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Recent Developments in the European Community

MEMO

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EC governments agree on Commission Vice Presidents.....on July 1, EC member states named six members of the Commission to act as its Vice Presidents. They are Martin Bangemann (Industrial Affairs and Information and Telecommunications Technology), Sir Leon Brittan (External Economic Affairs), Henning Christophersen (Economic and Financial Affairs), Manuel Marin (Cooperation and Development), Antonio Ruberti (Science, Research and Development) and Karel van Miert (Competition). They will hold the office of Vice President until January 5, 1995. All but Commissioner Ruberti, who is new to the Commission, and Commissioner van Miert have held the office before.

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Belgium takes over EC Council Presidency....on July 1, Belgium started its six month term in the EC Council Presidency. As President of the Council, Belgian Foreign Minister Willy Claes outlined his country's priorities in a July 14 address to the European Parliament. Not surprisingly, implementation of the Maastricht Treaty was top of the list, followed by other gargantuan tasks, namely restoration of economic growth, unemployment reduction and an end to the conflict in the former Yugoslavia: "With the help of Maastricht, the task of our Presidency is therefore first and foremost to put an end to the political crisis of confidence and the socio-economic unease, and at the same time bring to an end the struggles so unworthy of mankind that are playing themselves out on the very doorstep of the Community." Following delivery of the United Kingdom's ratification instruments on August 2, the Treaty still faces a constitutional challenge in the German supreme court before it can enter into force.

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Europe searching for ways to combat record unemployment...Social Affairs Commissioner Padraig Flynn presented the EC Commission's Fifth Report on Employment on July 7 just as unemployment figures soared to new highs in some member states. At present, some 17 million people are unemployed in the Community - 2 million more than in 1985. According to the Commissioner, "the outlook is extremely sombre. We need more economic growth, but we will not solve the employment problem by growth alone. A new approach is urgently needed." The summary of the report pays particular attention to progress in developing a European labor market, and the extent to which EC member states have converged/differ in crucial issues such as labor costs, productivity, education and training and working time. It also covers cross-border migration within the EC, women in the work force, and the international employment situation.

In a July 9 speech on "Challenges Facing the Community on Employment", Commissioner Flynn explained that Europe's model of social and economic organization is quite different from that of Europe's competitors. Involving state, employers and trade unions, this complex model affords citizens a high level of social services and protection, but is failing to meet competitive challenges. The Commissioner, who defended the model as an essential part of the Community's social dimension, warned against "quick fixes": "There is no

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single solution. The solution will consist of different policy mixes in different countries. The important thing is that we tackle these problems together as a Community because the alternative is a renationalisation of economic policy in Europe which would lead to disaster for all."

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EC outlines its new communications policy.....the Commission, whose public relations operation has been under fire since the first Danish referendum on Maastricht, has come up with a new approach to make the institution and its proposals more clear and visible to ordinary Europeans. Presenting "The Commission's Information and Communication Policy: A New Approach" on June 30, EC Information Commissioner Joao de Deus Pinheiro said, "we want to avoid confusion, to use a professional approach, to cater for demand, to seek partnership. It is a clear milestone.....the motto is "the truth, the whole truth and nothing but the truth." The Communication, which was based on a number of internal and external analyses, says use of jargon dubbed "commissionese" and lack of coordination of Commission sources have been the main shortcomings in its efforts heretofore. Getting the message out loud-and-clear is the emphasis of the new approach which will be based on simplicity, openness, demand, user-friendliness and interservice coordination.

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G-7 Summit in Tokyo gets Uruguay Round talks moving toward conclusion... quadrilateral negotiations in Tokyo between the European Community, the United States, Canada and Japan on the eve of the July 8-9 Group of Seven (G7) Summit produced an across-the-board tariff-cutting deal in manufactured goods which now makes a mid-December conclusion of the Uruguay Round a credible target. The deal, which was accepted in the full G7 meetings (with the United Kingdom, France and Italy), is described in a July 7 Report of the "Quad" meeting. G7 leaders hailed the agreement in a July 9 Economic Declaration which calls on other GATT participants to make comparable market opening concessions and sets out priorities concerning the environment, aid to Russia, and developing countries, and the G7 process itself. The leaders also issued a Political Declaration covering many current international problems including Bosnia.

A study on relations between the G7 and the European Community entitled **Partners for Prosperity** and endorsed by Alan Donnelly, Member of the European Parliament, is also available. The study, which was released just before the Tokyo summit, examines the history of the G7 summit meetings and the processes of policy coordination among its participants, and assesses the G7's assistance to Russia as a "test case" for multilateral coordination. The study also discusses the Community's unique position in relation to the G7 and predicts that it will soon become a de jure member of the group.

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Recent Speeches by EC Commissioners

"South Africa and Europe: Forging New Links", by Hans van den Broek, EC Commissioner for External Political Affairs, at the Forum Europe (Brussels) on June 28, 1993

"The Granting of State Aid and the Control of Subsidies in the European Community", by Karel van Miert, EC Commissioner for Competition, in Bonn on July 5, 1993

EC NEWS press releases issued during July:

- TOP EC FOREIGN AFFAIRS OFFICIALS TO VISIT U.S., July 14, 1993
- EC COMMISSION RECOMMENDS CONTINUING BAN OF BST HORMONE, July 16, 1993
- INFORMAL CONCLUSIONS OF EC/U.S. SUB-CABINET MEETING, July 22, 1993
- EC COMMISSION REACTS TO U.S. RULINGS ON INJURY FROM FOREIGN STEEL IMPORTS, July 27, 1993