

Week of September 21 to 26

S U M M A R Y

- p.2 SPACE : A turning point for the European space effort
The success of the Ariane programme undertaken under the auspices of the European Space Agency has encouraged the Ten to play a bigger role in attempts to conquer space.
- p.3 RESEARCH : Health has no frontiers
The European Commission has just defined the broad outlines of a new five-year research programme in medicine and public health. The programme is designed to coordinate the different actions being undertaken by member states on the national level.
- p.4 TRADE : Towards more balanced relations with Japan ?
For the first time in several months, the European Community's trade deficit with Japan declined in the month of August. Japan has also given its go-ahead to the manufacture, in Japan, of a European car.
- p.5 INDUSTRY : EEC shipbuilding continues to decline
Production in the European Community's shipyards dropped by 18% in 1980, provoking 10,000 redundancies.
- p.6 TRANSPORTATION : Channel tunnel surfaces again
France and the United Kingdom have agreed to take up the long-standing Channel tunnel project.
- p.6 PARLIAMENT : A statistical review of activities
The European Parliament's activities in 1980 have been summarised in a series of figures and statistics. The least one can say is that some Europeans were not out of work ...
- p.7 DEVELOPMENT : Putting the focus on food
In response to an Italian initiative, the European Community seems determined to make the fight against hunger in the Third World an essential part of its strategy in the North-South dialogue.

This newsheet is published in six languages (English, French, German, Dutch, Italian and Danish) by the Directorate-General for Information of the

Commission of the European Communities,
Rue de la Loi 200 - 1049 Brussels um.
Tel. 736 60 00 - Telex 21877 COMEU B.

Its contents do not necessarily reflect the official views of the Community institutions.

Editor : Will. J. Reckman



SPACE : A turning point for the European space effort

After 20 years of research and other activities, the European space programme may be reaching an important turning point.

Somewhat overshadowed in the past by the dramatic achievements of the American and Soviet campaigns, the more limited European effort must now decide if it wants to retain its place in space and fight against a possibly overwhelming competition from the superpowers and even from newcomers in the field, such as Japan and India. That is the conclusion of a report drafted, discussed and adopted by the European Parliament in Strasbourg at its recent meeting. The report and accompanying resolution prepared by the Parliament's Energy and Research Committee urged Europe to define as a matter of urgency a long-term policy with the fundamental aim of developing the commercial and industrial potential of space technology.

Europe's activities, after several years of indecision under separate research and launcher development organisations, have been united successfully under the Paris-based European Space Agency (ESA), which has 11 member countries, including eight European Community countries and Switzerland, Spain and Sweden. The successful launch of the Ariance L03 from the Kourou space station in French Guiana in June opened up a new era for European space research. It marked the first time that an ESA satellite had been put into orbit by an ESA launcher instead of an American booster rocket. It was also carrying two payloads indicating the dual aspects of the programme. One was Meteosat-2, the second European meteorological satellite and the other APPLE (Ariance Passenger Payload Experiment), the Indian experimental telecommunications satellite sent aloft on a contract basis. The fourth and last Ariance test flight, which will carry the first of the European Maritime Communications satellites (MARECS-A) is scheduled for November of this year, but the results thus far indicate that the Ariance performance will be able to meet future users' requirements. To date there have been 13 firm orders for launches together with 14 reservations, indicating a definite interest for an alternative to the American and Soviet domination.

But to capitalise on the future demand for space technology, the European Parliament recommends that Europe tap its considerable know-how and talent and develop the more advanced Ariance IV programme, undertake key space activities such as rendez-vous in outer space, space-craft boardings, re-entry into the atmosphere and others, along with the acquisition before 1990 of a heavy launcher and satellite stations. Other recommendations made in the Parliament were for a European space policy conference and the definition in the near future by the European Commission of a more ambitious Community programme that would be discussed by the Council of Ministers as early as possible. Speaking for the Commission, the member responsible for industry and research, Etienne Davignon, generally welcomed the resolution and cited examples for possible EEC activities in the future.

RESEARCH : Health has no frontiers

Each era has seen the development of various types of diseases connected with its environment and the way of life of its population; our period is no exception to this rule. If significant improvements in hygienic conditions have led to a reduction or even elimination of many public scourges, there have, however, been a number of new ailments which have made their appearance. These frequently have their roots in the stress, the chaotic pace of modern life, the noise and pollution of the industrial environment, over-consumption of rich foods, excessive use of alcohol, medications and the like.

The diseases of modern society such as cancer, nervous breakdowns or cardiovascular ailments are not only the concern of the medical world but also represent major economic problems confronting our societies. This is because of the impact of the most advanced medical techniques on industrial development on the one hand and of the steadily increasing costs of health care on the other. As a result, it is not surprising that various countries have sought to coordinate their efforts in medical research as a means of improving their efficiency and reducing the costs. At the European level, this coordination began in 1978 with the establishment of the first medical research programme for the European Community. Now, three years later, the European Commission, satisfied with the first results of this effort, has outlined the thrust of a new research programme in medicine and public health to cover the 1982 to 1986 period.

The joint Community action in this field is naturally limited to a number of well-defined subjects. Seven areas have been retained from the 1978 list, including congenital anomalies, the ageing process of cells and loss of hearing. For these seven areas, the European Community already oversees some 400 national projects, a figure indicating the fragmentation of research among small teams.

The new programme submitted by the Commission for the approval of Community Ministers is more ambitious. It involves a series of specific action in three key sectors. The first is connected with health problems associated with the critical stages of human life, such as birth, ageing, and the rehabilitation of invalids and handicapped persons.

The second sub-programme relates to the improvement of material, technological and human health resources. Training programmes are envisaged to promote the results and qualifications of medical and hospital personnel.

Finally, a third section will aim at a better awareness of the effects of nutrition and of pharmaceutical products on health. This also involves the setting up of a Community system of testing and inspection of new medications introduced in Community markets.

According to the Commission estimates, research work connected with the programme will cost the member states about £ 165 million. The activities connected with the coordination of national funding operations will cost the European Community nearly £ 11 million.

TRADE : Towards more balanced relations with Japan ?

Seven billion dollars. That's the surplus registered by Japan in its trade with the European Community countries between January and August 1981. This surplus is an increase of 25.3 percent over the same period in 1980. It is this trade imbalance which has preoccupied European authorities for several years and which seems to show no signs of abating.

During the first seven months of the year, Europeans, as an example, imported more than 500,000 Japanese automobiles (300,000 of which were received by the German and British markets). At the same time, the penetration of European cars in the Japanese market remained at a very low level. Nevertheless, there have been a few signs recently of a possible future improvement in relations between the Community and Japan. The latest statistics for August indicate a slight reduction of some 8 percent in Japanese exports compared with those of August 1980. Despite a slight reduction in European shipments to Japan, the Community trade deficit declined some 15 percent below that of August 1980.

In addition, Germany's Volkswagen and Japan's Nissan automobile firms recently announced the conclusion of a cooperation accord. This agreement foresees the construction and sale in Japan of a new Volkswagen model. A major portion of the components of the cars, such as the gearbox and the engines, will be made in Europe, which will contribute to an increase in European exports in the auto sector.

Some see this agreement as an example of other possible accords between European and Japanese counterparts in various fields.

INDUSTRY : EEC shipbuilding continues to decline

Europe's shipbuilding industry seems to be sinking slowly before our very eyes. Job losses in the sector total 85,000 and while it is true that unemployment has not engulfed the sector completely - some 120,000 workers are still employed - the industry's future prospects seem grim indeed. New orders for ships are currently as low as the levels recorded in 1975. Most orders seem to be going to Japan, rather than Europe which has to be content with an increasingly small portion of the market. Japan's share of world orders in the sector increased from 41.6% in 1979 to 46.7% in 1980, while the Community's share fell to 17%. Europe's shipbuilding sector is therefore faced with two major difficulties: an unfavourable international climate and increasingly acute competition from Japan.

Orders are not expected to increase as long as the world trade continues to stagnate. The amount of petroleum transported by sea is on the decline following cutbacks in consumption in importing countries and the existence of large oil stocks.

On the other hand, European shipyards are not as competitive as their rivals in Japan. This is for social and financial reasons, but also because the modernisation and restructuring of the sector was undertaken much later in Japan and is still not complete.

Job losses were most marked in the United Kingdom in 1980; employment figures seem to be more or less stable for Ireland and Belgium and some increases have been noticed in Denmark.

Whatever market trends lie ahead, the unemployment figures should go down as shipyards need a minimum of personnel to remain operational. Generally speaking, European shipyards only work to about 60 to 70% of their capacity, a drop of 20% since 1976.

Although Greek membership of the EEC has made the Community the world's leading maritime power, the problems of the shipbuilding sector are far from being solved.

TRANSPORTATION : Channel tunnel surfaces again

The long-discussed tunnel under the Channel which is often compared to the Loch Ness monster because it has also seemed to be largely imaginary, has again made an appearance.

The project, which would link Britain and France via a tunnel under the body of water that separates the two, has been around in one form or another for more than a century. Digging actually began a few years ago but was abandoned because of the lack of funds when the energy-economic crisis of the 1970s struck. But a recent summit meeting between French President François Mitterand and British Prime Minister Margaret Thatcher again dusted off the plans, which had continued to be kept alive within the European Community even though the main partners had put it aside for years.

The subject was raised once again at European level a few days later when French Transport Minister Charles Fiterman discussed this and other important subjects under his charge with members of the European Commission in Brussels. He indicated that he would like Community involvement not only with the financing but also in the planning. It is generally been agreed that the rail and/or road link under the Channel would not only serve the two countries, but also represent a new opening to the entire Community.

PARLIAMENT : A statistical review of activities

The European Parliament - elected over two years ago by universal suffrage - has shown itself to be particularly active and dynamic. A series of statistics published recently reveal that debates at the Parliament totalled some 430 hours, covering about 64 days of sittings. During these sessions, the parliamentarians gave their opinion on 152 draft directives, regulations and decisions submitted for their approval and study by the European Commission. They also adopted 179 resolutions - thereby taking a stand on the major problems of the day - without even being consulted.

If this does not sound impressive, we should take into account the fact that the adoption of texts necessitated the detailed study of 2684 amendment proposals, of which only 658 were adopted. The European parliamentarians posed 2312 written questions to other European institutions and submitted 80 petitions. Can they do better in 1981?

DEVELOPMENT : Putting the focus on food

1981 has been the year of international meetings and discussions devoted to the problems of the Third World. The focus of attention has been directed to the deliberations of the United Nations General Assembly in New York where delegates are attempting to relaunch a series of "global negotiations" on North-South problems, to Nairobi where an international meeting studied the energy problems facing developing countries, and later to Paris, where attempts to solve the specific difficulties facing the least developed states were undertaken for the first time. October will see Cancun in Mexico receive international attention as 23 world leaders gather for the first "summit" meeting devoted exclusively to Third World problems.

European Community countries have been - and will continue to be - active participants in all efforts to revive the flagging North-South dialogue. Recent proposals made in Rome and backed by other EEC countries indicate, however, that the main focus of EEC action will be devoted to the solution of the overriding problem of hunger in the developing countries.

Italian concern at the worsening food situation in the countries of the South was emphasised recently at a meeting of European Community Foreign Ministers held in Brussels. The Italian Foreign Minister, Emilio Colombo told his colleagues of plans to organise a high-level international meeting on world food problems in Rome later this year. The meeting is likely to be attended by representatives of the European Community, other Western nations which are members of the Paris-based Organisation for Economic Cooperation for Development, members of the Organisation of Petroleum Exporting Countries and various United Nations agencies.

The meeting is expected to focus on a number of priority issues. These include the possibility of setting up an emergency food reserve in various parts of the world, but particularly in the nations facing chronic food shortages. Such a reserve would be mobilised when urgent action was required in any particular region of the Third World.

Specific attention would also be given to efforts designed to promote food security by increasing food production in the developing countries. This includes Western aid for the purchase of fertilisers, prevention of food losses (during distribution of food aid, the supply of high quality seeds, etc.

The Italians have also highlighted the need for a better coordination of international emergency aid given in times of natural disasters. Finally, an attempt to increase food aid should also be made by the European Community, note the Italians. The Italian proposals are expected to form an essential part of the position adopted by the Community in the different North-South fora.