representation to dominate the European Parliament. They need the assent of deputies from at least two of the four largest countries to constitute a majority.

GROUPED BY PARTY RATHER THAN COUNTRY

When British MP's arrived in Strasbourg in January to take their seats in the European Parliament, they found that European politicians had already grouped themselves along party rather than national lines. Socialists, Liberals, and Christian Democrats have found it easiest to come together into respective groups. The Gaullists have formed a group, too—albeit one consisting exclusively of Gaullists. The British Conservatives, as a party which is neither explicitly Christian nor unequivocally right wing, have found themselves outside the existing major groupings.

Paradoxically, as long as candidates for the European Parliament are nationals of the country they seek to represent, a directly elected European Parliament cannot be elected on nationality lines. Given two, four, or six British candidates, a voter must find some criteria other than nationality for making his choice. Conservative, Labour, and Liberal candidates would raise issues discussed by their political counterparts elsewhere in Europe. Questions of taxation, social services, and agriculture divide people within nations. Politicians with similar positions on similar issues can link across national boundaries.

Even if an Englishman votes for the most nationalist of candidates, he will find that he is not expressing a uniquely British view. The candidate, if successful, would find himself part of an "anti-integrationist" group in a European Parliament.

* This article has been reprinted, with some revisions, with permission from *The Times*, London, April 3, 1973.

NO NATURAL MAJORITY IN EUROPE

The simplest way to estimate the relative strength of different European party groupings is to total the votes received by each party in its most recent national election. The accompanying charts immediately makes one point clear: there is no natural political majority in Europe. The Social Democrats are the largest single group. With only 31 per cent of the vote in the Europe of the Nine, however, they could not hope to control a European Parliament. The combined left-wing vote is 42 per cent.

The second largest group consists of Christian Democrats. The German Christian Democratic Union and the Italian Christian Democrats are the two largest parties in this block. The Christian parties could form the core of a "moderate" coalition, including British and Danish Conservatives and French Gaullists. Extremist and exotic parties would have little voice in a directly elected European Parliament.

The outcome of an election is determined not only by how people vote, but also by how votes are converted into seats. The present method of choosing representatives to Strasbourg is far removed from popular election. Member states' legislatures now appoint EP delegates from among their own ranks. But the charts show that the outcome is roughly similar to that which a strictly proportional system might yield.

THE LEFT SUFFERS, LIBERALS BENEFIT

The chief parties to suffer under the existing arrangements are the Communists and the left, whose vote would justify 21 seats, whereas they only have 11. The Liberals (a rightwing label in continental Europe) are the chief beneficiaries, taking 25 seats at Strasbourg, though their share of the vote would justify only 15 seats on a strictly proportional basis.

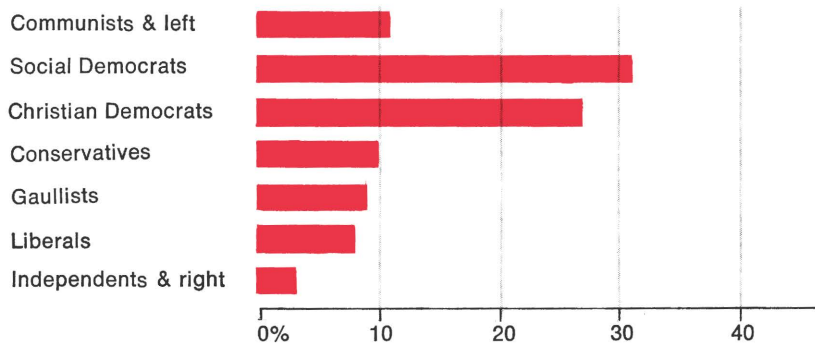
The extra seats given smaller nations in the existing European Parliament do not affect the strength of different political groups, because large and small continental countries have a few more Socialists than Christian Democrats. In an enlarged Parliament with 493 seats assigned by population, an extra 50 seats could give extra voice to small countries with little effect on the balance of parties.

Whatever electoral system the European Community might adopt, the result will be the same: a Parliament in which the only possible majority is a coalition. A Social Democrat-Christian Democrat coalition would be as familiar to continental Europeans as it would be novel to British Socialists. The chief likely alternative is a Christian Democrat-moderate right coalition, a combination as familiar to Continentals as it would be novel to British Conservatives.

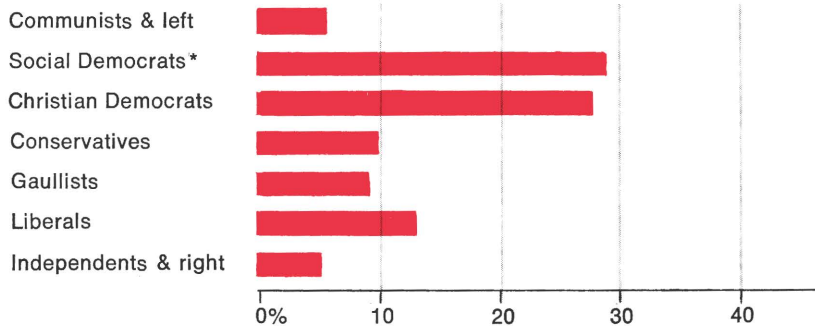
The idea of a Parliament with no party controlling it might strike Englishmen as politically dangerous. But Europeans might regard vesting control of a European Parliament in a

Political Alignments in the European Community

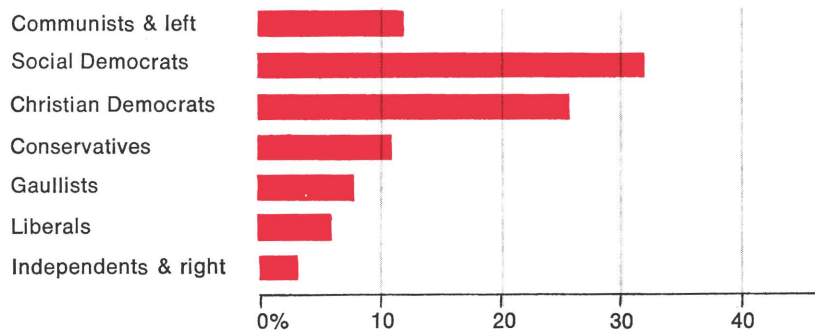
Share of Vote in National Elections of the Nine



Seats in EP Today



Seats in a Directly Elected EP (estimated)



* Includes 15 seats not claimed so far by the British Labour Party.

single party as placing an unwarranted trust in compatriots as well as foreigners. In any event, Englishmen who oppose coalition government on principle should be against the Community as it now stands, for a majority of European countries are governed by coalition today.

Recent Books

European Community periodically lists books dealing with Community and Atlantic topics. Prices are also given when known. This presentation does not indicate approval or recommendation of these publications which can be purchased or ordered from most booksellers.

The Market in a Socialist Economy. By Włodzimierz Brus. Routledge & Kegan Paul, London and Boston. 199 pages with index. \$8.25

A presentation of the problems of operating a socialist economy.

The author, a Marxist economist, first attempts to define the concept "model of the functioning of a socialist economy," and then describes the problems of the model in light of the economic contradictions of socialism. His analysis includes a historical survey from Marx and the Marxists in the pre-revolutionary period, to Soviet economic discussions in the Twenties, to the functioning of a socialist economy today. He also attempts to determine the extent to which the law of value operates in a socialist economy and to show how a centrally planned economy may require a particular kind of market to operate efficiently.

Switzerland: An International Banking and Finance Center. Max Iklé, translated by Eric Schiff. Dowden, Hutchinson & Ross, Inc., Stroudsburg, Pennsylvania, 1972. 156 pages. \$7.00

An examination of the origin and functioning of the Swiss financial center.

The author describes how "a small country without access to the sea and without raw material deposits" became an international financial center ranking third in importance after New York and London. He outlines the financial community's historical development, detailing the critical turning points which brought both enormous successes and near catastrophic setbacks to the fledgling banking center. Postwar policies in the areas of currency, finance, and business cycles are described, with particular attention to investment bank cooperation. He also analyzes the current structure of the Swiss

banking and financial center, devoting separate chapters to banking legislation and the "Swiss Bank Secret," exchange and currency valuation, and financial and holding companies.

Communication in International Politics. Edited by Richard L. Merritt. University of Illinois Press, Urbana, Chicago, London, 1972. 461 pages with index. \$15.00

A collection of papers presented at the 1970 American Political Science Association's Annual Meeting and later revised to take into account participants' comments.

After a general discussion of the international political communication field, Merritt outlines a framework for analyzing the transmission of values, information, skill, and power across national boundaries. Part I contains articles dealing with interpersonal communications. In Part II, the interaction between individuals and the overseas environment is discussed. Part III contains four articles, each describing a particular effort by governmental and nongovernmental actors to influence foreign cultures in an overseas environment. Part IV deals with intergovernmental communication. The volume contains 18 articles in all.

British and Soviet Politics. Jerome M. Gillson. The Johns Hopkins University Press, Baltimore and London, 1972. 186 pages with index. \$8.50

A comparison of the structures and functions of the British and the Soviet political systems.

The author concentrates on the similarities in the two political systems, finding parallels in the way their representative and political institutions operate in relation to each state's administrative apparatus. He attempts to describe how two regimes with different histories, different traditions, and ostensibly different values have achieved a consensus adequate for maintaining stability. In each system, he finds, the notion that the primary goal of the regime is to serve the people is accepted as the

basis for the regime's legitimacy. He describes the roles of the political parties and the representative assemblies in legitimizing the existing power structure.

He concludes with a brief summary of the major similarities and the most important differences between the two political systems, particularly in regard to their effect on the individual citizen. According to the author's introduction, "the hope is that this book will serve as a corrective to the 'common sense' exaggeration of differences between East and West."

Soybeans and Their Products.

James P. Houck, *et al.* University of Minnesota Press, Minneapolis, 1972. 284 pages with appendices and index. \$10.00

An analytical and statistical study designed to identify and measure empirically the forces, interrelationships, and processes which shape the behavior of the world soybean market.

The research focuses on the years from 1946 to 1967 during which the soybean economy grew from infancy to maturity. The authors describe the foreign and domestic markets for soybeans, soybean products, and closely related commodities. An aggregate dynamic supply and demand model of postwar markets for US soybeans and products is developed and used to indicate the impact of past governmental policies and provide estimates of the impact of possible future policy changes. The study indicates the development and analysis of several series of regional import demand relationships for oil, meal, and whole beans. The regional models are intended to expose both the nature and role of substitutes and the sources of demand growth within these markets.

The Changing Party Elite in East Germany. Peter C. Ludz. The MIT Press, Cambridge, Massachusetts, 1972. 509 pages with appendices, bibliography, index, and book list. \$15.00

An analysis of social and political changes within the party structure of the German Democratic Republic during the period 1954-68.

First published in Germany in 1968, the book focuses on and provides detailed information about the Socialist Unity Party (SED), the dominant Communist organization in East Germany. The author investigates the SED's organizational system, its social structure, and its ideology. He shows that the SED élites have proven capable of steering the modernization processes in the East German economy and society and have succeeded in insulating the power center from the forces of change and mobility. Thus, the socioeconomic system has been modernized by evading liberalization of the political system, he concludes.

The text is documented by extensive tabulated material including 59 detailed tables.

Europe in the Making. Walter Hallstein, translated by Charles Roetter. W. W. Norton & Company, Inc., New York, 1973. 343 pages with index. \$8.95

A comprehensive study of the European Community including a historical perspective, the Community's institutional framework, progress so far and future EC goals, and the Community's relations with the rest of the world.

The author, one of the Community's founders and Commission President for 10 years, deals with the political, industrial, agricultural, monetary, tax, and labor facts in Europe today. He traces the successes and failures of the Community and urges member states to complete the economic union begun long ago and to strengthen the EC institutions, which have "stagnated or been weakened." Says the author: "When we launched our great enterprise in 1950, it seemed reasonable to assume that we would need about 40 years, the space of a generation, to achieve full political union. Today . . . we are more opti-

mistic, we could reach our goal by 1980."

The Migration of Workers in the United Kingdom and the European Community. By W. R. Böhning. Oxford University Press, London, 1972. 167 pages with appendix and bibliography. \$10.25.

An examination of contemporary labor migration in the European Community, with emphasis on the social, economic, and political origins and likely developments following British entry into the Common Market.

The author discusses continental

labor immigration and the "freedom of movement for workers" provision in the Treaty creating the European Economic Community. Böhning also analyzes migration dynamics between low-wage and high-wage economies. He attempts to determine how increased freedom of movement has affected migratory patterns in the Community of the Six. He gives special attention to current imbalances of labor supply and demand which could engender future displacement and predicts the extent and direction of cross-Channel migration in the coming years.

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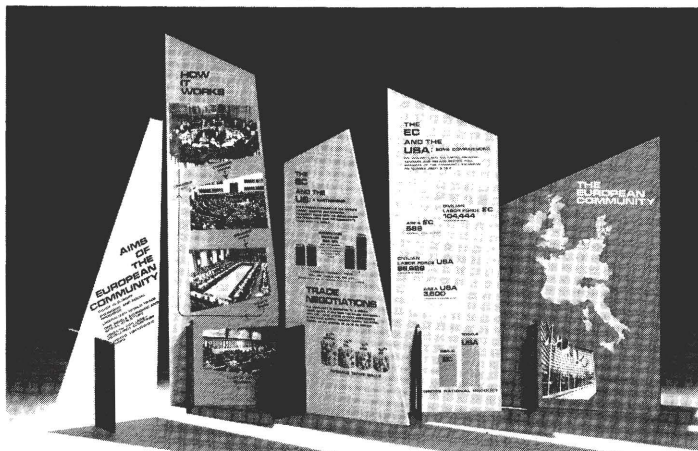


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SIXTH GENERAL REPORT ON THE ACTIVITIES OF THE COMMUNITIES 1972. Commission of the European Communities, Brussels, February 1973, 439 pages . . \$4.00
The Commission's annual report. Contains a detailed description of the Community's activities during 1972.

REPORT ON THE DEVELOPMENT OF THE SOCIAL SITUATION IN THE COMMUNITY IN 1972. Commission of the European Communities, Brussels, February 1973, 239 pages \$2.40
Annual review of the social situation in the Community as a whole and in each member state. Discusses employment, vocational training, wages, housing, social services and security, industrial safety and health, and environmental protection. This edition gives a general survey of the new members of the Community. Includes a large statistical annex.

CRITICAL ANALYSIS OF APPLICATION OF THE EURATOM BASIC SAFETY STANDARDS TO THE TRANSPORT OF NATURAL AND ARTIFICIAL RADIOACTIVE SUBSTANCES WITHIN THE MEMBER STATES. EUR 4884. Commission of the European Communities, Luxembourg, October 1972, 196 pages \$5.00

The study covers the scope and application of the basic standards in the Community and compares them with international standards on the transport of natural and artificial radioactive substances.

THE COMMISSION'S OVERALL VIEW ON THE FORTHCOMING MULTILATERAL TRADE NEGOTIATIONS. Commission of the European Communities, Brussels, April 4, 1973, 14 pages free
Address by Commission Vice President Christopher Soames before the European Parliament. Outlines the Commission's memorandum for the multilateral trade negotiations.

ECONOMIC AND MONETARY UNION. Information No. 43/73, Commission of the European Communities, Brussels, 23 pages . . free
Summary of a study by Drs. Herman Wortmann and Florent Bonn of the Commission.

ENERGY STATISTICS YEARBOOK 1960-1971. Statistical Office of the European Communities, Luxembourg, 372 pages \$5.00
Detailed data on coal, petroleum, gas, electrical energy, nuclear power plants, and nuclear fuels. Includes data on production, consumption, trade, and prices.

THE EUROPEAN INVESTMENT BANK AND THE PROBLEMS OF THE MEZZOGIORNO. European Investment Bank, Luxembourg, 38 pages free
Reviews the problems and actions taken in the Mezzogiorno from 1950 to 1971 and outlines the contributions of the European Investment Bank. Discusses outstanding problems and the formulation of Community policy for priority regions.

SYMPOSIUM PHYSIOPATHOLOGIE ET CLINIQUE DES AFFECTIONS RESPIRATOIRES CHRONIQUES. Collection d'hygiène et de médecine du travail No. 13. Commission of the European Communities, Luxembourg, 550 pages \$12.00
Proceedings of a symposium in Wiesbaden, Germany, June 2-4, 1970, on physical and clinical pathology of chronic respiratory ailments.

MONETARY AND ECONOMIC UNION. European Community Information Service, London, 1972, 4 pages free
Brief summary of the development of economic and monetary union through May 1972.

THE ENLARGED COMMUNITY. European Community Information Service, London, 1972, 4 pages free
A statistical analysis of the enlarged Community's economic importance in relation to the United States, the Union of Soviet Socialist Republics, and Japan.

THE COMMUNITY'S INSTITUTIONAL FRAMEWORK. European Community Information Service, London, 1972, 4 pages free
Brief outline of the institutions and their roles in the Community's decision-making process.

THE PARIS SUMMIT AND EUROPE'S FUTURE. European Community Information Service, London, 1972, 4 pages free
Analysis of the points covered in the communiqué of the October 1972 summit meeting.

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