

Week of February 2 to 7

ENERGY : Spectacular increase in coal production

The development of coal production constitutes the European Community's most appropriate answer to the challenge represented by continuing increases in oil prices. In 1960, the Nine produced more than 435 million tonnes of coal. Ten years later, the level of production had dropped to 315 million tonnes. Since then, coal mines have been closing progressively, essentially because access to the coal has become increasingly difficult and production fell to 238 million tonnes - the lowest level reached since the Second World War - in 1978.

Latest figures showing production levels for 1980, however, show a considerable increase in European Community production, which is up by 8.5 million tonnes compared with 1979. Community coal production in 1980 is put at 247.2 million tonnes, with the United Kingdom, followed by Germany, being responsible for the new increase. The Commission is hoping that coal production will reach 1973 levels by the year 1990, that is 270.2 million tonnes.

This increase in Community coal production went hand in hand with a 14.5 million tonnes increase in imports from third countries. Such imports reached a record level of 74 million tonnes in 1980 and met a quarter of the Community's consumption requirements.

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

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

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ENVIRONMENT : Polluting your neighbour

"Black snow" and "acid rains" may only be abstract ideas to newspaper readers in the European Community, but they are immediate everyday concerns to our neighbours in Scandinavia.

Norway and Sweden are unfortunately on the receiving end of one of modern society's dirtiest tricks. Wind currents regularly whip the atmospheric pollution from industrial plants in parts of Western Europe hundreds or thousands of kilometers away and dump them on those northern countries in the form of dirty and dangerous "fallout". This is not just a nuisance but a hazard for humans and can damage the rest of the environment. It is suspected that this "black snow" and "acid rain" is contributing to the destruction of vital crops and forests and the death of salmon and other fish resources.

The Scandinavians really have no effective way of preventing such long-distance pollution dangers. What they have to seek is cooperation from nearby countries whose factories and smokestacks produce the original pollutant. But this is not simple either, since modifications to industrial processes are costly to introduce. In some cases, alternative processes may not even be available.

International cooperation on such problems has already been initiated under the auspices of the United Nations Economic Commission for Europe and other bodies. In addition, Norway and the European Community have just signed an agreement planning a formal system of cooperation between the two in the environment field. Although this problem of transfrontier atmospheric pollution is one of the major elements of this envisaged cooperation, it is by no means the only area where the two can work to cope with the growing menace of ecological degradation. There are related problems linked to the possible impact on the earth's protective ozone layer of the ordinary use of chlorofluorocarbons aerosol sprays and hydrocarbon pollution which affect nearly all countries. Norway, which has experienced the major Ekofisk maritime oil pollution accident in the North Sea, and the Community, which has suffered from similar pollution originating from oil tankers, have both conducted significant research into this problem and could exchange information or even undertake joint activities at a later date under the new agreement. Another area of international concern which the new accord will cover involves the problem of potentially hazardous chemical products. The two have also agreed to work together on protection of plant, animal and aquatic wildlife.

The agreement signed by the Community with Norway is similar to others with the United States, Sweden, Canada and Austria.

AGRICULTURE : European Community expands export markets for farm products

The European Community's efforts to conquer new markets for its food and agricultural exports seem to have been remarkably successful in the late 1970s, according to the 1980 report on the agricultural situation in the Community published by the European Commission.

EEC exports in the food and agricultural sector increased steadily each year from 1973, when they totalled 3.7 billion £, to 1979, when they were valued at 9.9 billion £. While imports also increased during the period under review (rising from 12.1 billion £ to 25.9 billion £, the Commission report stresses that this increase was less spectacular than the doubling of EEC farm exports.

The Community's agricultural and food trade deficit currently stands at 13 billion £. The rapid expansion in EEC food exports means however that the deficit has stabilised over the years.

The Community today comes out as the largest agricultural and food trading power in the world. Its trade, estimated at 62.9 billion dollars in 1978, puts it ahead of the United States (59 billion dollars) and Japan (23.3 billion dollars). On the basis of agricultural and food exports alone the Community is the second largest exporter in the world with just under 10 % of world exports, behind the United States (about 20 %) and ahead of Canada (just over 7 %). The Commission notes that "in the long term the position of the Community as regards world exports of agricultural products can be said to be relatively stable".

The Community's leading five trading partners in the agricultural and food sector in 1978 included the United States, Switzerland, Sweden, Austria and Japan. Between them these five customers purchased about one-third of the Community's agricultural and food exports.

In terms of economic grouping, 47,5% of the EEC's food exports went to industrialised countries, 43,5% to developing countries and 8,7% to State-trading countries. Exports to the developing countries are expected to increase in the coming years, either due to the demand for more food by oil-producing countries such as Saudi Arabia or Libya, or as a result of the special effort being made to assist consumers by countries like Egypt. Beverages and tobacco formed the largest EEC export item in terms of value in 1979, alcoholic beverages alone accounting for 1.6 billion £ that is 10 % more than milk products.

Most of the EEC's agricultural and food exports are high value-added products and some are even luxury goods. The most obvious examples of such value addition are such goods as tea, coffee, cocoa and spices, which the

Community does not even produce. As for cereal exports, 55% are in the form of flour, meal or cereal preparations; and one-third of meat exports have undergone industrial processing (curing, preservation, etc.) Exports of milk products, the second largest item exported, can be broken down into cheese (20%), butter (26%), skimmed milk powder (18%) and milk preparations (condensed milk, cream, whole milk powder) 36%.

Within the Community all the Member States have shared in the expansion of the Community's exports. This increase can be seen both in countries whose agricultural and food balances have traditionally been in surplus (the Netherlands, Denmark and Ireland) and in the countries traditionally showing a deficit (Germany, the United Kingdom and Italy).

This expansion has been accompanied by a very marked increase in budgetary expenditure on export refunds, which totalled 3.2 billion £ in 1979, compared with 592 Mio £ in 1973. These refunds are paid to compensate exporters for the lower price they receive on the world market. The Commission adds, however, that the Community's "exports of non-regulated products have increased more rapidly than those to which Community cost-sharing applies", but it does ask whether "the advantages obtained through the increase in agricultural and food exports are not being substantially reduced by the increase in budgetary expenditure".

PARLIAMENT: Unfinished business on behalf of women

A little more than a year ago, an ad hoc commission was established in the European Parliament to specifically study equal rights for women in the European Community. The presidency of this new group was given to a French Socialist member, Yvette Roudy, whose main task was to prepare an overview of issues connected with the problems of women's rights in Europe. This report, prepared by Hanja Maij-Weggen, a Dutch Christian Democrat with the European People's Party in the Parliament, has just been concluded and will be submitted for consideration by all the members of the Parliament on February 10, accompanied by a 55-point resolution. In outlining the reasons behind this resolution, the Committee states that "the elimination of all forms of discrimination and oppression harmful to women is an indispensable condition to the establishment of a more advanced and just social order, and, starting with the improvement of living and working conditions, is a wish that is shared in the preamble of the Treaty of Rome" that created the European Community.

The report of this Parliamentary Committee, which contains some 140 pages, is not strictly limited to matters which are already the responsibility of the European Community, but also enters into a vast range of problems from the education of young girls to birth control along with prostitution and the right to work.

The report comes out in favour of the creation of a "consultative Committee on women's rights" and provisions in the Community budget for funds necessary to conduct a true policy on behalf of women, and especially in the struggle against unemployment among women. The study notes with satisfaction the significant increase since January 1980 of requests from the European Social Fund for assistance to projects aimed at improving the situation for women of over 25 wanting to resume work. The Committee urges that the Social Fund also contribute to the financing of institutions, such as nurseries or day care centres, that would allow women to become available for professional training.

Ms Maij-Weggen's report also underlines the fact that much remains to be done to fully apply the provisions of three EEC Directives approved by the Council of Ministers concerning respectively equality of pay, equality of treatment and equality on social security, the last of which will only go into effect in 1984. The resolution which the Parliament will be asked to approve in connection with the report also asks the EEC Commission to pursue the legal action it has initiated against a number of Member States not respecting these new laws and also to organise major campaigns destined to improve the information of women concerning their rights.

Among the additional actions that should be pursued, the resolution also supports the general reduction of working hours and the redistribution of tasks between men and women, both at work and in the home. Specific proposals are also made on behalf of certain categories of women, such as immigrant women, or those who work in family enterprises without pay.

The ad hoc Parliamentary Committee on women's rights also intends to suspend its work and organise a new debate in two years time in order to examine the degree of follow-through given to the proposals it is making to EEC institutions.

SECURITY : How to make better, cheaper and fewer weapons

Few members of the public at large have much appetite for the subject of defence and arms production. Most citizens and many public officials would prefer to put the stress on disarmament and look forward to the day when arsenals would be unnecessary.

That day is unfortunately not yet with us and it remains the accepted policy of governments and a large cross-section of the public to support at least an adequate military and security presence. The output of armaments and related military equipment, ranging from cannons and missiles to computers and aircraft, have as a result become important segments of many countries' economic and industrial bases. For example, expenditure by European Community countries on major items of defence equipment amounted to some £ 6 billion in 1978. That naturally represents thousands of jobs and factories working to produce this equipment. But that's not all, because many European and other countries also produce for export to other countries as well and they all spend a considerable amount of money for research and development into such material. That's why the Community countries' aggregate defence-related sales in 1978 was estimated at twice their own consumption, or £ 12 billion. Their own procurement demand is also expected to increase substantially for 1981.

This sector has become so important in recent years that more and more attention is being devoted to it in many different circles. As a result, even European Community institutions, such as the Parliament and the EEC Commission, have devoted some time and attention to looking at ways of improving the efficiency of this process. To help them, an outside expert, David Greenwood of Aberdeen University's Centre for defence studies, was asked to prepare a report and make recommendations concerning this important subject.

The reason this study was requested is that, although Europe would appear to be self-sufficient in most of these items, it has experienced a nearly 10-to-1 trade deficit with its major trading partner in this field, the United States. One of the major reasons, according to the study and to most experts, is the same type of European national fragmentation of industry that is found in many other sectors as well. This means that European countries, if they can manufacture a particular item, will produce it for their own needs because it is important to have the capability, the independence and the jobs. But because they produce for only themselves and perhaps a few other countries, they cannot match the economies realised by their American competitors who turn out larger volumes for themselves and, since they can produce at lower costs, for exports overseas as well.

At a time of economic recession, when jobs and government funds are scarce, there is an urgent need for Europe to become more efficient and competitive in this, as in many other fields. Failure to do so in the past has resulted in considerable waste of public resources because of needless duplication because several European countries sometimes produce similar items for their own forces. As if this waste was not enough to worry about, another result of this needless duplication has been that, although these items were often similar and designed to do essentially the same job in every country, they were not identical, meaning that in case of conflict a country might find its own production insufficient or destroyed but could not call upon its neighbours and allies for replacements because they would not fit into its system. Absurd examples of this have reached such levels that European and other allied military forces training together, and who might have to fight side by side, sometimes cannot communicate because they use incompatible radio equipment.

Although many have known of this problem for years and can agree in principle on some of the remedies, there is no magic cure and the problem remains because each country seeks to maintain its own factories and workers on the job rather than abandon a part of this production to a neighbour.

The answer is, of course, more coordination and cooperation, as in many other industries. The report and previous statements by the European Commission and other institutions have recommended greater cooperation and coordination in this field. Joint planning for future needs and evaluation of who could be best suited to fill that need is indispensable to avoid future waste of taxpayers' resources and a needless accumulation of arms when the same funds could be spent on other things.

#### AGRICULTURE : Dalsager in favour of CAP

Will Poul Dalsager, the new European Commissioner for agriculture policy, who took over after the untimely death of Finn Gundelach, follow in the policy footsteps of his predecessor? In a report sent to the Council of Ministers at the end of last year, Gundelach gave the broad outlines of what he and his Commission colleagues thought a "reformed" Common Agricultural Policy should look like.

Speaking to the agriculture committee of the European Parliament on January 30, Dalsager noted that the Common Agricultural Policy had operated satisfactorily, and should continue to be one of the "pillars" of the Community. He added that he would make an effort to reinforce the monitoring of the CAP's financial aspects to avoid an increase in agricultural spending. Dalsager stressed that it was not only important to improve the CAP but also to develop other instruments needed for overall stability and economic convergence.