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SINGLE MARKET: Some worrisome delays despite substantial progress

The European Commission and the Twelve take stock.

After six months of the Spanish presidency of the European Community's Council of Ministers, the 1992 single market has undoubtedly progressed. Between January 1 and June 30 of this year a further 10% or so of the single market programme had been adopted, raising the total to more than 50%.

The most spectacular progress has been in the field of technical barriers to trade among the Twelve, where 70% of the necessary measures have already been taken. This means that the Twelve have reached agreement, relatively easily in fact, on the problems of the harmonization of technical standards and on government procurement, the banks, financial regulations and, up to a point, transport.

But as the European Commissioner for the single market stressed in an address to the Council of Ministers on June 14, the task of giving concrete expression to the elimination of border controls has not yet begun. Commissioner Martin Bangemann described the delays in three areas as "preoccupying". They are: border controls on people; veterinary controls and taxation - i.e. VAT rates and excise duties on alcohol, tobacco and petrol.

According to Mr Bangemann all the Community's ministers have not been equally zealous. The ministers responsible for the single marketgenerally those of industry and European affairs - have done well, as have the Community's finance ministers. While the transport ministers also have made good progress, Mr Bangemann felt they had "put off" decisions in the area of road haulage services; they remain unwilling to allow non-resident carriers to operate national road haulage services within a Member State.

But the Community's agricultural ministers performed the worst. They remained deadlocked on numerous issues, except when a settlement was reached ... by their internal market colleagues.

The Community's heads of state or government, who took stock of the progress made towards the single market at their Madrid summit, held that their ministers should reach agreement on VAT and other indirect taxes before the end of the year. As for border controls on people, the problem is in the heads of the Community's "Coordinators". Will the EC's internal borders really disappear on 31 December 1992?

EDUCATION: Learning European

The European Commission launches its "Jean Monnet" programme of activities to stimulate teaching on European integration.

"If it had to be done all over again, I would begin with the cultural", Jean Monnet, one of the founding fathers of the European Community, is believed to have remarked. While Europe does not need re-doing, a good many things remain to be done before work on it is finished. Among them: learning about Europe, an activity best carried out in those temples of learning, the universities.

It was in reply to a demand from European university circles that the European Commission, at the initiative of its cultural commissioner, Jean Dondelinger, decided to launch an information programme. Its aim is to stimulate teaching on European integration in the universities, by offering financial aid to those universities that want to integrate this subject into their curricula.

Under this programme, which bears the name of Jean Monnet, funds will be provided to offer courses to be known symbolically as "European chairs". These fund will help universities, during the start-up period, to include courses on "European integration" in the social science faculties, for whom the development of the European Community is becoming an increasingly important area of study.

The 1992 project and the acceleration in the process of European integration, with the urgent need for increased information on Community matters which has followed in their wake, are at the basis of this preoccupation in university circles and at their awareness of the role they are called on to play. Hence the occasion for a special effort to support university research in this field, in response to the fear of the universities of a shortage of experts in this subject.

Universities in the European Community are prepared, hereafter, to include Community law in their programmes of legal training; the Community's economic development in their courses on economics and politics; the various steps towards the construction of Europe in the study of history and, finally, to conduct more research into the "European" problem with help from the European Commission.

The Jean Monnet programme therefore reflects the Commission's interest in the efforts of European universities to promote the study of Europe and of its future, a future which has already begun, as was demonstrated by the conference held in Brussels on June 29 and 30 on the theme of the place of European integration in university programmes. The Conference was organized by the Liaison Committee of the national conferences of rectors and presidents of European Community universities and the European Community Studies Association, which groups the 11 national associations of professors who specialize in European issues. The implementation of the Jean Monnet Action has been entrusted to these two bodies.

TOURISM: Italy is in the dock over green cards and Eurocheques

The European Commission launches two court proceedings against Italy.

Each year millions of tourists head for the sun-soaked Italian peninsula. The Italians, who evidently have not forgotten the invasions that led to the fall of the Roman Empire, try to stop this one as best they can. One method is to insist on checking the green card which every motorist must carry with him when travelling abroad, even if it is to another European Community country. But the fact is that the 1972 Community directive on motor insurance paved the way for the removal of such checks. The Italians assured the European Commission that matters would be set right. When there was no improvement, the Commission sent a reasoned opinion to the Italian government on 27 January 1989. In the absence of a reply, the Commission decided on May 18 to open proceedings before the EC Court of Justice in Luxembourg.

The Court is unlikely to be idle, given that Italy has received a reasoned opinion from the Commission regarding the discriminatory tax of Lit 500 to which foreign cheques of over Lit 50,000 are subject. The opinion was sent following a complaint by Eurocheque International, the principle of Eurocheques being that they are paid in full if they are made out in the currency of the host country and do not exceed the agreed guaranteed amount (roughly ECU 200*). Italy has been allowed one month in which to remove the offending tax.

* 1 ECU = UK£0.66 or IR£0.78

RESEARCH: "Green" tasks for the 12-nation Community

Ministers adopt five new programmes.

Safeguarding the environment is assuming greater importance in all activities undertaken by the 12-nation European Community, with scientific research proving no exception. Thus of the five specific programmes adopted by the Community's research ministers on June 20, four have a more or less strong "green" coloration. They range from protection against radioactivity to the recycling of waste and include the measurement of environmental risks and climatology. The fifth programme relates to biotechnology.

The "radioprotection" programme seeks to determine the risks from exposure to radioactivity to both the public and workers in the nuclear industry. It provides for research which the Community has been conducting for years to be continued during 1990 and 1991. The programme for the next two years, for which ECU 21mn.* has been set aside, aims at providing the EC the reliable scientific data needed for the continuous up-dating of the safety standards designed to protect .the public and workers in the nuclear industry.

The programme must also provide the national authorities information which will enable them to decide, with full knowledge of the facts, on the development of the nuclear industry and on the information to be given the public and the measures to be taken in the event of an emergency. The research will also cover the risks to public health from radioactivity and the means to avoid them.

The STEP and EPOCH programmes which the Twelve approved at the same time should provide the Community's political leaders and its Member States with the scientific data needed to conduct an environmental policy. STEP (Science and Technology for Environmental Protection) deals with the quality of air, water and soil; technologies to protect the environment and the risks linked to industry and chemical products. EPOCH (European Programme On Climatology and natural Hazards) studies climatic changes and the dangers they present, as well as earthquakes. These two programmes, which will run for a 4-year period, should ensure the coordination of research conducted in the individual Member States.

The Raw Materials and Recycling programme, which runs from 1990 to 1992, also has environmental aspects, given that three of its areas of research relate to renewable natural resources. The programme includes the recycling of wastes as well as of metals, the use of wood and the "ecological" management of forests. It also covers new mining technologies and the treatment of minerals. (Contd.)

Even the biotechnology programme, BRIDGE, which has no direct links with green technologies, provides for the preparation of safety standards aimed at guaranteeing the harmless nature of the exploration of living matter, whether animal or vegetable, which is to be conducted under the programme. BRIDGE is to have a budget of ECU 100mn. for the period 1990 to 1993.

RESEARCH: No high-definition television without microchips The European Commission will take part in the JESSI programme.

Some ECU 4,000mn.* for microchip electronic components or microchips, smaller than one-thousandth of a millimetre: the fact is the European research programme JESSI** brings together the infinitely largely and the infinitely small in order to realize, between now and 1996, the basic elements needed for a wide range of 21st century products, including high-definition television (HDTV), which allies cinema-quality pictures with stereo sound. Launched at the beginning of the year by the governments of five European Community countries - Britain, France, Germany, Italy and the Netherlands - JESSI can now count on the participation of the European Commission also.

The European research commissioner, Filippo Maria Pandolfi, announced to the Community's industry and research ministers on June 21 that the Commission will take part in JESSI in two ways: (1) by continuing to provide funds for research projects in microelectronics undertaken in the framework of the ESPRIT programme and (2) by launching a special ESPRIT project, tailor-made for JESSI.

More than ECU 3,500mn. of public funds, both national and European, will be poured into the programme, out of a total expenditure of ECU 4,000mn. But such vast sums are necessary, given that European firms currently do not produce even 40% of their requirements of "intelligent" microchips. The result is Europe's dependence on other parts of the world. But the fact is that new chips are replacing existing ones every three years on average, even though development costs are sky rocketing. If Europe wants a European high-definition television, it must provide the necessary means.

* 1 ECU = UK£0.66 or IR£0.78
** Joint European Submicron Silicon

ECONOMY: Many jobs but much inflation also

The Community's economic situation as seen by the European Commission.

Job creation has begun anew in the 12-nation European Community, which created nearly 2mn. new jobs in 1988. The European Commission expects another 2.5mn. to be added in 1989 and again in 1990, according to a report on the economic situation in the EC which it published at the end of June. This means that during the three years from 1988 to 1990 the Community will have created 4.7mn. new jobs, as compared to 3.7mn. in the period from 1985 to 1987. The major job losses which marked the beginning of the decade - more than 1.8mn. in the years 1984 - seem well behind the EC.

The Community's economy is showing a new-found dynamism, the Commission notes in its report, thanks to the prospects opened up by the single market project and the higher returns on investments. The Commission expects investments to grow by 6.5% in the 1988-90 period, as against only 3.6% in 1985-87, and a drop of 0.1% in the years from 1982 to 1984.

Wealth creation is also up. The Community's Gross Domestic Product (GDP) should rise by 3.2% a year on average over the period 1988 to 1990. The Commission notes, however, that the Community currently devotes a relatively small part of the GDP to investment - approximately 20%, as compared to 23 to 24% in the 1960s, which were years of virtually full employment.

Inflation is the one black spot, according to the report; and it could call into question the positive effects of economic recovery. This analysis is confirmed by the latest statistics from Eurostat, the EC's statistical office, published just two days after the report was presented. Despite a moderate price rise in May - 0.3% for the EC as a whole - the Community's inflation rate on a 12-monthly basis was once more higher than in the previous month - 5.4% as against 5.3%.

Inflation in the Community is still running at a higher rate than in the United States (5.3%) and Japan (2.8%). Only in the Netherlands is it very low (1%). The price rise over a 12-month period was 3% in Belgium and between 3 and 4% in Germany, France, Ireland and Luxembourg. It reached 4.8% in Denmark, 6.7% in Italy, 7% in Spain, 8.3% in Britain and 13% in Greece and Portugal.

SOCIAL: The Community's poorest want to be fully-fledged members of it A minimum income ensures no more than survival.

Some 80 representatives of the international movement ATD Quart Monde* from Britain, Belgium, France, the Netherlands, Luxembourg and Switzerland, as well as social workers from Germany and Ireland, met in Brussels on June 30 to (1) discuss how the European Community's least privileged citizens can take part in the building of Europe and (2) present a study on income support in six EC countries (Britain, Ireland, France, Germany, Belgium and the Netherlands).

The problem the meeting discussed is a large-scale one. Some 6 to 10mn. Europeans - that is more than the total population of Denmark - live in conditions of extreme poverty. As many as 44mn. in all have incomes that are half the average of the country they live in. The Brussels meeting analyzed at length the findings of the study on the most underprivileged families in the European Community, which had been prepared at the request of the European Commission, in the framework of the second programme in the fight against poverty.

A number of conclusions emerged, both from the study itself and the discussions:

- (1) All those who were interviewed held that a minimum guaranteed income is necessary for survival; it enables those without work and resources to stay alive.
- (2) All the households interviewed agreed that a minimum guaranteed income does no more than allow you to survive, however. In any case, it does not ensure total protection; there are people who slip through this safety net and find themselves homeless and without food.
- (3) A minimum guaranteed income is not an adequate basis for embarking on personal, family or social projects, with any degree of success. It is inadequate for purposes of providing for the future and for future projects, whether in the area of health, accommodation, work, training, participation in social and cultural activities, etc.
- (4) All those interviewed stated they would prefer to work rather than receive income support, as it does not allow them to re-integrate themselves into society and gives rise to a feeling of inferiority vis-a-vis those who earn their living "normally". The latter in fact tend to question the bona fides of those in receipt of income support.

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(5) A minimum income does not help its beneficiaries end their isolation, on the whole, despite their deep desire to be part of society.

Hence the bitter conclusion: A minimum income allows you to survive, not to live.

The solutions put forward included: a programme of European investment, based on a genuine guarantee of a secure existence, with an investment fund for vocational training and jobs which allow the most underprivileged to escape from the poverty trap.

A PEOPLE'S EUROPE: Calling all budding Eurojournalists!

Students attending 17 journalism schools in the European Community are bringing out a bilingual magazine (in English and French) for the Community's younger citizens, with the support of the European Commission. The second issue of the magazine "Euroreporter" has just come out. It contains a wide range of articles, inviting the reader to travel through a Europe that is culturally diverse but shares a common heritage based on a defense of the rights of man. Copies of the magazine can be had from the Liaison Committee of Journalism Training Centres, Ravellaan 7, Utrecht, The Netherlands. The price is ECU 3 (roughly UK£2,00 or IR£2,35).