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Contents:

	<u>Page</u>
Current affairs	1
Mr. Lücker: Let us aim at a European democracy	2
The problem of inflation is also a political and institutional one	4
The Italian Parliament adjourns for the Strasbourg session	5
Alain Poher: Interview with L'Aurore and journey to Italy	6
Is a socialist Europe possible ?	8
'Friends of Europe' medals for Scelba and Houben	9
Activities of the members of the CD Group in the European Parliament	10
Some Comments ...	13
Europe and the monetary crisis: a new beginning of the beginning of the end ? by Friedrich Fugmann	14

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ELECTIONS IN IRELAND : THE POLITICAL PARTIES

As this number of the Bulletin is going to press, the citizens of Ireland have cast their votes in the anticipated general elections, which took place on 28 February. It will be some days yet before the final result is known.

We feel that a brief account of the organized political forces facing each other at the polls would be of interest, since with its accession to the EEC, the political affairs of Ireland, small even though it is, will assume great importance in Europe.

There are four Irish political parties, as well as a further party founded with a view to these elections by a dissident faction of the majority party. Apart from this new group, the Irish Parliament consists of the following :

Fianna Fail, founded in 1926 by fighters in the War of Independence who opposed the Treaty concluded with Great Britain. The Fianna Fail party has been in power for virtually forty years, with the exception of two brief periods totalling three years in all, during which the country was administered by Coalition governments (1948 and 1954). It is of interest that the present leader of the party, Mr Jack LYNCH, has been a member of the Cabinet since 1966.

Fine Gael, the party of a united Ireland, the principal opposition party up to this election, was founded in 1933. According to Irish newspapers, both parties, Fianna Fail and Fine Gael, draw most of their support from voters of the rural areas and the middle class, though the Fine Gael party is also much favoured by the upper middle class.

The Irish Labour Party, founded in 1922 by James CONNOLLY and James LARKIN. Traditionally in opposition along with the Fine Gael party, the Irish Labour Party derives its following mainly from the ranks of the workers and the students.

Sinn Fein, legally recognised in the Irish Republic, represents, in principle, the 'official' IRA. Sinn Fein has always refused to sit in Parliament, but at this election it has announced that if its candidates are elected, they will take their seats in the Parliament.

MR LUCKER : LET US AIM AT A EUROPEAN DEMOCRACY

Only a few days after the devaluation of the dollar, the President of the European Commission, Mr ORTOLI, put the Commission's programme for 1973 before the European Parliament in Luxembourg on 13 February.

The Chairman of the Christian Democratic Group in Parliament, Mr LUCKER, replied to him the following day, actually before the meeting of the Council of Finance Ministers of the nine Member States, which was to define the line of action to be taken by the Community in dealing with the monetary crisis.

On behalf of the Christian Democratic Group, Mr LUCKER dwelt on the many references in Mr ORTOLI's speech to the implementation of a 'European Union' by 1980. Mr LUCKER went further, however, in stressing the necessity of aiming at a 'European democracy', that is to say, a political union which would embrace both foreign policy and a common defence policy. He also stressed the political will and dynamism of the programme put forward by Mr ORTOLI and expressed his confidence that the Parliament would play a very important role as 'partner' in the dialogue with the European Commission.

Going on to deal with the monetary crisis in particular, the Chairman of the Christian Democratic Group expressed his displeasure at the procedure followed in arriving at the monetary decisions already referred to; the fact that these decisions were taken by agreement between the French, British and German Ministers was contrary to the community spirit endorsed at the Paris Summit and a violation of its rules. The Community ought rather to act in unison to combat external speculation and because only if it speaks with one voice can the foundations be laid for the implementation of the economic and monetary union.

The London daily newspaper, The Times, gave extended coverage to Mr LUCKER's speech. In an article on 15 February, The Times quoted the following passages, amongst others, from it:

'Mr Lucker criticized the fact that three Ministers of the Community met in Paris to discuss the monetary crisis; he then asked if the interests of the other countries were not also considered sufficiently important to invite them to be represented. Can it be that some countries have the right to take decisions among themselves which other countries then have to accept?'

'It was certainly a splendid thing to convene a Summit Conference and make such a solemn profession of our community solidarity. Unfortunately, however, all these noble words are forgotten in the practical conduct of everyday community life, even though the problems are such that they can be

solved only in the context of European solidarity and concerted action.'

'The events of these last few days have shown that not only has community policy been sacrificed but that the very idea of the projected economic and monetary union has been called in question.'

THE PROBLEM OF INFLATION IS ALSO A POLITICAL AND INSTITUTIONAL ONE

The discussions between economists on the present European economic situation are a matter of common knowledge. Around the bedside of the illustrious patient - the economy of the European Community - doctors and specialists are holding anxious consultations. Through Mr HAFERKAMP, the commissioner responsible for this area, the Commission of the EEC has given the European Parliament a comprehensive report on the economy, sketching its diagnosis and the treatment it proposes, viz. to contain monetary and credit expansion by stabilizing prices, to wage war on regional and sectional disparities by promoting full employment and to create a European monetary cooperation fund for Community currency balances and intracommunity compensations.

Nevertheless, the problem is not merely an economic one; it also has political implications and involves institutional problems. This is what the Christian Democratic Group has been attempting to define in Mr C.H. BOS' speech in the discussion on the Community's economic situation.

The economic aspect of the problem is certainly the dominant one and it is only natural that the experts should have concentrated their attention on it to such a great extent. In fact, it was a member of the Christian Democratic Group, Mr Walter LÖHR, who drafted the report for the Parliament on behalf of the Economic Affairs Committee.

It is, however, useful and necessary to note that from the strictly economic point of view, the solutions have already been found and the problem has been clearly understood. What must now be emphasized is that the struggle against inflation is not merely a question of taking monetary measures but also, and perhaps even more fundamentally, a problem of having the political courage to take unpopular measures to put an end to the illusion of increasing income which does not bring any real improvement.

Furthermore, it is obvious today that the struggle against inflation in the Community can no longer be waged exclusively at national level and that certain sectors of economic policy must be centralized to the extent that national policy has lost its effectiveness. This raises the institutional problem of going beyond the present phase of simple supranational coordination towards political and administrative integration. This institutional problem will be posed only when the question of passing on to the second phase of economic and monetary union is being discussed. The Commission of the Communities must take up its position boldly and advance proposals which will be logical and consistent with the ultimate integration of Europe.

THE ITALIAN PARLIAMENT ADJOURNS FOR THE STRASBOURG SESSION

'From the point of view of improving the status of the European Parliament, the problem of the relations between it and the national parliaments is a two-fold one: on the one hand, it is necessary to focus the attention of public opinion to a greater extent on the work being done and the problems being discussed in Strasbourg; on the other hand, much inconvenience is caused to members of the Parliament when debates are being conducted in their national parliaments and in the European Parliament at the same time. Frequently, too, important votes in one or the other necessitate hasty and often quite inconvenient journeys during the present period of industrial disputes.'

This is how Senator Luigi NOE', leader of the Italian group of parliamentarians, sees the problem of parliamentary sessions in Strasbourg and in the Member States.

The question has been raised again recently in Italy by the president of the Senate, Mr Fanfani, who has made two proposals: the first is for 10-day sessions of the European Parliament every two months with adjournments on Saturday afternoon and Sunday, the national parliaments to be adjourned during this time. The alternative proposal, if the present monthly part-sessions are to be continued, would be for the national parliaments to be adjourned during the most important part-sessions in Strasbourg. This would be one experiment towards solving the problem.

In the light of these proposals, it has been suggested by parliamentarians of all Italian political groups in Rome that the national parliament should be adjourned during the constituent session in Strasbourg in March. In view of the undoubted importance of this session, the presidents of the Chamber of Deputies and of the Senate have accepted this proposal.

'We hope', said Noè, 'that this experiment will be pursued and thus become the habitual practice, so that the parliamentarians concerned may discharge their mandate in the European Parliament conscientiously and continuously'.

Although desirable, this initiative may be, there is no denying, that much time will elapse and many problems will have to be solved before it can be carried out.

Should a long term solution be envisaged, then there is a third possibility, namely, that votes should not be held in the national parliaments during the part-sessions of the European Parliament.

It seems, however, that there is no lack of goodwill in this matter.....

ALAIN POHER : INTERVIEW WITH L'AURORE AND JOURNEY TO ITALY

On 14 and 15 February the President of the French Senate, Mr Alain POHER, made an official visit to Italy at the invitation of the President of the European Christian Democratic Union, Mr Mariano Rumor.

Mr POHER was met at Fiumicino airport by Mr FORLANI, Secretary of the Christian Democratic Party in Italy, Mr ROGNONI, deputy chairman of the parliamentary groups, Mr Karl HAHN, deputy Secretary-General of the European Christian Democratic Union and Mr Angelo BERNOSSOLA, head of the Foreign Affairs Service of the Christian Democrat Party.

The two days spent in Rome gave Mr POHER an opportunity to have a series of talks, described as 'cordial and fruitful', with many prominent personalities in Italian political life, amongst them the President of the Republic, Mr Giovanni LEONE, the President of the Senate, Mr FANFANI and the President of the Council, Mr ANDREOTTI. Mr POHER was also received by the Pope in private audience.

Coinciding with Mr POHER's arrival in Rome, the French daily newspaper 'L'Aurore' published an interview given by him on the French electoral campaign.

Unfortunately, the appearance of our Bulletin was delayed by technical difficulties, which is why we cannot quote some of the more important political comments, made by Mr POHER in his interview, since readers will already know by now the outcome of the French election.

Nevertheless, it is interesting to note the position of detached 'arbiter' taken up by Mr POHER in the electoral campaign, as reported by him to 'L'Aurore'.

In spite of this detached position, however, Alain POHER did not feel himself reduced to silence by the duties of his office and he never missed an opportunity to put across his point of view on the way in which the French Constitution is applied, on the guarantees of liberty and the democratic exercise of political power. 'I rarely intervene', says the President, 'but when I do, I know what I am talking about'.

The interview throws a clear light on the position taken up by the President of the Senate vis-à-vis the French elections and his constant concern for constitutional problems.

We feel that the two statements which we quote below demonstrate Mr POHER's statesman-like concern (he obtained 8 million votes in the election for President of the Republic) and to the fact that he is above the political party arena (he is the second most important political personality of the Republic and has acted as its interim President).

'It would be important that the reformers should be clearly successful, since this would prevent the polarization of the French political struggle into two opposing blocks.'

'What is essential and also most urgent is that Frenchmen should choose the kind of rule they want, whether it be in the Presidency or the Parliament, and that they should send to Parliament men who are determined to exercise their rights and control the activity of the Government.'

Alain POHER is a member of the Bureau of the Christian Democratic Group in
the European Parliament

IS A SOCIALIST EUROPE POSSIBLE?

On 22 November a book, entitled 'The Common Market against Europe', by two French authors, Michel Rocard and Bernard Jaumont, both militant members of the French Socialist Party, went to the press. According to the authors of this book, Europe as a political and commercial phenomenon, in the sense that it has been understood and realised heretofore, is now out of date. It is only in a socialist perspective that European unity has any meaning and can become a reality.

Reading this we were reminded of the speech made by Mr DICH, the Danish Socialist, in the European Parliament on 17 January last, when he explained the political reasons why his Party and 37% of the Danish electors voted 'no' in the referendum on entering the European Community. His speech, made during the debate on the Community's economic situation, was unequivocal in its clarity and was received by the members with a dignified respect for the ideas of others, even if, as one heard remarked in the corridors, it was rather painful to hear certain proposals coming from a Socialist from the ranks of the workers' movement.

Mr DICH said in effect that the Danish Socialist People's Party believed that the possibilities for truly socialist reforms on a European scale had been gravely diminished by the fact that the cornerstone and charter of the European Communities, the Treaty of Rome, is based on a liberal economic concept and is, therefore, antisocialist both in the letter and in the spirit.

'It seems to us, therefore, that it is ingenuous to believe that Socialism can survive in a supranational structure based entirely, both in its form and in its substance, on the premises of a capitalist society'. The conclusion to be drawn from this was equally clear : the Danish Socialist People's Party is not only opposed to the European Community, but is firmly convinced that the Danish policy ought to be decided in the Folketing and nowhere else; it is also opposed to any increase in the powers of the European Parliament.

These statements are disquieting, especially in view of the splendid words addressed by President BEHRENDT on the previous day to the ten Danish members, when he spoke of Denmark as 'a bridgehead between the Scandinavian countries and the Community', and emphasized the new 'political dimension of Western Europe' after the entry of the new applicants.

Speaking of Europe, President BEHRENDT added that 'we must turn our

gaze to the future and unify Europe so as to give it a single political personality and assure it of a future of liberty, democracy and prosperity'.

This raises the entire speech onto a different plane: Europe, socialist or not, must be aware of its own role in history. This is the European destiny envisioned by Don Sturzo as early as the first decades of this century.

'FRIENDS OF EUROPE' MEDALS FOR
SCELBA AND HOUBEN

The European Union of Christian Democrats have founded the prize of the 'Friends of Europe', to be awarded to personalities in the Christian Democrat movement who have fought with courage, dedication and enthusiasm for the cause of Europe.

At a ceremony held during the meeting of the European Convention of the Young Christian Democrats in Rome on 24 February, medals were awarded by the president of the organization, Alfredo DE POI, to Senator MARIO SCELBA, former President of the European Parliament and member of the Christian Democrat Group in the Parliament, and Senator ROBERT HOUBEN, former President of the Belgian Christian Democrat Party.

ACTIVITIES OF THE MEMBERS OF THE CHRISTIAN DEMOCRATIC GROUP
IN THE EUROPEAN PARLIAMENT

Mr Charles Emile HEGER (Belgium) was rapporteur for a draft opinion, adopted by the Legal Affairs Committee, on the proposal from the Commission of the European Communities to the Council for a Directive on mutual assistance for the recovery of sums paid in error in connection with the common agricultural policy, and of agricultural levies and customs duties. In the opinion itself, Mr HEGER stated that the Commission's proposal is acceptable on the whole, but is an imperfect instrument and will remain so until such time as it is incorporated into a coherent and harmonized system for penalizing violations of Community law.

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Mr Mario SCALBA (Italy) was draftsman of an opinion from the Legal Affairs Committee on some problems regarding the supervisory powers of the European Parliament under the ECSC Treaty. Mr SCALBA, highlighting the position of the chairman of the Committee for Energy, Research and Atomic Problems, Mr SPRINGORUM (Christian Democratic Group, Germany), that the European Parliament is no longer adequately informed of the Commission's activities in the ECSC sphere, stressed the power of the Parliament to oblige the EEC Commission to consult the Parliament on all decisions relating to the ECSC. Following Mr Scelba's opinion, a letter was sent to President BEHRENDT referring the problem to the Political Affairs Committee.

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Mr Fritz BURGBACHER (Germany) drafted an opinion, adopted by the Economic Affairs Committee on 22 February, for the Committee on Energy, Research and Atomic Problems on communications from the Commission of the European Communities to the Council on energy policy and on proposals for a regulation on specific problems relating to hydrocarbons and oil pipelines.

Before examining the proposals of the Commission for the various forms of energy, the draftsman, acknowledging the anxiety of the Executive Committee to ensure a secure and lasting energy supply, expressed a genuinely favourable opinion on the proposals under consideration, even if, in his own words, "further and more comprehensive measures are required than those proposed to date".

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The outgoing chairman of the Social Affairs Committee, Mr MULLER, asked the committee to concern itself in the future with the fate of the sick and aged, of the young and of the physically handicapped, without forgetting at the same time to strive for the integration of migrant workers into the society of each Member State.

SOME COMMENTS

'We European Christian Democrats must see our role in Europe with the clarity of vision and the consistency shown by Don Sturzo half a century ago. Only then will we be true to the great task that we have assumed in this historic era'. - Hans-August LUCKER (in 'Attualità di Luigi Sturzo', La Discussione).

'The common commercial policy can bring about an acceleration of European unity in the sense that not only does it strengthen the quality of community action but that it also embraces the full range of our relations with third countries in vital aspects of their economies'. - Giovanni GIRAUDDO (speech in the European Parliament, 13 February 1973).

'I would like to see the European Parliament concentrating all its efforts on aid to underdeveloped countries. The greatest threat to world peace is hunger and we cannot overlook the fact that countless people die simply for the want of the most elementary means of subsistence. Even though no blame for this can be attached to anybody, nevertheless we are all responsible'. - (Sir Anthony ESMONDE).

'One of the most noble tasks of my Group will be to make every possible effort, both now and in the future, to eliminate the enormous inequalities in social conditions in this world of ours'. - Walter LÖHR (speech at the sitting of 14 November 1972).

'The Christian Democrat Group can never accept any weakening in European political cooperation. The Group's constant concern is to promote effective political action so as to give Europe, in relation to the rest of the world, an image, a voice and a personality of its own. It is only through this political dimension that we can tackle and overcome the difficulties facing an enlarged Community, which will be the foremost commercial power of the world and a most influential cultural entity' - Alfred BERTRAND (speech at the Paris Summit).

'The European Community ought to waste no time in giving practical expression to certain pressing political aspirations; in this way, it can play its role as an authoritative spokesman at international level on pressing problems, such as those of underdeveloped countries and dialogue between the Great Continental Powers' - Franco M. MALFATTI (speech in the Italian Parliament).

EUROPE AND THE MONETARY CRISIS : a new beginning or
the beginning of the end?

by Friedrich Fugmann

There have been five monetary crises, attributable to external factors, since 1969; surprisingly enough these crises and their consequences have been left to the experts to deal with. Given their importance, they might have been expected to spark off much wider political reactions. After all it is not merely a matter of accounting entries in the banking system; each monetary crisis has led to small redistributions of capital in the individual countries and between the countries involved.

The dollar has always been the catalyst of these crises. For some time now the Americans have been trying to blame the phenomenon on commercial policy distortions. However, consideration of the facts - 270 thousand million dollars as liquid resources in the hands of the multinational companies, 70 thousand million dollars on the Eurodollar market, generation of dollars for decades by the American budget which is in deficit and more recently by the American trade balance which is also in deficit - shows that there are simply too many dollars and all these dollars are unsecure since the American Government abandoned its commitment to convert them into gold.

In the under-capitalized Europe of the post-war years, the inflow of dollars was a blessing without which the economic strength of this continent could not have been consolidated. But the 'overproduction' of dollars has now become a bane for every country, including the United States. As a result the Americans have lost confidence in their own currency. There is no fundamental reason why the European countries should accept the flood of dollars but if it came to the worst they would have to be willing to pay a very high price, namely the abolition of convertibility and the renunciation of a liberal approach to world trade. It is striking to note that the first serious attempt at a common external defence of the European currencies was only made after the fifth crisis, after internal defence arrangements alone (cooperation fund, narrowed exchange bandwidths) had been used previously on the road towards economic and monetary union.

The reason might perhaps lie in the fact that the Community countries suffered to differing degrees from the flood of dollars, depending on their national monetary safeguard arrangements and their economic policy priorities. Nevertheless, they did all suffer. The Federal Republic was the first to be exposed to these attacks. But because of the close trade links between the Community countries they were soon all exposed to the repercussions. The revaluations of the DM with an undiminished rate of exports

had an inflationary effect on the economies of the other Member States while the relative stability of prices in the Federal Republic also had a stabilizing effect on price levels. The Bundesbank's losses since 1969 as a result of the combined effects of revaluation and speculation have exceeded 20,000 million. With this money alone it would have been possible to set up a Community regional policy and alleviate the social and structural weaknesses of the Member States. Despite the Bundesbank's efforts to neutralize the capital inflows as far as possible, the Federal Republic is bursting at the seams with the money now in circulation. Today we are faced with the combined threat of money and cost-induced inflation, coinciding with an upturn in economic activity and we may be well satisfied if the rise in the cost of living does not exceed 6 to 7 per cent. The measures of state control taken by the Federal Republic (cash deposits, permits for security purchases etc.) have hampered the movement of capital within the Community. These measures proved effective against all kinds of contingencies - except the speculative inflow of capital. But since this rather than investment capital was the root of the problem the main question remains why no action has yet been taken against it.

If we accept the concept that defence against a speculative inflow of capital is no longer possible for an individual nation, it remains a riddle why the Federal Government has not already taken all possible steps to lay down common defence arrangements with its partners.

We still do not know whether the efforts made during the week of conferences from 4 to 11 March will ultimately result in a float of the Community currencies. One factor, however, gives grounds for hope : unlike the February crisis, the measures have been planned and coordinated in advance at Community level. The prerequisites for the joint float are not easy to achieve : Britain, Ireland and Italy must return to a fixed parity in relation to the Community currencies and the countries which have so far used the two-tier currency market system (France and the Belgo-Luxembourg Economic Union) would have to abandon it in future. The first group of countries must already try to quantify the secondary effects of a devaluation which may restore the balance of their economies shaken by social strife - monetary policy is after all an instrument of economic policy even if in pure theory it should not be so. England also needs safeguards to prevent speculation against the pound sterling - the country has after all sterling debts of 10 thousand million pounds. The countries which operate a two-tier currency market would have to expose their export economies to risks which have hitherto been avoided under the dual market system.

A joint float would entail the creation of instruments and use of means

which were in fact only intended for the second or third stage of the economic and monetary union but must now be introduced more quickly under the pressure of external factors. The Community countries would have to make national reserve funds over to a Community reserve and at the same time show a willingness to accept practically unlimited solidarity. A difficult problem would probably be to decide which currencies should be used for the Community reserve and to lay down arrangements for offsetting the inflationary consequences of the use of individual reserve funds.

It may justifiably be stated that the Community is now facing one of the greatest calls on its solidarity since its foundation. If the common external defence of the European currencies does not prove successful the Community can 'say goodbye to economic and monetary union', as Mr Lücke put it during the February part-session of the European Parliament. The Christian-Democratic Group in the European Parliament has repeatedly drawn attention to this fact - most recently in a statement by Mr Löhner to the effect that a Community solution to monetary crises is essential. On the same occasion, during the debate on the February crisis, Mr Artzinger pointed out that, because of the present lack of external defence arrangements, the Community had in fact been closer to monetary union three years ago than it was today.

It remains to be seen whether the common agricultural market could continue to exist, even on paper, if a monetary agreement is not reached. Could a common position then be adopted in the forthcoming international negotiations (GATT, world monetary reform etc.)?

At present we can only hope that with the constant succession of conferences and despite the enormous technical difficulties a firm resolve to seize the opportunity held out under external pressure will prevail. Europe has a great deal to gain and much to lose. The greatest possible gain would be for the spirit of solidarity to extend outwards to all other areas of Community policy after a European agreement, thus lending a new impetus to European unification.

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