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Jean Monnet at 90



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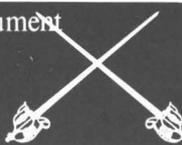
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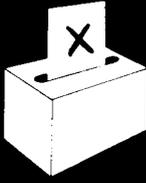


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Jean Monnet at 90

Tributes to the 'Father of Europe'

On November 9, 1978, Jean Monnet celebrated his ninetieth birthday, quietly, at his home at Houjarray outside Paris. But if the family celebrations were quiet, the international tributes were resounding. They poured in, from leaders on both sides of the Atlantic. From Britain came a personal message from the Prime Minister, the Rt Hon. James Callaghan. From the United States, President Jimmy Carter sent a long tribute, saluting Jean Monnet as 'a true Atlantic as well as European statesman'. In a front-page article in *Le Figaro*, Chancellor Helmut Schmidt hailed him as 'an eminent precursor, favoured by the gods'; the best birthday present that Europe could offer, he added, was 'the indifragible continuation of the task which he began'. In a long letter of congratulations, President Valéry Giscard d'Estaing declared that France was proud of a man who 'had shown by his own example that there was nothing that could not be achieved by those who committed to a good cause the lucidity of their thinking, the ardour of their imagination and the strength of their will'.

On behalf of the European Commission, President Roy Jenkins assured Jean Monnet that 'we shall be constantly guided and inspired by

your work and example. The foundations which you laid and constantly supported are proving themselves capable of adaptation to the new challenges. We celebrate your birthday,' he said, 'at a moment when the European Community has a greater sense of momentum and dynamism than for some years past.'

Monnet's memoirs

In his *Memoirs*, whose English translation was published in March in Britain (Collins, £13) and in October in the United States, Jean Monnet looks back over a long lifetime of efforts to reconcile and unite peoples. As James Reston wrote, reviewing the book on Monnet's birthday, 'Monnet was born when Grover Cleveland was president of the United States and Queen Victoria was still on the throne of Britain and Alexander III was czar of Russia.' His memoirs may be the first intimation to some of their readers that already, long before Monnet initiated the European Community, he had packed into sixty-two years an immense contribution to world understanding and world peace. In World War I, he personally persuaded the French Prime Minister of the time to ensure that France and Britain coordinated their war supplies, and spent three years

between London and Paris carrying out the task. He was a pioneer — and Deputy Secretary-General — of the League of Nations; he helped restore the currencies of several European countries; he helped finance the Chinese railways; he helped to liquidate the Swedish match empire of Ivar Kreuger. In World War II, he played more prominently the same role as in World War I, this time as an Anglo-French civil servant; in 1940, he proposed to Winston Churchill the plan for Franco-British union. Subsequently, he served as a British civil servant in Washington, as deputy head of the British Supply Council; in 1943, Franklin Roosevelt sent him to Algiers in order to help unite the French war efforts of General Giraud and General de Gaulle. In Algiers, he was a member of de Gaulle's Provisional Government; he then proposed to the General the French Planning Commission, and was appointed to head it. It was in 1950 that Monnet proposed to Robert Schuman, French Foreign Minister, the plan for what became the first European Community, the ECSC; and when Monnet became the President of the latter's High Authority, in 1952, he was already sixty-three years old.

Monnet's later career, first with the European Coal and Steel Community, then as founder and President of the Action Committee for the United States of Europe, needs little description. What is less widely

realized is that he was responsible not only for the original idea of the ECSC, but also for those of the abortive European Defence Community, and for initiating the germ of what became the EEC and Euratom. His Action Committee was no amateur lobby, but a political force representing all the non-Communist trade unions of the original Six and all the major non-Communist and non-Gaullist political parties of first the Six and then the Nine. Among the proposals which it made and which were subsequently adopted, were the ratification of the Rome Treaties, the appointment of the Three Wise Men of Euratom, the merger of the institutions of the ECSC, the EEC, and Euratom, the election of the European Parliament by direct universal suffrage, the enlargement of the European Community, and moves in the direction of monetary union in Europe.

Jean Monnet's *Memoirs* describe all these activities in often vivid personal detail. Their tone is not, as might be thought, vainglorious: the voice is that of a grey eminence, at last revealing the unacknowledged part that he has played for so long. British readers will find in Monnet's words the candour of a true friend, but the warmth of someone who knows and cares deeply for their country. It is not for nothing that among all his other honours and distinctions, Monnet is an honorary KBE.

Quotation of the Month

'I believe that essential mobility can be maintained by developing and refining patterns of transport which do not depend on the internal combustion engine to anything like the extent to which we depend on that engine today.'
Commission President the Rt Hon. Roy Jenkins, at the Seventh World Planning Congress in London on September 25, 1978.

The month in Europe

Cheap butter

On October 31, 1978, the Council formally agreed to the Regulation granting additional aid for the consumption of butter in the UK (20 units of account per 100 kilograms for 51,025 tonnes of Community-produced butter).

£36.9m. for the 125

The European Investment Bank has granted a loan of £36.9 million to British Railways for high speed train developments on the East Coast of Britain.

ECSC helps NCB

The Community has made a further loan to the National Coal Board from ECSC funds, to help finance 13 projects with a total of £13 million.

Low-interest loans

A loan of £108,816 at 1 per cent interest is being made available from ECSC funds to modernize 91 dwellings for BSC employees in Cleveland and elsewhere. A further £5,000 has been allocated to modernize two dwellings for GKN employees in Cardiff.

Flood aid

The Commission has made available 160,000 EUA (approximately £105,600) to help some 25,000 people following the floods in West Bengal.

EIB in London

The European Investment Bank has opened a liaison office in London at 23 Queen Anne's Gate SW1H 9BU (Tel: 01-222 2933; Telex: 919159 bankeu g).

EEC Scholarships

The Commission has proposed to the Council a plan for scholarships to help students wishing to study in another member State. The average value of each scholarship, if approved, would be about £2,970, and the scheme would come into force in 1981.

Identity card

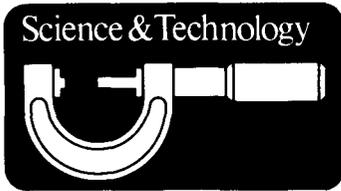
The Consultative Committee of the Bars and Law Societies of the European Community (CCBE) has issued the first common identity card to establish the credentials of lawyers throughout the Nine when acting abroad.

Employee benefits

Employee Benefits in Europe 1978 is the title of the third edition of this well-known handbook by David Callund, covering sixteen European countries, and published by Callund & Co. Ltd., at £35.

Trade Unions

Graham and Trotman Ltd. have just published a new edition of their *Directory of Trade Unions in the EEC*, price £12.50.



Energy policy and prospects

Plans for 1983

At the Bremen European Council in July, Heads of State and Government stressed the need for joint appraisal and coordination at Community level of the energy programmes of the Nine.

Since then the Commission has issued a number of documents outlining the present energy situation in the Community, and proposing a second research and development programme for the years 1979-1983.

Despite a temporary glut of oil on the world market, the Commission warns that the long term picture for the later 1980s and beyond is one of increasing pressure on oil supplies, with the likelihood of increases in real prices. Thus the Community, which relies for about 60 per cent of its primary energy on imports, mainly oil, could find itself under increasing and divisive strain in the competition for limited world energy supplies. The Commission stresses, as it has so often done before, that it is in the Community's future interest to lessen its dependence on external supplies and build up internal dependable sources of energy.

Though there have been some steps in this direction, the Commission views underlying trends with some gloom. Between 1976 and 1977, despite a 2 per cent growth in

real terms of Gross Domestic Product (GDP), energy *consumption* remained virtually static, while domestic energy *production* increased by 8 per cent, largely due to North Sea oil. The Community's import dependence fell from 59 per cent to 56 per cent, and forecasts from member countries suggested that earlier consumption figures for the 1980s had been exaggerated.

On the darker side, however, the Commission notes that the Community is failing to utilise its primary energy resource — coal — in an efficient way. Annual production targets have fallen from the 250 million tonnes set in 1974 to 220 million, and stocks have reached the almost unmanageable level of 60 million tonnes. In addition the nuclear energy programme has fallen behind.

One good year indicating stabilisation of energy consumption should not be taken as a guide, the Commission warns. The medium and long term picture gives ground for concern, and later figures suggest that the year 1976/7 may have been unique. During 1977 the Community's inland consumption of energy was estimated to have increased by 0.4 per cent as compared with 1976; for the first half of 1978, however, consumption was estimated to have increased by 1.3

per cent compared with the same period in 1977.

Recommended action

The value of North Sea oil in reducing Community dependence on energy imports can be clearly seen in the statistics; the Commission anticipates a 4 per cent fall in net oil imports in 1978, but useful as this is, it will not solve the Community's long term energy problems alone. The Commission, therefore, is urging the Council to set a limitation of oil imports in 1985 to 500 million tonnes (toe), compared with the 635 toe imported now by:

- rapid action on Commission proposals for oil and natural gas (hydrocarbon) exploration and for refining;
- taking steps against a further decline in coal burn;
- recovering the slippage in nuclear programmes;
- providing for financial incentives for energy saving and ensuring a favourable climate for energy investment.

Research and development

In 1975 the Council of Ministers approved a wide-ranging four-year Energy Research and Development Programme, which covered work on energy conservation, production and use of hydrogen, solar and geothermal energy, and systems analysis. The programme expires on June 30, 1979, and the Commission has submitted to the Council proposals for a further five year programme from 1979 to 1983.

This programme would deal with the same five subjects as the first, but would be adapted to later

developments in the field. It would be carried out, as before, by offering cost-sharing contracts to industrial firms, research centres and universities in the member countries.

Summarising the achievements of the first programme, the Commission points out that not only has it contributed useful scientific and technical ideas, particularly in the field of energy conservation, but the fact of its existence has prevented duplication of work, and technical obstacles have been better overcome through collaboration of contractors. The speedy dissemination of results has also been welcomed.

The second programme, therefore, is seen as an extension of the first, but with rather more concentration on specific areas of research. Thus under energy conservation there will be five instead of eight sectors, three concerned with the main consumption areas — domestic and commercial, industry and transport — and two with energy transformation and energy storage.

The Commission proposes that work in hand on solar energy should be extended to include wind energy and solar energy in agriculture and industry, and suggests improvements and further development of the work done on energy systems analysis and strategy studies.

To undertake the extra work involved, the Commission is asking that there should be an increase in staff from 27 to 37 and that money allocated to the programme should be increased from 59 MEUA to 125 MEUA (from about £40m to £83m). This increase takes account of inflation over a five year period, and the growing cost per project as work progresses from the research to the testing stage and pilot development.



Sexism in schools

Remedying discrimination in secondary education

Girls are not given an equal chance in schools with boys to fulfil themselves in later life. This is the gist of a report recently sent to the European Commission by Dr Eileen Byrne.

The Community is already pledged to promote equality of treatment between men and women regarding access to employment, to vocational training and promotion, and working conditions. By resolution adopted on February 9, 1976 member countries are also committed to achieving equal opportunity for access to all education.

Dr Byrne's report spotlights several areas where this objective is failing in the schools, and the Commission has, therefore, sent the Council of Ministers a proposal for an action programme at Community level designed to ensure that the Community's broader objectives of sex equality can be achieved. For, as the Commission emphasises, what happens in the schools can influence people's aspirations and qualifications for jobs in later life.

While no-one would pretend that the schools can change the attitudes of society which play a large part in moulding these aspirations, the Commission does not believe that this should provide an alibi for inadequacies within the system.

Educational authorities are particularly concerned at the underachievement of girls in secondary education. This appears evident from the fact that fewer girls carry on their schooling after reaching the minimum leaving age, although these rates of participation differ widely between countries. Further, most vocational and technical training followed by girls tends to be geared to traditionally feminine sectors of employment, involving comparatively limited skills. Girls also tend to opt for shorter courses with lower level qualifications than those usually attained by boys. Where training demands outstrip supply, more girls fail to find training places than boys.

Even when girls either equal or exceed boys in pre-university academic courses, they tend afterwards to opt for shorter courses or to leave school and not pursue an academic career. The Commission notes that a separate cause for concern is the sharp sex-typing of studies chosen by girls entering higher education, which is clearly influenced by the patterning and conditioning at secondary level.

The Commission suggests that these feminine divergencies are not accidental or biological, but can be identified with various factors or barriers within the educational

system which either directly or indirectly impede moves to greater equality.

Areas of concern

Some of the areas for concern are:

Single-sex schools — which in the case of girls' schools often offer limited curricula compared with opportunities in co-educational schools. In countries where co-ed schools do not meet with general approval the Commission paper suggests that the problem could be partially overcome by insisting on minimum basic curricula in all schools, and encouraging the employment of teachers of both sexes.

Early specialisation — Although member States' education systems are beginning to move away from too early specialisation, the Commission points out that the system makes it difficult for girls to transfer from female-orientated courses to, say, maths or physics at a later stage if they wish.

Some authorities have introduced positive discrimination in favour of girls by operating special programmes which cut across existing systems, particularly in connection with traditionally male dominated courses. This enables girls to catch up with their male peers.

Curriculum — apart from early specialisation, the organisation of parallel course options, such as the choice of technical work or domestic crafts, are an obstacle to equality in later educational achievement and employment. This is particularly so for the less academically gifted girls who tend to find themselves in the domestic class, which usually has little relevance to future employment. Also, the Commission suggests, the opportunity for boys

to avoid domestic education encourages many boys to refuse to recognise their domestic and family responsibilities in later life!

The establishment of a compulsory and balanced central curriculum up to the minimum school leaving age, to which options could be added, would provide a better foundation for further education and employment for both sexes.

Teachers — The achievement of a better sex balance of teachers in the schools and at the level of authority would help to influence children in their perceptions of equality. Ironically, there has been a tendency, in some countries, towards a decline in the proportion of women holding senior positions in education over the last ten years, frequently as a result of reorganisation and the introduction of co-education. This is a matter that should be remedied.

The Commission is also concerned that teaching material tends to reinforce certain stereotypes.

Recommendation

The Commission recognizes that change in the schools cannot happen over night. The purpose of its Communication to the Council, however, is to ensure that the *principle* of free access to all forms of education, already adopted by the Council, is more closely geared to practice.

It is proposed that a programme should be drawn up focussing on various areas of common concern including co-education, compensatory programmes for girls, a core curricula with new compulsory subjects, and new staff development policies designed to achieve a better sex balance in the teaching force. More information on educational equality for girls should be gathered and exchanged between member States.



Helping people

Overseas Development: a European approach. By Richard Luce, MP

There is a straightforward and simple purpose at the heart of Conservative policy on overseas development: we want to help people rather than governments and institutions. For this reason, we attach particular importance to consideration of human rights. Yet, from time to time, we find governments which are morally and politically abhorrent to us because of their abuse of human rights, and so for diplomatic reasons our Government may not be able directly to help the people who suffer in consequence. Accordingly, we accept that governments alone cannot always take the action which would be most effective in dealing with suffering and sickness in other parts of the world. Thus Conservatives would like to see the role of voluntary bodies developed more fully in cooperation with official development assistance. Voluntary bodies can be flexible, can discover areas of real need, and can give the British people an important influence over the direction of aid. They can often help people when Governments cannot or do not.

Trade

At the same time, we believe that long-term preferential trade policies can be a more important engine of development and improvement for the Third World

than the provision of direct aid. Increased trade should be a principal objective of Government overseas development policy.

Stabex

For these reasons, Conservatives welcomed the Lomé Convention when it was signed in 1975, whereby developing countries have been given preferential access to the European Community for their industrial products and, with the STABEX scheme, have obtained much greater price stability in their export earnings from raw materials, thus enabling them more easily to diversify their economies. Indeed, we believe that the Lomé Convention provides the model upon which we should base our future overseas development policies: in particular, STABEX should be expanded to cover more primary commodities and should also act to stabilize prices and supplies rather than simply compensate developing countries for falls in their export earnings. The Lomé agreement has proved itself to be the best arrangement so far devised for the mutual benefit of all those involved.

At this point, however, there are two issues which should be tackled. The first, highlighted by the current renegotiation of the Lomé Convention, concerns the different attitudes

towards human rights within the Community and amongst the African, Caribbean and Pacific countries (ACPs) concerned. The European Conservative Group in the European Parliament in April 1978 proposed the inclusion of human rights requirements in any new agreement between the Community and the ACPs. However, opposition to this proposal has been expressed not only by the ACPs but also by other members of the EEC. This opposition is based on the view that human rights conditions would involve the attachment of political requirements to an economic arrangement, and would enable EEC countries to interfere in the internal affairs of ACPs. However, since the human rights that Conservatives are talking about can be summed up as freedom from torture and slavery and the rights to life and justice, their inclusion would only enable the EEC to terminate agreements with completely objectionable regimes which may at present benefit from STABEX arrangements. Thus, we in the Conservative Party believe that the pressure for human rights requirements to be included in a new Lomé Convention should be maintained.

Interdependence

The second issue concerns the interdependence of the Third World and ourselves. This is particularly true of relations between the Community and less developed countries. The Community is by far the largest trading group in the world and, together with the nine member States, the largest donor of development aid. The less developed countries send over 32 per cent of their total exports to the Community, which is not only their largest export market, but also the

major source of investment in the Third World. However, the Community is also the world's chief importer of raw materials, depending upon the less developed countries for more than 55 per cent of its raw material imports. In most cases neither North America nor Australasia could fill the gap if these supplies were cut off.

Soviet Union

In view of the economic interdependence that now characterises Community-Third World relations, the attempts by the Soviet Union to exert greater political influence in the poorer regions of the world are particularly disturbing. The Russian interest is clear. In general, the Soviet economy does not need the commodities produced in the Third World, but the more their supply to the West can be disrupted and their prices pushed through the roof, the more the West will be weakened. Not only would the Community be among the first to be damaged, but the economic, political and social consequences for the Nine could be disastrous. In these circumstances, developing and maintaining good relations with the Third World is of the utmost importance to the Community.

The next Conservative Government in the UK will therefore give top priority to help bring into being an even stronger bond between the EEC and the Third World. Of course, the partnership between developed and less developed countries will depend on the future course of the world economy and on the opportunities for the poorer countries to benefit from the recovery of trade. But they will also need more stable earnings for commodity exports and greater access to western markets for their processed

and manufactured goods, enabling them to diversify their economies. The Lomé Convention is of obvious significance in this respect, and much of the future will depend upon the outcome of the negotiations for a new Convention at present underway in Brussels. The issues which we believe principally affect the future development of relations between the Community and the Third World are:

□ The need for members of the Community to direct a growing proportion of their aid through Community channels. The Nine can achieve far more together than on an individual basis. A joint effort would also help to make the rest of the world more aware of the Community's potential as a source of economic power and political influence.

EDF

□ The need for the next European Development Fund to be strengthened to provide for assistance to Asian countries. The growing importance of ASEAN, politically and economically, needs to be recognised by the Community. The next Fund might also further expand into the field of co-financing projects with voluntary and non-government organisations. The ability of voluntary bodies rapidly to pinpoint areas of real need, when supported by Community resources, can achieve far more, very often, than projects agreed after laborious negotiations with governments.

□ The need for proper consultative machinery regarding the export policies of the ACPs and of the Community to ensure the gradual and orderly adjustment of sensitive EEC industries to competition from

the Third World. As a Community we need to recognise that there are certain products ranging from textiles and shoes to certain types of electronics where the Third World countries may be better suited to produce or be more competitive. Trading agreements made on this basis after proper consultation will be one of the principal consequences of our recognition of the interdependence between the ACPs and ourselves. Similarly, in the fields of aid, technical assistance and investment, full consultation can only be of mutual benefit. This point assumes a special importance when we remember that cooperation between the Community and the Third World will become even more vital as the world's oil supplies (upon which the Third World depends for development) become more and more expensive as world demand increases. The members of the Community are already taking steps to develop alternative energy supplies which already depend, and will depend even more significantly, not only upon imports of materials from the Third World, but also upon the technical assistance and investments that Third World countries are receiving now.

Investment

□ The need to obtain practical agreements over the question of EEC investment in ACP countries. In 1961, for example, Western mining companies spent 57 per cent of their exploration budgets in Third World countries. By 1975 this had fallen to 13.5 per cent because of political and financial risk, despite the fact that prospects in many of the countries are known to be good. Indeed, future supplies of tin, phosphates, cobalt, copper and tungsten are in jeopardy because of

reluctance by Western investors to sink their capital in Third World countries. All concerned must recognise that private investment, properly channelled, contributes to the alleviation of poverty. But in conjunction with this, there is also a need for a new understanding between multinational companies and Third World countries so that development policies of benefit to the peoples involved can be followed.

The greatest value will be derived from a renegotiated Lomé if the broad principle is accepted that the development of the Third World should be seen in the light of the

interrelationship of aid, trade and investment.

These issues are already being discussed by the Community and the ACPs. Yet it is only if we develop the spirit of cooperation and trust necessary to fulfil our hopes and Third World aspirations that real progress will take place. Apart from the arguments of mutual self-interest in helping to create a higher standard of living for the poor in the world so that they will be in a better position to purchase our goods and services, we believe that the condition of fellow human beings must be a matter of profound concern to us all.

Statistic of the Month

SELLING PRICE OF REGULAR-GRADE PETROL

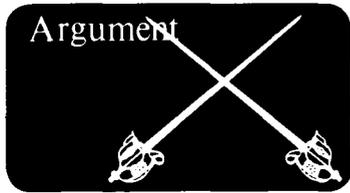
| On January 1 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 |
|---|------|-------|-------|-------|-------|-------|-------|
| FR Germany: Normalbenzin (ARAL) | 100 | 105.2 | 131.1 | 141.5 | 144.9 | 146.6 | 148.4 |
| France (zone Paris): Essence normale | 100 | 100.9 | 112.6 | 152.3 | 158.6 | 188.3 | 197.3 |
| Italy: Benzina auto normale | 100 | 100 | 125.0 | 188.8 | 253.3 | 315.8 | 315.8 |
| Netherlands (Prijkszone 1): Normale benzine | 100 | 103.3 | 122.2 | 131.2 | 147.9 | 152.5 | 149.1 |
| Belgium: Essence normale | 100 | 110.1 | 120.8 | 147.9 | 156.7 | 158.7 | 167.4 |
| Luxembourg: Essence normale | 100 | 105.6 | 113.5 | 139.5 | 148.3 | 151.0 | 147.8 |
| United Kingdom (Inner zone): 2 star | 100 | 102.8 | 124.3 | 217.9 | 230.1 | 239.2 | 239.3 |
| Ireland: Regular grade | 100 | 103.1 | 121.3 | 193.8 | 226.4 | 286.0 | 283.9 |
| Denmark: Regularbenzin | 100 | 105.1 | 127.5 | 155.8 | 158.0 | 192.0 | 200.0 |

Source: EUROSTAT

SELLING PRICE OF PREMIUM-GRADE PETROL

| On January 1 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 |
|--|------|-------|-------|-------|-------|-------|-------|
| FR Germany: Superbenzin (ARAL) | 100 | 106.2 | 127.7 | 133.9 | 137.0 | 137.0 | 138.5 |
| France (zone Paris): Essence super | 100 | 100 | 111.6 | 151.2 | 157.0 | 186.0 | 195.9 |
| Italy: Benzina auto supercarburante | 100 | 100 | 123.5 | 185.2 | 246.9 | 308.6 | 308.5 |
| Netherlands (Prijkszone 1): Superbenzine | 100 | 103.3 | 121.5 | 134.5 | 145.4 | 151.8 | 146.8 |
| Belgium: Essence super | 100 | 109.5 | 120.2 | 144.3 | 152.9 | 154.9 | 161.7 |
| Luxembourg: Essence super | 100 | 104.4 | 111.6 | 136.9 | 144.9 | 147.5 | 143.1 |
| United Kingdom (Inner zone): 4 star | 100 | 102.7 | 122.7 | 211.8 | 223.5 | 233.7 | 233.7 |
| Ireland: Premium grade | 100 | 101.4 | 116.6 | 183.1 | 213.2 | 267.3 | 265.6 |
| Denmark: Premoïmbenzin | 100 | 104.9 | 127.3 | 154.5 | 156.6 | 190.9 | 197.2 |

Source: EUROSTAT



Doorstep selling: two views

Geoffrey Finsberg, MP, criticizes the Community's draft directive

The mail order trade in the UK is different from that in Europe generally. Elsewhere (except to some extent in Germany) it is conducted through catalogues which are sent to customers; the customers then send their orders and money direct to the mail order company and receive the goods direct from the company. The company and the customer do not meet and there is no possibility of high pressure salesmanship. This kind of selling, which in total value is in the UK relatively small, is specifically excluded.

In the UK, however, and to some extent in Germany, catalogues are sent to agents appointed by the mail order companies and, as drafted, the directive would apply to sales handled by these agents.

How agents operate

Agents in the UK are usually housewives and all are part-time. They are given the catalogue, published twice a year, and they show it to their family and friends.

When one of these people selects an item she would like, the agent obtains it from the company and takes it to her prospective customer. The prospective customer is then allowed to keep the article on approval for up to 14 days, even though she has paid no money. If she decides to buy it, she keeps it and starts paying — most goods being bought on credit. If she decides

she does not want the article, the agent will return it to the mail order company, at the company's expense — so it has cost neither the customer nor agent anything at all, the customer does not have to give any reason for returning an article and she is not put to any trouble. About 30 per cent of goods are returned.

The agent is given a commission for her work, usually 10 per cent, which gives some reward for her efforts but is not enough to make it worthwhile as a business. Most people in fact become agents because they enjoy the social contact it provides. Another attraction is that commission on her own purchases (nearly one third the total) is similar to a discount.

There are now about four million active agents in the UK. They become agents either by answering advertisements in the press or on the recommendation of existing agents. Either way they have to satisfy the mail order company that they can be relied on to handle the goods and the cash.

Some agents act for more than one company. Even so, it means that 1 in ever 6 homes in the UK has an agent and over a third of the adult population are purchasing this way. Sales now represent about 8 per cent of all non-food retail trade. Expressed more vividly, sales through mail order agents are

approaching those of the department stores.

Why a directive?

That was the question the association representing the catalogue mail order trade immediately asked.

The Commission replied that there could be abuses. Agents could pressurise their friends, wives their husbands and mothers their children. Agents could go knocking from door to door, taking people un-awares.

What evidence of these or any other abuses had the Commission obtained?

None was found, but indeed they had not tried to find any. Their officials were invited to come and study agency mail order themselves, but they declined.

So an effort was made by the UK association to find some evidence themselves.

An independent survey was conducted in May 1977 by the Retail Trading-Standards Association into unwanted purchases. It found that 19 per cent of the respondents had made unwanted purchases from door-to-door salesmen, 18 per cent from shops but only 4.8 per cent through agency mail order. In answer to a question about unfair pressure, 10 per cent thought they had been subjected to unfair pressure from door-to-door salesmen, 4 per cent in shops but only 0.8 per cent through agency mail order.

The EEC Consumers' Coordinating Group met to discuss the directive. This Group represents the Office of Fair Trading, the National Consumer Council, Consumers Association and 18 other consumer bodies. They unanimously recommended that Directive should exclude mail order trading.

The European mail order traders

association have supported the UK association fully and have led representations to European institutions.

The Economic and Social Committee decided that agency mail order should remain within the directive by 36 votes to 34, with 10 abstentions.

The European Parliament voted decisively to exclude agency mail order.

The Commission has ignored the views of UK consumers and been unresponsive to what happened in Europe. So despite the overwhelming weight of opinion that agency mail order should be excluded, the Commission has not yielded one millimetre.

Agency mail order companies maintain that their customers obtain better consumer protection than under any other system and that their is no reason to impose new regulations.

In fact the directive would require them to print and handle an *extra* 790 million pieces of paper every year. This would be a prodigious waste of money, which ultimately would be paid by the *consumer*; it is wasteful of national resources; and it would impose an unwarranted burden on the housewife agents who would also have to cope with it all.

An amendment proposed by the Commission in January 1978 would forbid an agent from accepting any payment for 7 days *after* the decision to purchase, which follows the 14 day approval period. This extra week's credit would require an additional £35 million capital which must ultimately increase prices.

The doorstep selling directive came under fire in the UK from both Government and Opposition when it was debated in the House of Commons on June 28, 1978.

The draft directive is still under

consideration by the Working Party of the Council of Ministers. They will now have to take account of the Minister's final statement to the House of Commons on June 28, 'I do not want to see these traders subject to any more onerous obligations than the Consumer

Credit Act would impose . . . if that is not possible to achieve by negotiation and by agreement with the Commission and with our partners in the Community, I shall most certainly resist to the last any provision to include them in the directive'.

The Commission replies

We recognize that agency mail order satisfies a consumer requirement. So do other types of trading away from business premises. However, this type of trading can give rise to abuse.

Both the UK authorities and consumer groups recognize that abuses can occur. If the Commission had not made a proposal in this field for the whole Community, the UK Government would have done so nationally, and has stated as much.

It would be wrong for the Commission's proposal to discriminate between agency mail order and other forms of trade away from business premises. The UK Government shares this view. The Minister (Mr. Fraser) indicated in the House of Commons that mail order traders ought not to have a privileged position outside the rules. Mr Finsberg quotes some of the Minister's words. If he were to complete the quotation, it would be clear that the Minister did not want to see mail order traders excluded.

It is simply not true that the directive would generate 'an extra 790 million pieces of paper'. The directive would require contracts to be made in writing. As Mr Finsberg points out, most agency mail order business is on credit terms. UK consumer credit legislation also requires

contracts to be made in writing.

The amendment proposed by the Commission which would forbid the trader from accepting any payment during the 7-day cooling-off period is, in fact, one of several amendments put forward by the European Parliament which the Commission accepted. Thus, it cannot validly be claimed that the Commission has been 'unresponsive'.

It should be pointed out that the proposal does not affect the payment of any deposit which may be required by national law.

Mr Finsberg may have a point about the undesirability of a 7-day cooling-off period after the 14-day approval period. It should be noted, however, that a consumer in the UK may, under the terms of the Consumer Credit Act 1974, cancel a credit agreement made away from business premises within five days of the trader sending him a copy of the agreement. The Commission's proposal does not therefore represent a significant innovation in this respect, compared to what is already on the statute book in the UK.

Notwithstanding this, the relationship between the 7-day cooling-off period and the 14-day approval period is a matter which can be discussed in the Council Working Group.