

European Community

JANUARY 1974 NO.172

YEAR OF EUROPE...

...THIS YEAR?

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Community News

European Parliament Members Visit United States

A joint communiqué calling for US-EC cooperation on agriculture, energy, multinational corporations, and development policies was issued by members of the European Parliament and of the US Congress at the conclusion of a three-day US-EC "parliamentary exchange" in Washington. A 16-member European Parliament delegation, led by Pierre-Bernard Cousté (European Democratic Union, France), visited Washington October 28-31 for meetings with Congressmen and Administration officials.

The communiqué stressed the need for

- US-EC cooperation on farm production levels and related price questions
- proper regulation of multinational corporations through international agreement on taxation, standards of conduct, and control of mergers
- joint US-EC development of an energy policy, close cooperation in the event of a crisis, and avoidance of competitive price out-bidding for energy imports
- continuing joint scrutiny of respective development aid policies.

The communiqué also noted "considerable interest and support" for a study grant program approved last year by the European Parliament that would aid "Americans with demonstrated leadership potential" to study and travel in Europe. Such a program, the communiqué said, "would give young American leaders a unique opportunity to acquaint themselves with the realities of the thought and life in the European Community."

In conclusion, the communiqué said "that all appropriate efforts should be made in order to ensure maintenance or restoration of parliamentary democracies throughout the world." Along this line, Peter Michael Kirk, (Conservative, Britain) noted for his work toward

strengthening the European Parliament, observed that proposals for giving the European Parliament power in the budgetary field were based on the US Congress' experience.

At a news conference, Kirk said the parliamentary exchanges could help "restore the harmony [between the Community and the United States] that used to exist and must exist again." In answer to a newsman's question about EC and US differences over the Middle East crisis, Benjamin S. Rosenthal (D-NY), chairman of the House Foreign Affairs Subcommittee on Europe, said, "We have a unique and special relationship that is able to bridge any differences." He noted that the legislatures could help bridge differences between governments.

Participants in the exchange presented papers for discussion on various topics: Rep. Edward G. Biester (R-Pa.) and Jan Baas (Liberal, the Netherlands) on development aid policies; Rep. Gilbert Gude (R-Md.) and Gerd Springorum (Christian-Democrat, Germany) on energy; Rep. Donald M. Fraser (D-Minn.) and Wilhelmus Schuijt (Christian-Democrat, the Netherlands) on "political parties and their roles in parliamentary decision-making;" Rep. John Melcher (D-Mont.) and Roger Houdet (Liberal, France) on agricultural trade, and Rep. Sam Gibbons (D-Fla.) and Erwin Lange (Socialist, Germany) on multinational corporations. Copies of the papers may be obtained from the House Committee on Foreign Affairs.

Other members of the European Parliament delegation were: Joseph Wohlfart (Socialist, Luxembourg), Renato Ballardini (Socialist, Italy), Ludwig Fellermaier (Socialist, Germany), Hans Edgar Jahn (Christian-Democrat, Germany), Silvio Leonardi (Communist, Italy),



EC-US "parliamentary exchange" included discussion among (seated left to right) EP Member Ludwig Fellermaier, EP Member Hans Edgar Jahn, US Treasury Secretary George P. Shultz, EP Member Christian de la Malène, and EP Member Wilhelmus Schuijt. Standing: Interpreter and Guy Vanhaeverbeke, deputy director of the European Community Information Service in Washington.

Christian de la Malène (European Democratic Union, France), Francis Vals (Socialist, France), Knud Thomsen (Conservative, Denmark), and Mario Vetrone (Christian-Democrat, Italy).



EP Members Peter Michael Kirk and Pierre-Bernard Cousté and US Secretary of Agriculture Earl L. Butz (left to right).

During their visit, the European Parliament members met with Secretary of State Henry A. Kissinger, Treasury Secretary George P. Shultz, Assistant to the President for International Economic Affairs Peter Flanigan, Under Secretary of State William J. Casey, Secretary of Commerce Frederick B. Dent, and Secretary of Agriculture Earl L. Butz.

The visit marked the fourth exchange between the European Parliament and the US Congress. The exchanges were initiated, on the American side, by Congressmen Rosenthal and Fraser. Earlier this year, a delegation of Congressmen visited Brussels for talks with Commission officials and Strasbourg, France, for a plenary session of the European Parliament (see *European Community* No. 167, page 6). After their latest visit, the European Parliament members traveled to Ottawa for a meeting with the Canadian Parliament, the first such parliamentary exchange between the Community and Canada.

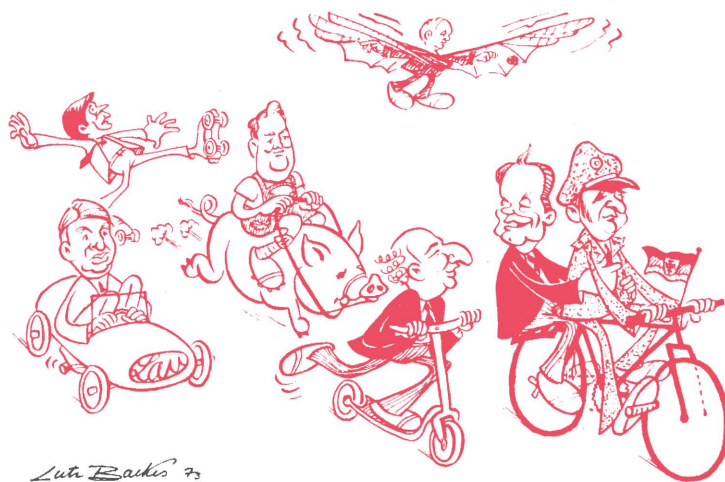
EC Commission Vice President Soames Visits the United States and Canada

Talks between EC Commission Vice President Christopher Soames and US Administration officials during his visit to Washington, October 29-31, covered technical aspects of EC-US trade relations, General Agreement on Tariffs and Trade (GATT) negotiations, energy, relations with developing countries, agriculture, and industrial policy. Soames' visit included meetings with Treasury Secretary George P. Shultz, Secretary of State Henry A. Kissinger, Under Secretary of State William J. Casey, and Peter Flanigan, Assistant to the President for International Economic Affairs.

Describing the talks as "constructive and candid," during a joint press conference October 31, Soames and Casey said their purpose was to define differences of opinion between the Community and the United States in preparation for the GATT trade negotiations. The seventh in a series of regularly scheduled meetings between Commission and US officials, the talks will continue in the coming months, Soames said.

Speaking before the Chambers of Commerce of the EC Member States in New York, October 30, Soames called for a new relationship between the United States and the Community "to take account of the increasing role which a unified Western Europe can and must and will play in the world." Soames went on to say that although the United States and Europe "had plenty to do" in the fields of international monetary reform, trade liberalization, and aid to developing countries, other important questions such as the energy crisis and the world shortage of essential raw materials required greater US-EC attention and cooperation.

On October 31, Soames flew to Ottawa to meet with Canadian officials and to address a conference on EC-Canada relations organized by the Canadian Institute of International Affairs.



"The shortage of gas doesn't affect us." Credit: Lutz Backes, Frankenpost, Hof, Germany. Rothco Cartoons Inc., Yonkers, New York.

Europe Responds to the Energy Crisis

Response to the energy crisis in Europe has come on both the national and the Community levels. While some EC Member States have taken measures such as banning Sunday driving, the EC Commission has stepped up its actions toward developing a common energy policy.

On November 14, the Commission recommended to the Council that the Community make itself 70 per cent self-reliant by 1980 on its own production of enriched uranium for nuclear energy. Both methods of enrichment—ultra-centrifugation and gaseous diffusion—should be employed, the Commission said. For the remaining 30 per cent, the Commission said, Europe should not be heavily

dependent on any single foreign source of enriched uranium.

The previous day, Commission Vice President Henri Simonet, responsible for the EC energy policy, told the European Parliament the oil crisis should induce Europe to reach political agreements on the rational utilization of energy, the development of energy sources other than oil, and a Community petroleum policy.

In analyzing Europe's dependence on outside and insecure oil supplies, Simonet emphasized that consideration be given at the highest level to the political solutions which Europe's relationships with the oil producing countries entailed. He also said that steps taken to deal with the current situation should be directed toward achieving recognition of the common interests binding Europe and the producing countries.

Simonet said the Commission wished to begin with the Member States a study on the optimum utilization of all EC resources. Economy measures or measures for curtailing consumption, adopted as a result of this study, should neither hinder economic and social progress nor distort competition, he said.

EC Ministers State Position on Mideast Conflict

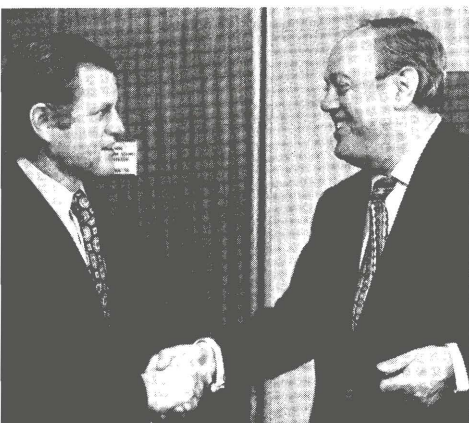
A resolution urging Israeli and Arab forces to return to the positions they held on October 22, in accordance with the United Nations (UN) Resolutions 339 and 340, was adopted by the nine EC Foreign Ministers in Brussels, November 6.

The declaration, calling for the carrying out of the UN Security Council resolutions that established various Arab-Israeli cease

fire lines since 1967, said the return to the October 22 lines would facilitate a solution to "other pressing problems concerning prisoners-of-war and the [captive] Egyptian Third Army."

Declaring that negotiations must take place within the UN framework, the Ministers called for a peace agreement based on the following points: the inadmissibility of

the acquisition of territory by force; the need for Israel to end territorial occupation it has maintained since the 1967 war; respect for the sovereignty, territorial integrity, and independence of every state in the area; and recognition that legitimate rights of the Palestinians must be taken into account in establishing a just and lasting peace.



EC Commission Vice President Christopher Soames greeted Senator Edward M. Kennedy (D-Mass.) during his October 26 visit to EC Commission headquarters in Brussels.

EC Commission Regrets US Trade Bill Delay

News of the US Administration's successful request to the House of Representatives' leadership to delay action on the trade bill (HR 10710) was received "with great regret" by the Commission of the European Communities.

In a November 8 statement, a Commission spokesman said: "The Commission has heard with great regret the decision of the United States Administration to request Congress to delay the trade bill owing to the difficulties encountered over Title IV of the bill, which is concerned essentially with the granting of most-favored-nation treatment to the Soviet Union and other East European countries. The Commission, which has always attached the highest importance to the benefits which could be derived both for the Community and for its trading partners from successful conclusion of the multilateral trade negotiations, regrets the delay which this decision will impose. The Commission for its part remains committed to the opening of the substantive phase of these negotiations at the earliest possible date."

The world trade talks within the General Agreement on Tariffs and Trade (GATT) were officially opened at a ministerial meeting in Tokyo on September 12-14 (see *European Community* No. 170, page 15). The substantive bargaining within GATT in Geneva, however, is now delayed.

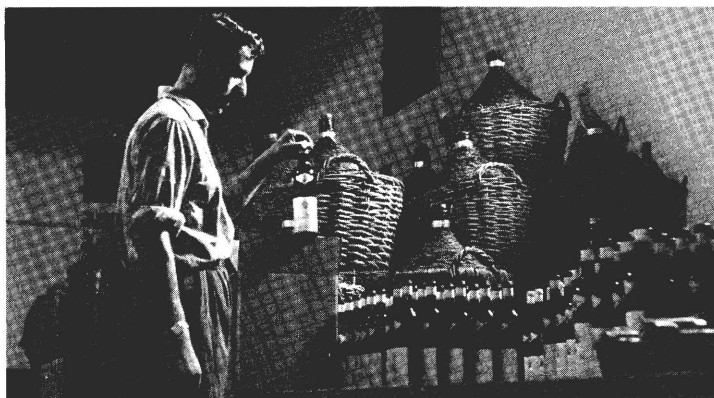
As this issue of European Community went to press, the US Administration, according to the Office of the Special Representative for Trade Negotiations, removed its objections to the House of Representatives' version of the trade bill and asked that hearings and debate on the bill be scheduled in December.

European Community Commemorates GATT's Twenty-Fifth Anniversary

The 1973 annual session in Geneva on November 14 of the General Agreement on Tariffs and Trade (GATT) marked its twenty-fifth anniversary. The EC Commission's Spokesmen's Group took the occasion to commend GATT on its past record of resolving problems and to express "confidence" that it would continue to do so.

"We find ourselves at a new departure point," said the EC spokesman. "By their support of the ministerial declaration in Tokyo [see *European Community* No. 170, page 15], the 102 participating countries showed their awareness of the need to look for answers to the fundamental problems of economic and commercial relations in the new negotiations."

EC Wine Growing, Drinking, and Trading



As Americans are producing and consuming more and more wine, so too are the Europeans, long renowned for their wine growing and drinking. According to the EC Commission's annual report on wine, intra-EC wine trade has risen spectacularly, wine growing and drinking is on the upswing, and quality wines are now being produced on a wider scale.

Member States imported 370 million gallons of wine from their partners in 1971-72, a 35 per cent increase over 1969-70. EC exports also went up: 116 million gallons were shipped to third countries in 1971-72, 25 per cent more than the year before. Imports, on the other hand, dropped by 16 per cent to 71 million gallons.

Although the Community's total estimated wine production (3.4 billion gallons) will be lower than in

the previous year, the Commission said that the yield from new vineyards will boost production by about 1 per cent annually. Production will rise faster in Italy and Germany than in France and Luxembourg, the report said.

The increase in wine consumption, estimated at 0.6 per cent annually, the Commission believes, is not high enough to surpass the Community's wine production. Therefore, the Commission has proposed supplementing its earlier recommendations for a more selective Community classification system by calling for faster replacement of inferior vine varieties. The Commission will follow its report with proposals for dropping mediocre wines, which upset market rates, from the system, and for remedying structural problems.

Report Points to a Common Educational Policy

Adult education should be the priority field for educational reform in Europe, according to a report published in October in Brussels. This strategy is chosen both as a means of overcoming teachers' resistance to change and because adult education is relatively new and less "nationally" oriented than education at high school or university level. The education of the 16-19 age-group should be considered the first period of adult training, rather than the last phase of schooling, the report said.

The report, requested by the EC Commission in developing a common educational policy, is by Henri Janne, former Belgian Minister of Education and currently head of both the Collège Scientifique de l'Institut de Sociologie and the Institut d'Etudes Européennes—faculties of the Free University of Brussels. It is based on Janne's interviews with 32 European educators and one American (James Perkins, president of the International Council for Educational Development of New York). Says Janne: "... In a society undergoing permanent change in the scientific, technical, and social fields, there is no longer any good vocational training which does not comprise a sound general training at all levels."

Janne's report suggested introducing a European dimension into education through certain EC actions such as eliminating nationalistic and offensive errors from history textbooks, using geography to transcend national frontiers, creating linguistic studies which highlight common structures of European languages, teaching European civics based on EC practices and institutions, and studying the creation of an EC-level agency to produce didactic materials.

EC Commission Hopes to Improve Farm Policy

A program for improving the Community's common agricultural policy (CAP) covering the period 1973-78 was sent to the Council of Ministers on October 31. The program, designed to improve price and market policy and to strengthen and amplify socio-structural policy, also proposed an enlargement of the CAP's role to areas outside food production—such as protection of the consumer and of the environment.

The three main objectives in improving the CAP price and market policy are: reducing the prevailing imbalances on agricultural markets, streamlining price support expenditures, and simplifying

common market organization for agricultural commodities.

To arrive at these goals, the Commission would improve price relationships between agricultural products, assign some degree of financial responsibility to farmers for structural surpluses, increase consultations of farming community organizations, and improve budgetary forecasts. In addition, the Commission would bring products previously exempted (such as mutton, lamb, and potatoes) into common market organizations.

The Commission's proposals for balancing the markets would, for instance, reduce the drop in butter consumption, discourage milk pro-

duction, stimulate beef production, and increase protein and quality cereal production.

Toward Better EC-Asian Relations

EC Commission proposals for improving the operations of the Community's generalized preference system in 1974 and for strengthening trade ties with Asian countries were sent to the EC Council of Ministers on October 29.

Generalized preferences, designed to give maximum trade advantages to developing countries while still safeguarding industrial and agricultural interests within the

Community and its associates, gives a partial reduction in duties or levies on about 150 processed agricultural products imported from the "Third World." The preferences also include, through a ceiling system, semimanufactured and manufactured imports from the Third World. On July 1, 1971, the Community became the first trading power to establish such a generalized preference system. The three new EC Member States—Britain, Denmark, and Ireland—were scheduled to begin applying the EC system on January 1, 1974.

The new Commission proposals are linked and particularly affect Commonwealth countries in Asia. A "joint declaration of intent" was annexed to the Treaty of Accession of the new EC Member States to demonstrate the Community's will to strengthen trade relations with Asian Commonwealth countries while taking into account the interests of other developing countries in Asia. One Commission proposal identifies the specific problems arising from trade with these Commonwealth countries. The other proposal includes measures for products already included in the generalized preference system and for additional products.

Month in Brief

NOVEMBER 1973

5-6 Council of Ministers meets in Brussels to discuss external relations (see page 4).

9 Council of Ministers meets in Brussels to discuss monetary policy.

12-16 European Parliament holds plenary session in Strasbourg, France (see pages 4 and 13).

19-20 Council of Ministers meets in Brussels to discuss agriculture.

22-23 Council of Ministers meets in Brussels to discuss transport policy.

26-27 Council of Ministers meets in Brussels to discuss energy

28-29 Economic and Social Committee meets in Brussels.

Price Increases Hit European Consumers

Italy recorded the highest rate of consumer price increases last year, Luxembourg the lowest. In answer to a question from the European Parliament, the EC Commission on November 12 gave a country-by-country breakdown of the consumer price increase rates from July 1973: Italy, 11.7 per cent; Ireland, 11.2 per cent (from August 1972 to August 1973); United Kingdom, 9.4 per cent; Denmark, 9.3 per cent; the Netherlands, 8.4 per cent; France, 7.4 per cent; Germany, 7.2 per cent; Belgium, 6.6 per cent, and Luxembourg, 5.8 per cent.



"Little old ladies moving from shelf to shelf, pricing all the things they wanted."

Credit: Garland, The Daily Telegraph, London. Rothco Cartoons Inc., Yonkers, New York.

Additional Cosmetics Safeguards

A prohibition on deceptive advertising and inadequate labeling of cosmetics has been proposed to the EC Council of Ministers to amend its October 19, 1972, directive on cosmetics, it was announced October 29. The EC Commission's amendments establish labeling specifications and stipulate that any warnings that have to be given on labels should

also be printed on either the container, its package, or on a notice attached to it. The Commission would also ban any product advertisement which lays claim to effects not yet scientifically proven.

For products which meet EC specifications but constitute a danger to human health, the Commission would give Member States the power to halt marketing of the

product immediately for up to one year. During that time, Community-level action would be taken to handle the problem.

In the near future, the Commission is expected to make proposals on the maximum content of certain cosmetic ingredients, such as hexachlorophene, and to draw up a "positive" list of substances that cosmetics may contain, with or without restriction.

Letters to the Editor

This issue of *European Community* marks the beginning of a periodic column devoted to letters received from readers. It is hoped that the column not only will allow readers to state their opinions on articles published in *European Community* but also will serve as a forum for dialogue on EC-US relations. Reader correspondence should be addressed to: The Editor, *European Community*, Suite 707, 2100 M Street, NW, Washington, D.C. 20037.

As one interested in the future of the growing European Community and its relations with North America, I was distressed to read of the appalling ignorance your recent poll uncovered in this nation [*European Community*, No. 167, page 8]. . . . There must have been a great deal of discouragement about the results of the poll, but I'm sure you recognize the need for information in this country, now more than ever if this is indeed to be "the Year of Europe." Best regards.
Sincerely,
Hugh W. Hunt
Evansville, Indiana

I wonder about Ronald Inglehart's assumptions or evidence concerning "materialist" and "post-materialist" values held by older and younger groups respectively [*European Community*, No. 168, page 11]. He fails to comment on the generally observed tendency of the shift toward less idealistic "world views" as persons attain older ages—possibly as a function of long life experience and awareness of limitations.
William H. Munter
Los Angeles, California

While your August-September issue [*European Community*, No. 168, page 11] shows a new isolationist spirit taking hold more firmly in certain groups, it is publications such as yours which help

to dispell long-standing misconceptions about European nations.
Yours truly,
Raymond M. Palladino
Norristown, Pennsylvania

I am amazed at the article you have published by Mr. Douglas Ramsey, which includes so many misstatements of fact regarding Frederick W. Taylor and his work [*European Community*, No. 168, page 14]. Least important are, of course, some of the details. Taylor did not die in 1916. He was not an "industrialist," in the sense in which that word is almost universally used, but an engineer, inventor, and consultant. The title of his principal work is not "Scientific Management" but "The Principles of Scientific Management," and it was not a book but "a paper presented by the writer to the American Society of Mechanical Engineers" in January 1910. This amounted to 74 printed pages, including an appendix. Rather than having been promulgated a century ago, as Ramsey implies, Taylor's work was not even begun until 1880 (when Taylor was 24) and was not disclosed until the turn of the century.

More important is the misrepresentation of the spirit and context of Taylor's work. I do not find in Taylor's writing any reference to the 'production line' to which Mr. Ramsey refers; during the period at which Taylor was active there were very few continuous assembly lines in operation, and it is clear that the abuses of such lines, to which Mr. Ramsey alludes, are altogether contrary to the intent of Taylor's "principles." (One might note that even today, only a tiny fraction of the workers in industry are engaged in assembly line operations.) "Maximum repetition, maximum specialization, and minimum necessary training period" were absolutely not the "principles set forth" by Taylor, and he would have been

horrified by the idea of being associated with any such garbage. In fact, Taylor himself emphasized that the worker should be slowly and carefully trained in his work, by having one instructor work with one worker, until the best techniques were habitual with the worker. He also indicated that men with good, active minds should not be given dull, unchallenging jobs, and that it was wrong to keep an able man in such a job.

Taylor did not presume a low intelligence level for most workers, and on the contrary emphasized that in most shops of his day the workers, not the management, ran the shop. He also urged that workers be encouraged to suggest better methods and tools, and be well rewarded for good suggestions. If you read his words you will realize that he had very high respect for the ability of individual workers. The fact is that Taylor's effort was mainly to improve the use of employees' abilities, their compensation, and to provide employees with managers who were both more able and more sensitive to employees' needs. If the job enrichment program amounts to anything, it is not to be re-

garded as the converse of Taylor's ideas, but as one of the many fruits of the movement in which Taylor was perhaps the leading spirit.

Taylor's work has been vilified and his character maligned for a very long time, mainly by people who had no familiarity with what he did. I leave it to you to speculate on the reasons for this. As a couple of examples, you might check on the prohibition of the use of a stopwatch in any United States Post Office, and you might read the account of Taylor's death published in *Esquire* magazine about 35 years ago. So that you may judge for yourself the nature of Taylor's work, I enclose extensive excerpts from the original edition of the 1910 paper. In my opinion you owe your readers a correction at least of the incorrect factual information in the Ramsey article, and beyond that, of the misrepresentation of Taylor's work. I suggest this because in my opinion the freedom of the press can exist only so long as the press is honest and attempts to be truthful.

Sincerely,
John F. Spencer
Cleveland, Ohio

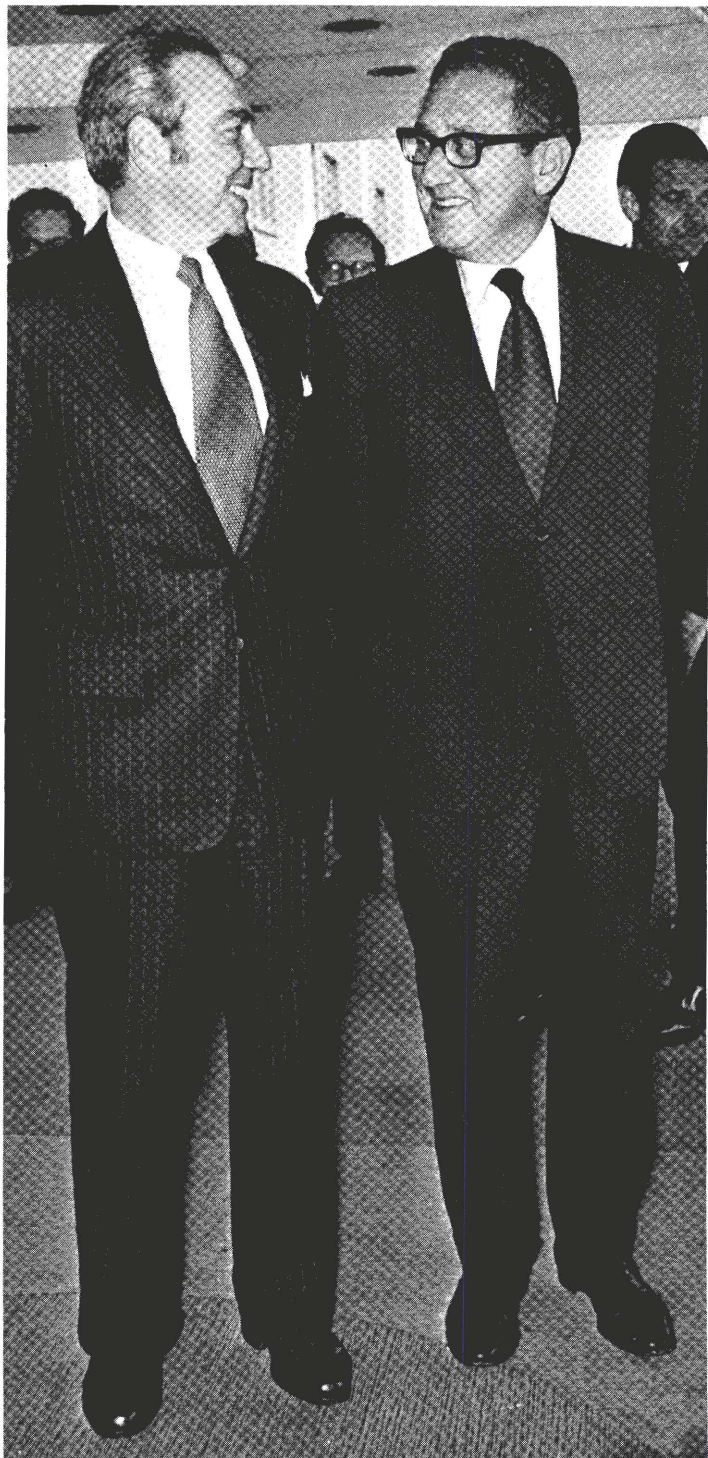


"Year of Europe" I

Reflections on the Year That Was (Not)

PETER JENKINS

Washington correspondent for The [Manchester] Guardian



Secretary of State Henry A. Kissinger (right) and EC Commission President François-Xavier Ortoli during his October 1 Washington visit for talks with Kissinger and President Richard M. Nixon.

Last January President Richard M. Nixon tossed off the phrase "the Year of Europe." The thought behind the President's rhetoric was simple: "peace with honor" had terminated US military involvement in Vietnam; the foundations of a triangular super-power policy had been laid with the Peking and Moscow visits; therefore Washington could turn its attention to Western Europe and Japan. Such issues as trade, defense, and mutual and balanced force reductions between the North Atlantic Treaty Organization (NATO) and the Warsaw Pact would in 1973 be "on the front burner," in President Nixon's words at his January 31 news conference. In then Presidential Assistant Henry A. Kissinger's *cordon bleu* cuisine, where only one dish can be cooked on one burner at a time, it was fitting that Europe should have its special year.

For Europe, of course, every year is a "Year of Europe." If 1973 was to have any special significance, it was not because the Americans were ready to end a long period of neglect. Rather, it was because 1973 was the year of the Community's enlargement, the first year of the ambitious timetable for a full economic and monetary union, and the year in which the enlarged and fortified Community would have the opportunity to speak with its European voice in the Conference on Security and Cooperation in Europe (CSCE, see *European Community* No. 171, page 14).

As 1973 began, Europe and the United States thus had a basic conflict of perception and priority. The Europeans saw the chief problems on the transatlantic agenda as not new and already the subject of continuing discussion in the appropriate forum. A new round of trade negotiations in the General Agreement on Tariffs and Trade (GATT, see *European Community* No. 170, page 15) was to be launched at a September ministerial meeting in Tokyo, and the Community, more forward than the United States, had committed itself to agreement on a negotiating posture by mid-summer. Reform of the international monetary system was under way, although trudgingly, in the International Monetary Fund (IMF), which had established a special committee for this purpose. NATO was at work on its busy agendas within its well-established institutions. In addition, a series of bilateral "summits" were being scheduled in the usual fashion following the election or re-election of a US President. All that seemed to be in question was the urgency and outcome of this work program.

The Americans focused on these problems as a cluster and saw them in a different light. Belated attention to the issues automatically created a sense of urgency. A whopping payments deficit, inflated by a trade deficit of unprecedented proportions, coupled with rising protectionist sentiment in the Congress, invested the "Year of Europe" with an air of crisis. Renewed attacks on the dollar, leading to a second devaluation and finally the replacement of the *ancien régime* by a floating regime, exacerbated these domestic pressures. In addition, reaction to US involvement in Southeast Asia could translate itself into a new



Soon after the "Year of Europe" began, President Richard M. Nixon (seated second from right) met with Sir Christopher Soames (seated second from left) during his first visit to Washington as EC Commission Vice President responsible for the Community's external relations. Also at the meeting (seated left to right) were Peter M. Flanigan, Assistant to the President for International Economic Affairs and Executive Director of the Council on International Economic Policy, and Helmut Sonnenfeldt, member of the National Security Council staff.

isolationism (see *European Community* No. 168, page 11) opposed to any overseas commitments. The "Year of Europe," it seemed in those early months, could well have become the year of Senator Mike Mansfield's resolution for US troop cutbacks in Europe.

KISSINGER CALLS FOR "NEW ATLANTIC CHARTER"

For the above reasons and with little regard for Europe's perceptions or preoccupations, the US Administration officials, most of them well disposed toward the Europe Community and good US relations with it (the point should be stressed), urged that the pressing problems of trade, money, and defense burden-sharing be attacked within some greater framework of political purpose. These officials (for example, the departing Secretary of Commerce, Peter G. Peterson) feared the result of leaving US-European problems to the technical mercies of trade specialists. The most visible product of these urgings came in Kissinger's April 23 speech calling for a "new Atlantic Charter." The speech stressed that the problems within the Atlantic community should be approached not only collectively but politically: they were too serious to be entrusted "solely to the experts," and their solution "must engage the top political leaders."

Kissinger's speech might have been better received if its spirit had been better understood. Conversely, it might have been better understood had he given concrete form to his general call to "revitalize" the Atlantic relationships and had he worked out the practical difficulties within the constructive context of a broadly

redefined common purpose. It was tactfully explained at the time that the United States did not want to seem to be prejudging the issues by suggesting solutions, but the truth was that Washington had no solutions to propose.

It was symbolic that Kissinger's speech should have been delivered in the week in which the Watergate scandals broke in full force around the Presidency. Thereafter, Watergate became an important factor in the diplomacy of the "Year of Europe." No matter how often the denials in Washington and—with ever decreasing conviction—in the capitals of Europe, the Nixon Administration became inescapably immobilized. The President had committed himself to a "grand tour" of Europe to cap off the year and hankered persistently for a glorious "summit" conference of some kind to crown the event. He was suspected of seeking a diversion, of attaching more importance to form than to substance. In the United States the success or failure of the "Year of Europe" came to be seen in terms of whether or not the President would indeed go to Europe.

This false sense of urgency was created at a time when changes in the economic situation had removed some of the urgency. Following the dollar float, the American economy was surging happily back toward a trade surplus, and by the autumn the air of crisis which had marked the opening of the year had largely evaporated. With employment rising quickly, the pressures for protectionism lessened. In any case, the Congress was preoccupied with other matters.

SECURITY ISSUES POSE PROBLEM

Kissinger, however, remained irritated with the response to his call for a new Atlantic Charter, since watered down to a declaration of principle. In fact, there were to be at least two such declarations, one jointly by the United States and the European Community and the other by NATO. Kissinger's irritation stemmed largely from the Europeans' unwillingness and inability to deal with security matters in the same forum, or even on the same sheet of paper, as political and economic matters. Washington found the European attitude hard to understand, for the questions were indisputably linked. Too, there was the practical problem that differences with Europe over trade or money contributed to the Congress' reluctance to continue stationing the same number of troops in Europe without complete offset of the exchange costs. How could the Congress and the American public be persuaded otherwise if the Europeans seemed not to recognize the linkage of economics and security and appeared to seek shelter behind jurisdictional disputes?

The Americans were slow to see that the "Nine's" draft declaration in Copenhagen in September (see *European Community* No. 170, page 3) did represent the first success of the enlarged Community in achieving common positions on such an important subject of foreign policy as Atlantic relations, a subject which for 10 years had bitterly divided them. But the Americans were quick to see that the document was of little worth in specifically answering the points raised by Kissinger in April. Its formulations were legalistic and lacked warmth. Even the word "partnership" had not been admitted. Kissinger eventually, however, gave a public welcome to the document and accepted it as the basis for further discussions. Parallel discussions were in progress in NATO.

These discussions appeared to go reasonably well until the Middle East crisis exploded. The "Year of Europe" was effectively wrecked. The American frustrations came pouring out. Chiefly they concerned the lack of political and military cooperation received from the NATO allies during the crisis. In the poisoned atmosphere, however, all manner of other nagging complaints were voiced—including US criticism over the preliminary GATT negotiations and alleged EC trade discriminations. When EC Commission Vice President Christopher Soames, responsible for the Community's external relations, visited Washington in October, he had not been so bullied since a student at Eton.

The final casualty of the "Year of Europe" appears to have been the Nixon Administration's trade bill. A complicated muddle arose in which it became impossible to pass the measure without an amendment which would deny the President his existing power to give credits to the Soviet Union. The Administration's choice was to postpone the bill. Its prospects for early resuscitation seemed gloomy. European reaction was predictable (see page 5).

Thus, what was to have been the "Nixon Round" in the GATT will, at best, be delayed. These important trade negotiations, linked both to the international monetary reform negotiations and, by the Americans, to the sharing of common defense costs, had been the centerpiece of the exercise known as the "Year of Europe."

WHAT WENT WRONG?

The "Year of Europe" had ironically gone full circle. In the uneasy aftermath of the Atlantic crisis which broke around the Mideast war, the United States appeared to have no hesitation, still, when it came to choosing between détente with its adversary and the so-called equal partnership with its allies. It was Moscow first all the way. Ironically, it had been to correct this suspicion of superpower condominium, which he denied to be justified, that the President 10 months earlier had proclaimed 1973 the "Year of Europe."

What went wrong? Perhaps the basic mistake was to ask self-searching and somewhat abstract questions about a taken-for-granted relationship at a time when the relationship was under practical strains. It was not, in short, a good time to discuss the marriage. Events—notably the Mideast war, the energy crisis, and the constitutional crisis in Washington—rocked these shaky foundations for a new understanding. By the end of the year, Atlantic diplomacy had become an exercise in crisis management, an unfamiliar technique among allies.

Something will have been gained on both sides of the Atlantic however, if the next "Year of Europe" can be conducted with clearer perceptions. The United States failed to understand (partly because of lack of communication between the State Department's professional bureaucracy and Kissinger's one man band at the White House) that the Community was experiencing the growing pains of its enlargement and was not capable of settling all its problems at the same time. The Community was at a half way stage—unhappy in its old client relationship with the United States but not yet able to be an independent partner. Europe could not answer the questions which Kissinger asked.

The Europeans, for their part, underestimated the Nixon Administration's problems with the Congress and public opinion, were insensitive to the American way of doing things (which is always by a sudden and massive assault on an outstanding problem), and failed to understand fully the American impatience for dividends from their long-term investment in European unity. Kissinger's questions were valid ones. The Europeans resented his distinction between Europe as a regional power and the United States as a global power. The Mideast crisis showed this distinction to be near the truth. That crisis, the climax of the "Year of Europe," surely proved that a partnership of equals will remain impossible until a united Europe can deal collectively with the interlocked problems of economics, politics, and security.

"Year of Europe" II

Reflections on the Year That Wasn't Meant to Be

BARBARA BRIGHT-SAGNIER, reporter for The Washington Post

In retrospect, the "Year of Europe" was never intended to be what politicians, diplomats, and journalists expected it to become. The term, US officials said as 1973 drew to a close, was a short-hand catch-phrase indicating that the United States believed its relations with Europe needed reshaping, readjusting, readapting, reweighing. But no one expected this delicate and demanding work to be accomplished within the brief period of 365 calendar days. President Richard M. Nixon's January press conference comment was more a top-level pronouncement that the project should be begun.

Significant changes had occurred in Europe and the United States since the Atlantic alliance was struck more than a quarter-century ago, and evidences of strain were becoming increasingly noticeable in trade, monetary, and security matters. America, post-Vietnam, was drawing into itself again. The nation's businessmen were facing increased competition from abroad. The nation's representatives in Congress spoke of cutting off foreign aid. The nation's youth questioned why US troops should be stationed in Germany, Italy, Greece, Turkey, Panama, Japan, Korea, and other places around the globe (see *European Community* No. 168, page 12).

European youth were questioning American motives abroad. With polite rhetoric increasing between West and East Germany, Europe's major postwar troublespot, and friendship and trade treaties being signed with other Warsaw Pact nations, the younger generations saw European security in terms different from those of their fathers. Its economy booming, Europe was chafing as well at its continued casting in the role of little brother to big Uncle Sam.

Not only Europe and the United States but, indeed, the world had changed. Unexpected diplomatic initiatives by President Nixon and then Presidential Adviser Henry A. Kissinger had opened the door to China and made significant gestures toward détente with the Soviet Union. What had been a bipolar world was becoming multipolar. One of the several emerging power centers was Europe.

It seemed the time was ripe for a hard look at the Atlantic partnership—for laying, as Kissinger said in his "new Atlantic charter" speech in New York on April 23, "the basis for a new era of creativity in the West." Kissinger's speech, US officials contended, was a continuation of dialogue with America's friends in Europe. The Europeans, the officials said, had been asking for ideas on how to strengthen the sometimes troubled alliance, and Kissinger was offering some possibilities from a US viewpoint.

The Europeans didn't understand it that way at all, and muffled cries of anguish were heard from Bonn, Paris, and London. To them, Kissinger's speech seemed like yet another instance of the United States setting the rhythm for the Continental piper's tune.

They had not expected an abrupt call for a new document, European leaders protested privately, and why this sudden mention of Japan? Why should Japan, surrounded by the North

Pacific Ocean and the Sea of Japan, be included in a new Atlantic charter? Even if Europe accepted the Japanese anomaly, Kissinger's pointed "linkage" of political, military, and economic issues seemed to confirm European suspicions that the United States wanted them to pay more of US defense costs by offering preferential treatment in European trade.

TWO DOCUMENTS INSTEAD OF ONE

After an inauspicious beginning, the United States and Europe began to move closer together in arriving at Kissinger's proposed new Atlantic charter. Europe, still a group of small nations that found it difficult to speak in unison, preferred two documents to one. These documents, the Europeans said, should be separate declarations of principle instead of a less flexible-sounding Atlantic charter. In addition, they said, the documents should be worked out through the well established forums of the European Community (EC) and the North Atlantic Treaty Organization (NATO). The United States conceded.

In meetings over the summer in Copenhagen and Brussels, European representatives toiled over an EC draft declaration that focused on trade and economic ties (see *European Community* No. 170, page 3). US negotiators, presented with the draft, barely concealed their pique at the paper's lack of allusions to security topics. NATO's first draft on defense and security similarly glossed over politics and trade. The French offered a revised paper which American negotiators indicated might become the basis for a final NATO document. It pledged the NATO allies "to remove the sources of conflict between their respective economic policies and economic cooperation among themselves." The Atlantic alliance, according to the French draft text, "has sealed the solidarity of the destinies of European countries, the United States, and Canada."

Negotiations on the wording of both documents continued through year's end, and the United States clearly expected eventual success in its call for references to trade and economy in the NATO document and to security and politics in the EC document. Less clear, however, was whether there would be any reference to Japan. The United States argued that the developed world's three industrial giants—Europe, Japan, and the United States—are inevitably linked. Harmony in world monetary and commercial relationships is impossible without including the Japanese, they said. The Europeans remained unenthusiastic and unpersuaded.

With the Atlantic declarations still in flux, President Nixon's oft-announced and oft-postponed trip to Europe had, at year's end, still not been definitely scheduled. A tour of European capitals, some observers remarked acidly, might deflect the increasing heat from new disclosures in the Watergate scandals. But the President, his advisers said, would not go to Europe for social calls. "Obviously we want these declarations to be completed before he goes," commented a State Department official.



Secretary of State Henry A. Kissinger (fourth from right) met with European Parliament Members and US Congressmen during the latest EC-US "parliamentary exchange" (see page 3). Standing on Kissinger's right: Pierre-Bernard Cousté, leader of the European Parliamentary delegation.

THE MIDEAST AND DETENTE

Had Watergate not slowed down Congressional reaction to President Nixon's defense and trade proposals and had Europe been better trained in choral harmony, the declarations might have proceeded at a faster pace. Strengthened by new statements of solidarity, the Atlantic ties might not have been subjected to a new unraveling process during the latest Mideast war.

Despite the smiles and documents exchanged by President Nixon and Soviet leader Leonid I. Brezhnev in Washington in June, the United States saw Soviet threats of troop deployment in the Middle East as a threat of expansion. In the US view, such a possibility carried the Mideast fighting beyond a regional conflict and threatened world peace. Already condemned by Europe for its overflights and materiel shipments to resupply Israel, the United States reacted sharply when the European nations seemed to knuckle under to Arab oil threats (see page 4).

Kissinger pronounced himself "disgusted" with the European allies, and *The Washington Post* editorially chided that the Europeans "have dumped upon the United States the responsibility for helping stabilize the Mideast, a responsibility their own broad interests and values presumably should have led them to share."

The Mideast war, the United States felt, would affect European interests as much as American. "Détente is not a home-grown American product," said one dismayed US official, "The Europeans have invested as much in détente as we have."

While expressing understanding for Europe's dependence on

Arab oil, US officials continued to criticize what, to a "hang tough" Nixon Administration, seemed like weaseling. Weak-kneed reactions, the Americans believed, would bring on further oil blackmail from the Arabs.

Yet while Europe and the United States gazed, or at times glared, skeptically at each other in the days following the Mideast war, European-American relations were smoothing out in the areas that previously had been the bumpiest. The Administration's trade bill was still stalled, but the voices discussing trade and monetary issues were not as strident as they had been in late 1972. Reports in October pointed toward a 1973 trade surplus for the United States. Talks on European security and mutual troop reductions rocked along, with no apparent rifts in European-American security strategy (see *European Community* No 171, page 14).

The sense of urgency with which the United States at first seemed to enter the "Year of Europe" had gradually been tempered by circumstance—or by design. Some observers hypothesize that Kissinger, the first foreign-born Secretary of State in the nation's history, may be at heart a "secret European" who by benign neglect, is forcing the Europeans together in spite of themselves.

Far-fetched as that may be, Kissinger's Atlantic charter proposal and the Mideast crisis have undoubtedly contributed to a new realization that European dependence must be increased—not on the United States, but on Europe's own emerging identity

A Call for European Unity

Speaking Out on the Mideast Crisis, US-EC Relations, and "European Union"

WILLY BRANDT, Chancellor of the Federal Republic of Germany

On November 13, German Chancellor Willy Brandt became the first Head of Government to address a plenary session of the European Parliament in Strasbourg, France. An abridged version of his speech follows.

A German Chancellor addressing the European Parliament on French soil—not an everyday constellation but an event which has its own significance. It indicates how far Europe has progressed along the road to unification since World War II. While I shall take this opportunity to discuss the continued course of European unification, I shall also attempt to express my Government's and people's attitude during the recent Middle East crisis.

The tragedy in the Middle East, which is so close to us not only geographically but also culturally and historically, requires me to speak both as a German and as a European. The crisis in the Middle East has put the difficult undertaking of détente to the test. Certainly, the United States and the Soviet Union bear a special responsibility. But the crisis is also a challenge to Europe. What goes on in this agonized neighboring region affects us directly. Europe must, therefore, if it can, contribute toward solving that problem. It can only do so through the closest cooperation of the EC Member States.

On November 6, for the first time ever, the "Nine" set out a detailed position on the Mideast situation in a joint paper (see page 4). A certain measure of uniformity now lends weight to the European voice and is ultimately in the interest of the states directly involved in the crisis.

A choir of contradictory European voices is of no help to anybody. But political unity has its price. It demands the discarding of accents which some of the Member States would want to set more strongly than others. But it seems to be avoidable. People will have to get used to it.

The November 6 resolution should be seen as an attempt, through reasonable arguments, to make a beginning and break a vicious circle. From here, we can go on seeking ways and procedures for translating the United Nations (UN) Security Council's resolutions into practical solutions.

With regard to German-Israeli relations, nobody will be surprised if I say that they have a special character. This special character remains untouched. For us there can be no neutrality of the heart and the conscience. The Middle East conflict concerns us perhaps more than others. It appeals to our bitter responsibility. It is for that very reason that we seek an equitable and durable peace in the Middle East.

If we were indifferent, we would not feel so deeply involved. I strongly emphasize, however, that our deep involvement is also to the benefit of the Arab world. For only a lasting peace settlement will make that region, now full of hostility, a viable area whose states will jointly contribute to the welfare of all.

The European Community could constructively participate in

such regional cooperation. This presupposes that the European and the Mideast states try to speak with each other. The European Community, I have no doubt, is prepared to do so. Already it maintains contractual relations with most of the Mideast states concerned. Threats and blackmail, however, would only disturb constructive developments and is not the way to make friends.

Could not the Community, by strengthening the instruments already provided for in the individual Treaties, improve the conditions for restoring peace in the Mideast? Examples include food aid, settlement of refugees, and other possible and varied ways of cooperation. For the benefit of the people in the Middle East the essential point is first to establish peace and then to stabilize it. Europe could help with both tasks.

TO CREATE "EUROPE"

On the subject of European unification, I shall say what I would not have said in this way 10 years ago: We can, and we will, create Europe. We have had to put up with delays and setbacks. This has called for criticism, partly justified.

We can, if only we want to, now set out on a new phase of the European journey. I am certain that European union will come. I again appeal to our partners throughout the world to regard European union as a future fact, to take it for granted.

The move towards European union is indispensable. It alone will offer our peoples the scope their political, economic, social, and cultural energies require. The unification of Europe is not merely a question of the quality of our existence. It is a question of survival between giants and in the rugged world of the young and the old nationalisms.

Only in a Europe that has found its personality can we secure our national identities. The classical nation-state belongs to yesterday. Our future no longer lies in the narrow isolation of the nation-state.

Naturally, European union will not be the outcome of a revolution, of a sudden leap from the nation-state to supranationality; nor from an uprooting of boundary posts or from a constitution brilliantly put on paper overnight. Instead, European union will come through evolution—the constant, energetic developments in all those spheres already incorporated in the process of integration and in the other spheres that are not officially considered "integrated." The sum of these developments will one day—probably sooner than most people think—swing the pendulum from quantity to the new quality.

We should shorten the timetables we have set ourselves—be it for economic and monetary union, be it for what I have termed the social union (see page 17), be it for political union. According to the 1972 Paris "Summit," European union is to become a reality within this very decade.

On the road to European union, we should have a proper sense of proportion. French President Georges Pompidou's proposal for regular summits to discuss, without the burden of a

bureaucratic "machinery," the internal and external problems connected with the growing union is in keeping with that sense of proportion. This proposal concurs with the intentions of my Government and with the suggestions of British Prime Minister Edward Heath.

Every step forward must be commensurate with the situation and with the necessities. It must equip the Community or the organs of political cooperation with the new powers needed for the fulfilment of the tasks which all agree must be fulfilled at the given time. It is not so much a question of language as of concrete results. It is a matter of increasing efficiency both within the Community and in European political cooperation. The two must now work effectively together.

After 20 years of European integration we should all by now have learned that the functional rather than the constitutional method is more likely to get us home. I do not mind if one calls this pragmatism. The goal is clear—a sensibly organized European government, subject to parliamentary control, which through common policies will be able to make the necessary decisions.

The Member States will transfer to the European government those sovereign rights which in the future can only be effectively exercised together. The remaining rights will stay with the Member States. In this way, the national identity of our peoples, the source of their strength, will be preserved, while a European identity, the source of energies, will be created.

TO BECOME EUROPEAN CITIZENS

Once economic and monetary union, a common social policy, a common educational policy, a common foreign policy, and a common security arrangement have become the responsibility of a European government under European sovereignty, a basic law will obviously be required which will have to be approved by our citizens. Up to now they have been given little opportunity to feel what they have largely been for some time—citizens of Europe. Opinion polls show that many of them, like us, regard European unity as a political aim. But the European consciousness has rarely been linked with their everyday lives.

The Community must grow beyond economic cooperation and political organization to become *the* socially progressive region in the world. European integration must serve the people directly. I do not mean simply a vague concept of life. Our citizens should physically feel that Europe improves their working and living conditions and has an effect on their everyday life. But this does not mean bigger bureaucracies and more complicated regulations. To give our national bureaucracies a European dimension is a mistake. It certainly is not the will of our people that we create a Europe in which we wander about like Citizen K in Franz Kafka's *The Castle*.

Political will should at long last carry the day over the many national administrative egoisms which may be justified individ-

ually but all in all can no longer be tolerated. What we want is a Europe of daily reason and of common sense.

As long as the EC Member States are unable to act as one, they are unable to serve as a factor of peace and stability in the world. This incapacity was demonstrated by the dramatic international developments around the recent Middle East crisis. People from other continents have felt perhaps more than we that, in a world whose destiny cannot and should not be determined by two superpowers alone, the influence of a united Europe has become indispensable.

The relationship between the Community and the United States should be defined and, after that, the relationship with Canada and Japan. At the same time the Council for Mutual Economic Assistance (COMECON) is seeking contact with the Community. A majority of African countries want association agreements with the Community, and considerable hopes are attached to European unification in other parts of the world.

Special importance accrues to the definition of the relationship between a uniting Europe and the United States of America. This long-term process will not come to an end before European union has been completed. We are linked by similar ideals. Our security interests are firmly interlocked through the Atlantic alliance. America has always come out strongly in favor of European unification. Each of our nations will bring the experience of friendship into the Atlantic dialogue.

On the other hand, Europe has become self-confident and independent enough to regard itself as an equal partner in this relationship. Partnership cannot mean subordination. Partnership proves its value in the balance of interests, in a joint will to settle common problems and to fulfill common responsibilities by sensible agreement, and in reliable mutual respect.

The practical importance of the Community for cooperation and communication with the East European countries and the Soviet Union is evident in the Conference on Security and Cooperation in Europe (CSCE). There and elsewhere our negotiating partners see in the daily work that the Community is not encapsulating itself as a "bloc." All-European cooperation is not impaired by West European union. And West European unification must not be held up by all-European cooperation.

Challenges arising from the Community's new tasks can, as a rule, promote the process of inner consolidation. European political cooperation must stand a test in ever wider fields. The dynamism that is beginning to develop calls for more intensive and broader consultations. The range of subjects has to be constantly widened. Bilateral negotiations and plans of individual governments in their relations with other world powers and the "Third World" should be reviewed together with partner states.

EUROPEAN UNION MEANS COMMON POLICIES

Progress toward economic and monetary union today is the prerequisite for European union of tomorrow. We must now at long



German Chancellor Willy Brandt before the European Parliament: "We can, and we will, create Europe."

last achieve a better harmonization of our cyclical economic policies, the most important preliminary to common economic policy. A policy of stability cannot be effective or successful in isolation. Either all the EC countries must submit to the fate of progressive inflation or they must resolve together to adopt a joint policy of resistance to currency erosion. The latter course would protect one of the achievements of our citizens for which they have worked most hard.

Economic and monetary union will only prove successful if the Community launches a joint and patient effort to even out the structural imbalances between Member States and especially between Member States' individual regions. But regional development's criteria must be so strict as to ensure that assistance is provided only where it will really serve the rehabilitation of the regions concerned.

Concerning agriculture, we must progressively stabilize markets to establish a better balance between supply and demand. Surpluses difficult to sell on world markets are poor evidence of a purposeful and successful European integration. The Community must also participate in the development of a world food program. All in all, however, a larger measure of integration has been achieved with agricultural policy than with any other Community policy. We now have to catch up in the other spheres.

Recent events have drastically shown how dependent we are

on mineral oil. Up to now the EC countries had the luxury of holding different views on the basis and instruments of a common energy policy. Today we know that a common line is literally vital. We are all in the same boat. I urgently appeal to the competent EC institutions to do everything within their means to mobilize cooperation.

Concerning the Community's budget and financial behavior, we need more transparency, more responsibility for the competent Commission member, a European audit office, and, last but not least, wider powers of control for the European Parliament. As long as our citizens—sometimes wrongly—believe that financial management is more lax on the Community than national level, they are unlikely to understand or approve our allocating more funds to Brussels.

The Community must also prove itself as a social union (see page 17). In the Community's early years, the time was perhaps not yet ripe for emphasis on social objectives reaching beyond national boundaries. But now we cannot and must not wait any longer. A social policy is as much a part of European union as democratic legitimization and an economic basis. Social progress must have the same emphasis as economic growth because in Europe production and consumption can no longer be regarded as an end in themselves. They must directly serve the well-being of the European citizens. Only thus can Europe over-

come the danger of technocracy.

I discern these clear social policy objectives:

- to develop an active Community labor market policy
- to improve vocational education
- to develop a social policy for migrant workers in coordination with third countries
- to establish joint standards for humane working conditions
- to adjust social benefits in each Member State regularly and dynamically to its growing economic strength
- to allow for worker participation and codetermination in management.

SIX STEPS TOWARD GOAL

The European Parliament has an important part to play in fulfilling the transformation of the totality of the EC Member States' relations into a European union by 1980. That is our declared and unshakable aim.

The European Parliament's political weight should be strengthened by arrangements for leading national parliamentarians to participate in the debates. Parliamentary life contains much routine, but it also requires flexibility. Being an institution does not imply a right to rigidity.

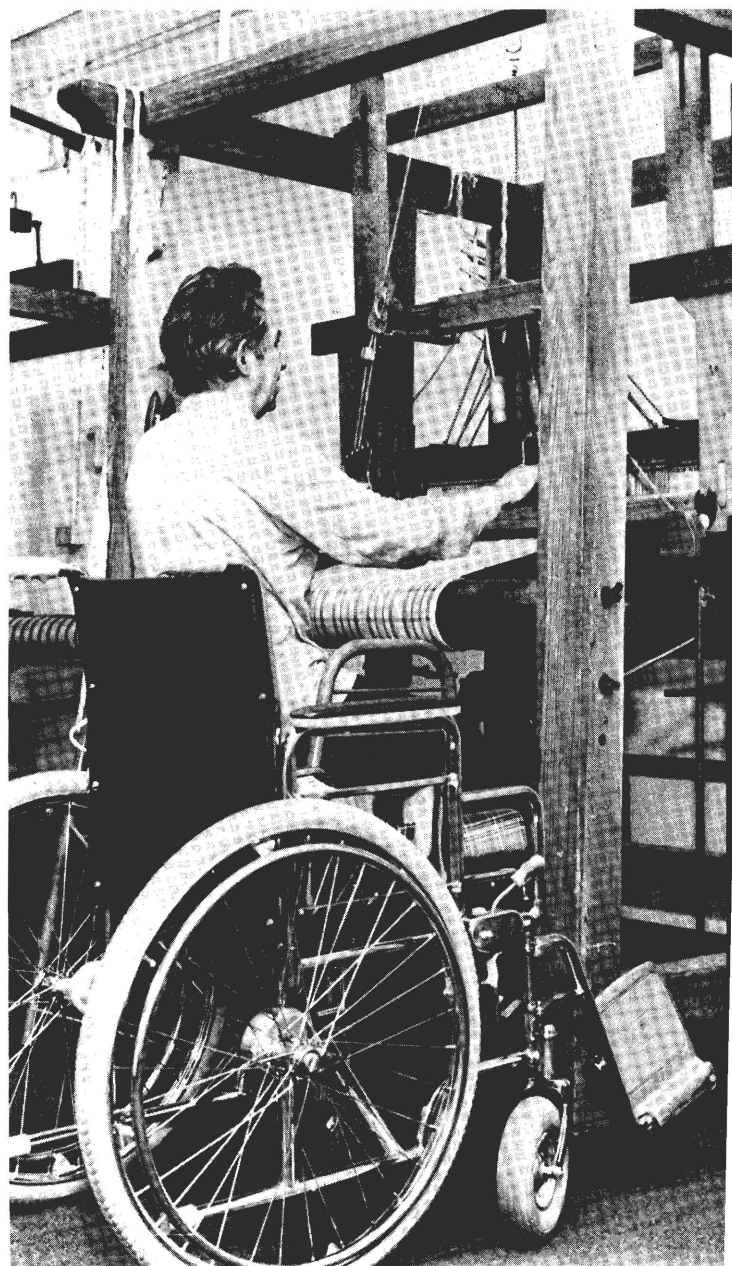
The Parliament has many possibilities for stimulating the construction of Europe and the development of European policy, and it has established itself as the parliamentary forum for the political unification of Europe. I recall the annual debate on progress toward political union and the colloquia on questions resulting from European political cooperation. I would encourage your every initiative in this field.

Allow me to outline the main elements of a European *ad hoc* program which brooks no delay:

- Clear progress must be made toward economic and monetary union, a common regional policy, a common social policy, and the further development of the common agricultural policy.
- The Community's financial behavior must be improved. Every penny for Europe must be spent to advantage.
- The European Parliament must be given a real say in Community matters.
- Solidarity must be achieved in order to fulfill Europe's responsibility for peace and stability in the Mediterranean, to define the Community's relationship with the United States, and to cooperate with the Soviet Union and the East European states.
- More frequent meetings of heads of government, as suggested by the French President, are needed to form a kind of regular presidential conference which will give decisive political stimulus and thus force all the responsible institutions to push progress forward.
- Clear and realistic proposals mapping out the way to European union are needed as soon as possible—respecting fully what exists and what has been achieved in spite of many obstacles in the past 20 years.

In conclusion, stated quite simply, the Federal Republic of Germany has chosen European union as its permanent home. In it we seek our future. The European Parliament therefore will always be assured of the Federal Government's support whenever it presses ahead toward European union.

Chancellor Brandt's call for a "European social union" means an EC social policy, as described by EC Commission Vice President Patrick John Hillery on the following pages, that includes vocational training for the handicapped. Credit: Hessel Bosch, Enschede, the Netherlands.



Patrick John Hillery "On Record"

Social Action Becomes EC Priority

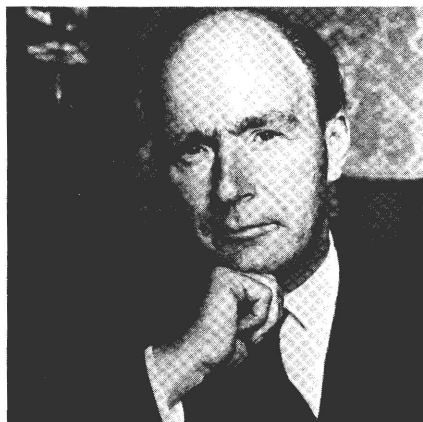
The European Community's journalistic appellation (the Common Market) reflects the Community's primarily economic and commercial image—an image that belies the EC countries' exemplary achievements in social progress. To give the Community "a human face" has become the goal of all the EC institutions. This goal includes the development of a common social market or, in the words of German Chancellor Willy Brandt, a European Social Union (see page 13). The "Nine" believe social achievement is as important as the achievement of economic and monetary union. Here, EC Commission Vice President Patrick John Hillery, responsible for the Community's social policy, answers questions about the Community's movement toward social union.

Hasn't the Community tended to neglect social policy until now, perhaps because it was widely thought that economic growth and prosperity would almost automatically lead to social advance?

Hillery: It is true that during, say, the Community's first decade the emphasis was on economic growth. But do not forget that economic growth has been, as expected, accompanied by a spectacular advance in living standards and by the solution of many social problems in the Member States. The 1972 "Summit" in Paris clearly realized that a fresh impetus was needed in social policy. The "constant improvement of the living and working conditions of their peoples," laid down as an aim in the Rome Treaty's Preamble, required a new interpretation at this time. Hence, the Summit declaration emphasized that the Heads of State or of Government attached as much importance to vigorous action in the social field as to the achievement of economic and monetary union. The Community has now reached the stage in its economic and social development when it can, and indeed must, afford to question more critically the pattern and costs of economic growth and the distribution of its resources.

Are the "Nine" still as determined as they were a year ago to carry out vigorous action in the social field on the lines proposed by the Commission?

Hillery: I have no reason to think that the Member States are any less determined to pursue the Summit declaration for vigorous action in the social field than they were a year ago. In May, the Council of Ministers gave its approval to the Commission's wide-ranging and ambitious Guidelines for a Social Action Program. Since then, of course, the Commission has produced a detailed program based upon those ideas and also in close consultation with other Community institutions and the trade unions' and employers' representatives. I am confident that the Council will still have the political will to endorse this program and give the Community the social dimension we in the Commission believe is so clearly needed.



EC Commission Vice President Patrick John Hillery, responsible for the Community's social policy.

What kind of social measures should be carried out at the Community level?

Hillery: Although the harmonization of the Member States' social systems is one of the Rome Treaty's goals, the Commission has made it clear in its Guidelines for a Social Action Program that similar social problems are approached in different ways in the Member States and that such different approaches should be allowed to continue. Hence, the Commission's aim is not to centralize the solutions of all the Member States' social problems. At the same time, Community-level action is needed in the social field, especially where less favored Member States and regions cannot solve their problems alone. Among the aims of the Commission's Social Action Program adopted in October are: possible Community aid for national plans ensuring income support for workers during vocational retraining; the gradual extension of social protection to those persons not covered or inadequately provided for under existing plans; the gradual adaptation of social security benefits to income growth; pilot plans which could lead to measures in the Member States to combat poverty; overall application of the 40-hour week by 1975 and the four weeks paid holiday by 1976; a study of minimum wages in the Community with a view to bringing about a harmonized upgrading of low wages.

Although the European Coal and Steel Community has a good record in helping to rehouse and retrain workers and in promoting safety in the coal and steel industries, few workers seem to give the Community any credit. The workers apparently remain unaware of the Community's role because the cash is usually channelled through the national authorities. Have you thought about gaining greater recognition for Community activities in the social sector?

Hillery: The Commission is using the opportunity of the launching of the Social Action Program to intensify its information policy on its activities in the social field by numerous press conferences, specialized briefings, seminars, interviews, and suitable

documentation in Brussels and the member countries. A series of pamphlets and brochures will be ready fairly soon, I hope, setting out the aims of the social program and describing what has been accomplished so far in simple, non-technical terms.

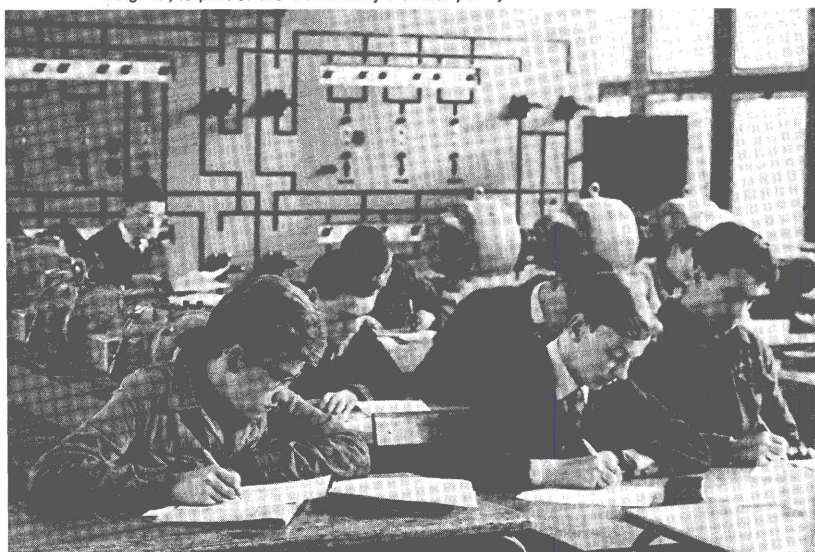
After the Council of Ministers cut the European Social Fund's 1974 budget to 225 million units of account (one UA equals one 1970 dollar) from the UA 410 million proposed by the Commission, one newspaper remarked that the Social Action Program's authors were "indulging in a considerable degree of wishful thinking." Is that comment unfair?

Hillery: The Council's reduction in the European Social Fund's budget for 1974 has not yet been formalized, and the European Parliament has called for the restoration of the Commission's original request. A distinction should be made, however, between the Social Fund's budget and the Social Action Program's financing. The priority actions proposed by the Commission for 1974—excluding the Social Fund and an estimated UA 100,000 for the proposed European Foundation for the Improvement of Living and Working Conditions—do not involve budgetary expenditure for the Community. The most costly part of the Social Action Program would not become a charge on the Community budget until 1975. Therefore, it would be misleading at this stage to draw conclusions concerning the Social Action Program from the size of the Social Fund's budget.

Why did you choose to leave the financial implications out of the Social Action Program submitted to the Council?

Hillery: The important matter is that the Council must decide on the political priorities that the Commission has presented in its Social Action Program. This program covers a wide range of proposals aimed at employment, improvements in living and working conditions, and increased participation of workers' and employers' representatives in social and economic decision-making. Some of these actions are immediate, but others will be presented according to a timetable laid down in our program.

Vocational training, such as is given in this electrical workshop in Anderlacht, Belgium, is part of the Community's social policy.



The Commission believes the appropriate time to indicate a proposal's costs is when it is ready for submission to the Council in a detailed form.

How do you expect to mobilize employers' support for measures that would cost them money, such as the proposals for mandatory 40-hour working weeks and four weeks' paid vacation every year?

Hillery: The proposal to recommend the introduction of a 40-hour week by 1975 and a four-week vacation by 1976 was based on social, not economic, grounds. The Commission believes that, if the Community is serious about putting the fruits of economic growth more fully at the service of people, then work and leisure conditions must be improved. Our proposals therefore are aimed at ensuring that by the mid-Seventies a 40-hour week and a four-week vacation become realistic minimum conditions throughout the Community. Clearly such a proposal could not be put forward without close and continuous consultation with the social partners. The European employers organizations have been consulted and recognize the purposes behind the Commission's proposal. In principle they are not opposed to it, although some of their national organizations thought the timing was too advanced.

Do you believe the Community should try to curb the flow of migrant workers by encouraging industry to move to areas from where the migrants come? If so, who is going to clean Northern Europe's streets, clear its rubbish, make its cars, and carry out the many other unattractive jobs that migrants are relied on to do? (See European Community No. 170, page 7.)

Hillery: The Commission views "involuntary migration" as undesirable and hopes that it will gradually be eliminated. The imbalance between rich and poor countries and regions, the fundamental cause of forced migrations, can probably never be completely corrected, but a serious effort can be made through appropriate industrial, regional, and external investment policies. In the meantime, there is no escaping from the fact that migrant workers and their families are going to be present in the Community in large numbers for many years to come. Thus the Commission's program emphasizes the Community's special responsibility toward the migrants and the urgency of tackling their immediate social problems.

The question of who will be available to do the unattractive jobs is important but at this stage rather theoretical. The Commission has proposed studies which should lead to proposals for eliminating the dehumanizing effects of unpleasant and monotonous work. The Governments of the Member States and the "social partners" [labor unions, management associations, consumer unions] will be closely associated with these studies and eventual proposals. Consequently, the ultimate goal will only be reached after considerable planning and preparation at the national as well as Community level.

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.

A Nation Writ Large: Foreign Policy Problems Before the European Community. Edited by Max Kohnstamm and Wolfgang Hager. John Wiley & Sons, New York and Toronto, 1973. 275 pages with notes on contributors, glossary, and index.

A collection of 10 essays, with a conclusion by the editors, surveying the main foreign policy problems confronting the European Community.

The book results from a project undertaken by the European Community Institute for University Studies, of which Kohnstamm is president, and is its first major project undertaken in the field of European policy planning. The volume is intended to be a contribution to what must, according to Kohnstamm, become a "continuous, informed, Community-wide debate on foreign policy issues involving fundamental policy issues." The essays, by authors from different EC Member States, are themselves a product of roundtable, multinational debates (the participants' names are listed in the book). The first essay describes the general political framework in which the Community must operate. The second essay does the same for the international economic context. The next four essays take a functional look at monetary, agricultural, energy, and security issues. The last four essays relate the different issues to the Community's relations with the United States, East Europe, the Mediterranean area, and the "Third World." All of the essays support the premise that the internal progress of the European

Community, especially toward economic and monetary union, depends upon the progress made toward common positions and common policies in the realm of foreign affairs. In short, the authors say, the Community cannot choose but to have a foreign policy.

Common Market Law of Competition. By Christopher Bellamy and Graham D. Child. Sweet and Maxwell, London and Mathew Bender, New York, 1973. 361 pages with tables, appendices, and index.

An explanation of the European Economic Community's competition law through an examination of the relevant Treaty provisions, EC Council regulations and decisions, EC Commission enforcement, and European Court of Justice judgments.

In collecting the often diffuse and inaccessible legislation and case law involved in EC competition policy, the book serves as a primer for newcomers to the Community and as a handy reference for legal practitioners. The book's contents include a general introduction, discussions of Articles 85 and 86 of the Common Market Treaty, and chapters on notification, exclusive dealing agreements, industrial property, specialization agreements, research and development agreements, and enforcement.

EEC Law. By Anthony Parry and Stephen Hardy. Sweet and Maxwell, London and Mathew Bender, New York, 1973. 511 pages with tables, bibliography, and index.

A guide to European Economic Community law as it stood immediately prior to the Community's enlargement with references to the accession arrangements where applicable.

The book discusses the Community's general structure and governing Treaty; each of the EEC institutions and consultative bodies; the free movement of people, goods, capital, and trans-

port; common policies; institutional questions; the Community's external relations, and the European Communities Act of 1972. Recognizing the difficulty of incorporating all aspects of an entire legal system into a single volume, the authors feel their work can serve as a guide, background, and point of departure for further research.

A History of Modern Norway, 1814-1972. By T. K. Derry. Oxford University Press, London, England, 1973. 503 pages with plates, maps, reference notes, bibliography, and index.

A comprehensive history of Nineteenth and Twentieth Century Norway.

Beginning in 1814 when Norway received its independence from Denmark, the author traces the growth of this "small nation which aspired towards political democracy, egalitarian social forms, economic advances, and cultural achievements." The various social, economic, and cultural aspects of the country's growth are developed in an overall political framework. The emigration to America is dealt with in some detail. The book's epilogue brings the chronicle up through Norway's 1972 referendum rejecting membership in the European Community.

Réseaux Urbains et Organisation Territoriale en Europe. By Jacques Toint. Bruylant, Brussels, and Vander, Louvain, Belgium, 1972. 122 pages with maps and tables. In French.

A country-by-country analysis of the institutions and systems of urban and regional planning in several European countries.

The author's thesis is that in a democratic society the institutional structures must be simple with clearly defined areas of responsibility and that the network of cities in a given region must be coordinated if the needs of the population served by these cities are to be met. To coordinate urban development, the author maintains, it must begin at a regional level by defining the geographical and political unities which characterize a

given region. Within such a region it must be determined which cities are geographically capable of serving as large metropolitan centers (more than 100,000 inhabitants) and connecting regional centers (10,000 to 100,000 inhabitants). It must also be determined whether the city meets the needs of the population within first a 50—and then a 100—mile radius. The author then offers suggestions as to how the needs might be met. The countries examined (Bulgaria, Yugoslavia, Hungary, Germany, France, Portugal, the Netherlands, Belgium, and Luxembourg) were chosen because the necessary demographic information was available.

America and the World Political Economy: Atlantic Dreams and National Realities. By David P. Calleo and Benjamin M. Rowland. Indiana University Press, Bloomington and London, 1973. 371 pages with notes, bibliography, and index.

A study of America's growing economic conflict with Japan and Europe.

The central theme of the book is that US economic policy, because it has developed through an "imperialistic" perspective, has become increasingly less tenable as other countries outgrow their postwar dependence. These countries, according to the authors' thesis, are becoming less willing to tolerate the dominance of US economic policy, particularly when it disrupts their own economies. The authors trace how US economic policy has developed, examine some of the consequences of this policy, and explore the idea of the Atlantic community. They analyze the shortcomings of recent US international investment, trade, and monetary policies with Japan, the "Third World," and Western Europe. In conclusion, the authors propose what they feel is the true basis of a liberal world economic system. Present US policy is self-defeating, they say, because it may lead to the breakdown of a liberal international economic system into closed blocs, which US policy has sought to avoid.

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