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SOUTH AFRICA: Community allocates ECU 5m.\* for apartheid victims

In the current debate over punitive sanctions against South Africa it is easy to overlook the European Community's decision to take positive measures to help the black population, including financial aid for victims of apartheid. Some ECU 10m. have been set aside for this purpose this year. ECU 5m. of this have now been allocated by the European Commission to various organizations in South Africa.

It is a measure of the conditions prevailing in that country that the Commission thought it prudent not to mention any of them by name. Most are run by the churches and trade unions and all eschew violence. The Community's aid, which is being channelled through European trade unions and non-governmental organizations, will be used to set up educational and training programmes.

\* 1 ECU = UK£ 0.64 or IR£ 0.71

TELECOMMUNICATIONS: European industry is handicapped on the U.S. market

The European Community's trade balance in telecommunications equipment offers a clue to where it stands in the race to equip the telecommunication networks of the future. The EC had a combined deficit last year of over ECU 1,000m.\* in its trade with the U.S. and Japan but an overall surplus of ECU 1,200m.

One reason for the deficit is to be found in the difference between European and American standards. European firms lead the field in public digital switching systems, for example. But it could cost them an extra 20 to 30% (or up to \$300m.) to meet U.S. specifications. U.S.-based multinationals, on the other hand, are among the top equipment suppliers in 8 of the 12 Community member states.

Not surprisingly, therefore, a recent fact-finding mission to the U.S. identified work on international standards for telecommunications and information technology, two inter-related fields, as a major area for closer cooperation between Europeans and Americans. The mission, which included representatives of the European Commission and industry, found that U.S. officials, Congressmen and industrialists accepted the principle of closer cooperation between European and American bodies dealing with standardization.

The European mission was also concerned to allay American fears over a recent Community directive on telecommunication terminals, and to seek assurances that the U.S. is not planning import restrictions, following a \$1,200m. trade deficit in the telecommunications sector last year.

\* 1 ECU = UK£ 0.64 or IR£ 0.71

### HEALTH: "Specialist" GPs from 1990

General practitioners, the European Community's family doctors, are shortly to become specialists in ... general medicine. The EC's Council of Ministers decided last month they would undergo additional training, which would allow them to practise anywhere from the Shetlands to Crete and from Lisbon to West Berlin.

Since 1975 GPs can in principle practise anywhere in the Community, given that all member states accept the degrees awarded by the others. A Community regulation in fact has set the minimum level of training which every European GP must undergo before he can practise as a doctor.

The new Community directive requires all future GPs to continue their training after finishing their medical studies - as cardiologists and oculists, for example, must do at present. The first of these new-style degrees will be awarded by 1 January 1990 at the latest, and from 1 January 1995 all GPs employed by a national health service will have to be in possession of it.\*

The new training programme will last two years and will have a strong practical bias. The future GPs will spend time in both a hospital and a recognized health care centre. From 1995 onwards they will be required to spend at least six months in each.

The new directive fits in with recent developments in medical studies. In most EC countries GPs now undergo further training on completing their studies. There was a danger in fact that in the absence of a European regulation their training would vary greatly from country to country, thus hampering the free movement of doctors within the Community.

Additional training for GPs can be justified on several grounds. Medical courses traditionally tend to be too theoretical. What is more, there has been a shift in the basic aims of medicine, with the emphasis today on prevention as much as on cure.

There is also a need to refurbish the GP's image, especially as fewer and fewer graduates are attracted to general practice. Finally, well-trained GPs would mean that fewer of their patients would turn as often to specialists.

\* An exception is made for GPs already in practice before the new directive comes into force.

UNEMPLOYMENT: 173,000 fewer in June

Unemployment in the 12-nation European Community fell by 173,000 in June to 15.5m., according to the Community's statistical office, Eurostat. But the fall effected only unemployed males. Seasonally adjusted figures point to a slight downward trend in male unemployment and an upward trend in female unemployment.

Unemployment in the 12-nation Community has fallen by over 1.3m. in five months, but has risen by 1.8% since June 1985. Over this 12-month period male unemployment declined by 0.7% but rose by 5.2% in the case of women.

Unemployment fell in nine Community countries in June, as against a fall in all 12 in May. The number of unemployed rose in Italy (1.1%), Ireland (1%) and the Netherlands (0.2%). In the 12-month period to June 1986, the number of unemployed fell in only five member states - the three Benelux countries, Germany and Denmark.

Youth unemployment remains high. In the 9-nation Community\* 35.5% of the jobless are under 25 years of age. Young women have been harder hit than young men: they account for nearly 40% of female unemployment, as against 32% for the latter.

\* The EC without Greece, Spain and Portugal.

INFLATION: Prices continue relatively stable

As in previous months, prices were relatively stable in the 12-nation European Community in June. The consumer price index rose by 0.2%, as in May, according to the Community's statistical services, Eurostat. Even so, the rate was higher than in the United States or Japan.

In most member states the index was largely unchanged in June. There were falls of up to 0.4%, while the increases did not exceed 0.4%, except in Greece, where the index rose 1.7%. The fall in oil prices offset nearly all the increases elsewhere.

During the first six months of 1986, prices rose by 1.7% in the Community as a whole but were practically unchanged in the U.S. and Japan. During this period, prices fell in Luxembourg, Germany and the Netherlands. They rose moderately in all other member states except Greece, Spain and Portugal.

### AIR TRANSPORT: Linking Europe's regional centres

Why not link medium-sized and regional centres by air to the capitals of the 12-nation European Community? The experts believe the demand is there while the services are missing. This has prompted the European Commission to send the member governments a proposal aimed at removing the legal and administrative obstacles to the creation of inter-regional air services.

The civil aviation authorities in the member states generally like to regulate air transport as much as possible, thus often limiting the services offered. In practice, inter-regional transport links tend to be neglected.

In 1983 the EC Council of Ministers adopted a directive aimed at encouraging the creation of new air routes between smaller airports. On the basis of a year's experience the Commission feels that while there has been some progress, a great deal more could be done.

Between 1 October 1984 and 30 September 1985 there were 19 applications to start new air services, of which 15 were granted. The 15 new routes link between them eight countries and include flights between Birmingham and Stuttgart, Cork and Rennes and Hamburg and Manchester. Eleven of the new services, including these three, are already in operation.

Four applications were rejected on the grounds that they were not covered by the 1983 directive: either the airports in question were less than 400 kms. from each other or one of them was a major, Category 1 airport.\* Yet several airlines and a large number of passengers would welcome flights linking a Category 1 airport to smaller airports, according to the Commission's experts.

The Commission now proposes amending the 1983 directive so as to include Category 1 airports and airports less than 400 kms. apart. The proposed changes would also allow an airline to extend to member country C an inter-regional service already linking countries A and B. Other new provisions relate to passenger safety.

\* in the U.K.: London-Heathrow/Gatwick/Stanstead/Luton.  
in Ireland: Dublin. All other airports open to scheduled international traffic are Category 2 airports.

### FOOD AID: Towards a more effective food aid programme

Food aid by itself is not enough, of course. If it is to help developing countries feed themselves it must be part of an overall programme of development aid. But the need to integrate food aid into development programmes cannot be an excuse for withholding it.

As one of the world's largest food aid donors, the 12-nation European Community has long been aware of this. Two announcements by the Commission at the end of last month provided further evidence that it is tackling the two issues simultaneously.

The Commission announced that 11 developing countries are to receive food aid worth some ECU 85m.\* This is the latest allocation under the Community's food aid programme, and it brings the total for the year to ECU 375m. (or 72% of the funds provided for 1986). The main beneficiaries are Bangladesh (152,000 t. of cereals and 1,000 t. of vegetable oil) and Egypt (120,000 t. of cereals as well as smaller quantities of milk powder and butter oil).

But the Commission has also proposed a number of changes to the basic Community regulation governing food aid. One of its main aims is to make sure that food aid contributes to economic development generally. Perhaps the simplest way to achieve this is through purchases in developing countries with food surpluses. This both helps to support food prices in the supplying country and ensures that the beneficiary country receives food its population is accustomed to.

The EC Council of Ministers agreed in 1983 to such triangular operations - provided the quantities needed were unavailable in the Community and in emergencies. The Commission has now proposed a greater use of this facility. It is obvious that the 3,500 t. of beans intended for Nicaragua this year and the 66 t. of fish for Angola are more easily procured in neighbouring countries.

The Commission has also made a number of proposals aimed at improving the management of the Community's food aid programme. It wants requests for aid to be handled more quickly, so that the food arrives in the beneficiary country with the minimum loss of time. This will require a reinforcement of the Commission's powers for managing food aid.

Food aid has become a key instrument of the Community's aid policy. This year it will cost an estimated ECU 550m., which is roughly one-third of total Community spending on development aid. Some 60 countries and organisations will benefit from it.

\* 1 ECU = UK£ 0.64 or IR£ 0.71

### SHIPBUILDING INDUSTRY: Sinking fast?

The once-dominant European shipbuilding industry faces an uncertain future. The hopes placed in the programme of state aid, adopted by the European Community in 1981, in order to help the industry recover its former competitiveness, have simply failed to materialise. Faced with the virtual collapse of the industry the European Commission and member governments are actively looking for a new strategy to replace the 1981 programme, which runs out this December.

The extent of the crisis is clear from shipbuilding statistics. Last year shipyards in the 10-nation Community\* had an output of 2 million crt\*\*, as against 5.1m. crt in 1976. This was just 14% of total world output and represented a fall of 61% since 1976.

Over the last 10 years Community shipyards have more than halved their workforce to just over 91,000. In the Commission's view "it is becoming increasingly difficult to adjust to the new employment levels, since every opportunity to redeploy the workforce or for early retirement was exhausted long ago".

The fact is the industry has been trying to restructure itself since 1977, when the crisis first took hold. Its problems stem however not only from a fall in demand but also the widening gap between the prices quoted by European shipyards and newcomers to the industry in the developing countries. The South Korean shipyards, which today are second only to the Japanese in output, have been quoting prices which are 35 to 50% below the best European offers. What is more, yards in South Korea and other developing countries are now competing for such specialised vessels as methane tankers, for which European yards had the technological edge.

However, neither Japan nor South Korea has entirely escaped the present crisis, which is world-wide. The fall in demand for new ships is substantial; the tonnage likely to be completed this year will be some 30% down on world output 10 years ago. At current prices, yards are not always able to cover production costs, so that even highly competitive yards are often making losses.

The restructuring process will have to continue, along with state aid. The European Commission would like the European industry to specialise in vessels incorporating advanced technology. State aid in its view should be available both for restructuring purposes and to help offset price differences.

\* The Community without Spain and Portugal, which joined only this year.

\*\* Compensated registered tonnage - i.e. tonnage adjusted to the work volume involved.

TOURISM: A close-up of the European holidaymaker

The under 40s, those living in flats in large cities, company managers and professional people all have one thing in common: they often take their holidays away from home. As for those who spend them at home, it is usually because they cannot afford to go away, according to the survey carried out last year in the 12-nation European Community for the European Commission (see Eurofocus 28/26).

Last year 56% of those 15 years and over left on vacation - as did over 80% of those belonging to the professional and managerial classes. But the figure dropped to a low 25% in the case of farmers and fishermen. Between these two extremes were employees (71%), shopowners and tradespeople (56%), manual workers (51%), the retired (49%) and the unemployed (41%).

There were more city dwellers among those who left on holiday than rural folk. Some two-thirds of those living in cities did so, as compared to only 45% of those living in villages and 38% of people living on farms or in the countryside.

The under 40s were more numerous (at 62%) than their elders (around 50%). Having children does not seem to have made much difference. Some 56% of those without any children or with one child left on vacation. The figure was even higher for those with two children (60%), but fell to 44% in the case of families with three or more children.

Some 44% of those who stayed at home did so for financial reasons. While this was the majority explanation in the case of the Portuguese, Irish, Greeks, Spanish and British, some two-thirds of the Italians, Belgians and Danes stayed at home from choice.

In any case, fear of terrorists, which led to thousands of Americans staying away, discouraged a mere 1% of Europeans. If 2% of the Italians confessed to a fear of terrorist bombs, elsewhere in the Community the figure was no more than 1%.



CLIMATE: Threat of ice age recedes under greenhouse effect

A new ice age may still be on the cards, but the flooding of coastal cities, perhaps within the next 50 to 60 years, is more likely, according to climatologists. They reportedly have abandoned the view that the world is becoming a colder place, in the face of mounting evidence that it is becoming warmer. An American study forecasts a rise of 1.5°C by 2030, a German study a trebling of the artificial temperature increase in 50 years.

Climatologists envisage the melting of the polar icecaps as a result of the so-called "greenhouse" effect. Now some of the evidence marshalled by them has been reproduced by a Euro-MP in a report for the Parliamentary Committee on Energy, Research and Technology. He is James Fitzsimons, a former Minister of State in the Department of Industry and Energy in Ireland.

The greenhouse effect has attracted the most attention because it is the easiest factor to understand. Burning fossil fuels releases carbon dioxide which, absorbed into the atmosphere, acts as a blanket. The Report notes that some five billion tonnes of carbon dioxide are discharged annually into the atmosphere. Some of this is absorbed in natural photosynthesis, which deforestation inevitably reduces.

Studies have shown that aerosol propellants have a greater impact than carbon dioxide, despite the much smaller volumes involved. Nitrogen-based fertilizers as well as poorly oxygenized bodies of water, whether lakes or oceans, contribute to the build-up of methane, thus adding to the greenhouse effect.

Climatologists claim that with rising temperatures rainfall patterns are bound to change. Northern Europe and the U.S. Middle West would receive less rain, the Sahara and parts of India and Australia more of it. The world's granaries, the Report points out, would be relocated.

The Report insists that forecasting temperature changes is an extremely complicated and relatively young discipline. Its task is made even more difficult by the absence of a detailed understanding of how human activities influence climatic changes. But the Report notes that "despite all these difficulties, the studies point unequivocally to the same conclusions" - that world temperature is rising.

The Report welcomes the Community's second climatology programme. Continued research, it points out, does not preclude measures to counter the effects of a wide range of activities, whose harmful effects have been sufficiently documented.