

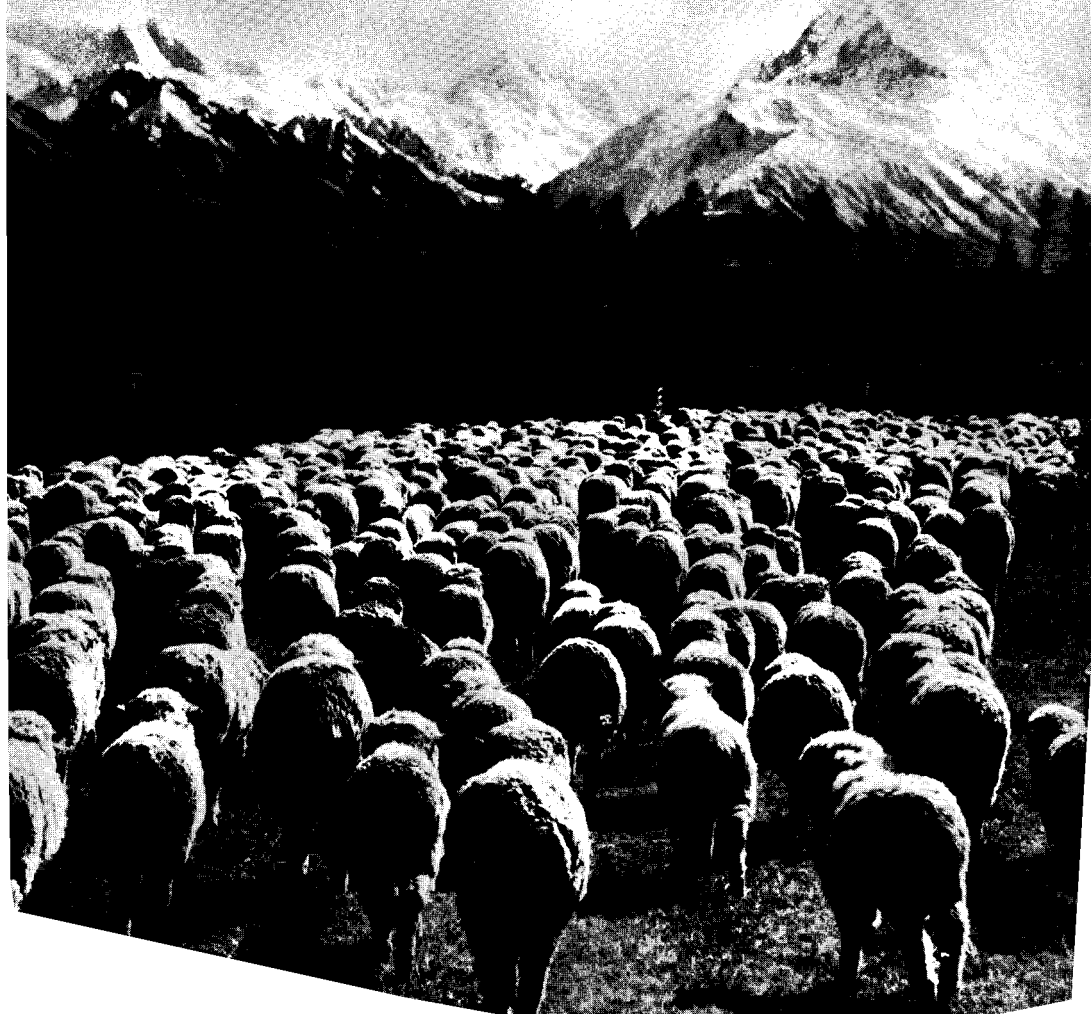
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Lost Sheep





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New Zealand and Europe

NZ needs secure access to Europe for its butter and lamb by the Hon. L. W. Gandar, High Commissioner for New Zealand in London

New Zealand depends upon its export trade to earn its livelihood. Any country which relies heavily on exporting, whether it specialises in agricultural or industrial production, needs secure access to markets and reasonable scope for growth within them, if it is to maintain a healthy economy. New Zealand is no different. Yet it is precisely in these areas, through eliminating the prospects for growth and diminishing established levels of access for some of its most important products, that the European Community threatens New Zealand's livelihood. Trade with the Community, particularly in butter and lamb exported to Britain, is as vital to the New Zealand economy today as it was when Britain joined.

Following the colonization of New Zealand in the middle of the nineteenth century, it was inevitable that the dominant economic relationship for the new society would be with Great Britain. Britain could supply the manufactures which the settlers needed, and in turn needed the food which they began producing following the hard, pioneering effort of breaking in the land. Britain's liberal policy towards agricultural imports, and New Zealand's natural advantages of land and climate, combined with the advent of refrigerated vessels in 1882, permitted the growth of an export trade in competitively priced meat, butter and cheese and other agricultural products which stretched 12,000 miles across the world.

The development of New Zealand's economy, its growth from a handful of scattered settlements to a modern technically advanced nation in little more

than a century, has been based on this trade in competitive farm products. Today the economy is becoming increasingly diversified and sophisticated. Farming occupies only some 12 per cent of the population. It is, however, of crucial importance to the national economy. Agriculture contributes 70 per cent of New Zealand's export earnings: the dairy and sheep industries on their own contribute 60 per cent. It is the receipts from this agricultural trade which must continue to finance the bulk of New Zealand's purchases of raw materials and finished goods, as well as covering the large deficit New Zealand has on invisible transactions such as freight, insurance, travel and debt servicing. With the European Community member states this deficit is about £195 million.

CAP threat

With an economy so heavily dependent on exporting farm products the post-war trend towards increased agricultural protectionism in the developed countries has been a blow to New Zealand. The trend has not been confined to Western Europe. But it is the Common Agricultural Policy (CAP) of the EEC which, with the accession of the United Kingdom, has placed New Zealand's most vital trades at risk.

It is natural that any country — or economic community — should have a policy or strategy for its agriculture. And New Zealand has no quarrel with the basic objectives of the CAP as set out in the Treaty of Rome. The problem lies in the way these objectives are interpreted.

New Zealand's objections to the CAP as it operates at present are threefold. First it is based on the premise that prices must be set to assure an income to the highest cost producer. While it is understandable and necessary that small farms be assured of a reasonable livelihood (though not completely insulated from economic pressures) the internal consequences on demand and production of doing this through protected high price levels is well known. What concerns New Zealand particularly is that the price levels are maintained through measures at the frontier which drastically limit or effectively exclude imports from 'third countries'.

This leads to New Zealand's second objection. Although Community self-sufficiency is not included among the objectives of the CAP, third countries are treated not as legitimate competitors and trading partners but as residual suppliers. The opportunity for third countries to supply, for instance, beef, varies from year to year according to the availability of Community production. Third countries are expected to be the balancing factor, to have supplies available when required but to dispose of them elsewhere when Community production is plentiful. That is no basis for an economic and lasting trade.

The third objection is to the practice of selling off the Community's surpluses in export markets with the aid of subsidies. For New Zealand the export of farm products, far from being a surplus disposal operation, is the main source of the country's vital foreign exchange

earnings. It cannot afford to provide massive subsidies for its producers. Yet time and again it finds itself competing with Community production which may be selling for scarcely more than a third the price the producer has received.

No other outlets for butter

Recently the Commission produced a report which is to provide the background against which member states will decide what provision to make for imports of New Zealand butter into the Community beyond 1980. In documenting the way New Zealand's sales to non-Community markets have declined over the last four years at the same time as the corresponding figures for Community exports have risen dramatically, the report itself illustrates why New Zealand has found it difficult to diversify away from its traditional markets. As one journalist commented, 'It cannot be easy finding new markets when the EEC is prepared to export regardless of cost'.

For this and other reasons, New Zealand has been unable, despite vigorous efforts at market diversification, to find an alternative to the British market for a large part of the 170,000 tonnes of butter it formerly sent there. The Community recognised the nature and magnitude of the problem in agreeing, at the time of British entry, to special arrangements to allow New Zealand to continue to send limited quantities of butter and cheese to the United Kingdom. Access for cheese has now been terminated (although provision for a small quantity is part of the GATT arrangements now under



consideration); butter is down to 115,000 tonnes in 1980. Arrangements for access after 1980 are now under review. The cuts imposed so far have necessitated major adjustments in New Zealand. New Zealand sees the present level of access as a minimum requirement if its economy is not to suffer grave damage.

While confronting squarely the difficulties created by the present milk surplus the Commission has accepted unequivocally the need for continuing substantial access for New Zealand butter. To sacrifice New Zealand would not solve the problem of excess production in Europe, the result of high guaranteed prices which have encouraged increased production while contributing to the decline in consumption. It would mean the difference between viability and decline for the most efficient dairy industry in the world: as the Commission itself has concluded, alternative outlets simply do not exist for the bulk of New Zealand's present exports to the Community. In seeking reasonable conditions of price and access to the Community market, New Zealand is asking for the minimum necessary to enable its dairy industry to continue to make its essential contribution to the country's economic development.

Europe needs NZ lamb

The other major concern New Zealand has in its trade with the Community derives from the proposal to establish a common sheepmeat regulation. What New Zealand opposes is the adoption of any measures which would threaten to disrupt its long-standing trade with the Community. The Community is only 60 per cent self-sufficient in lamb and mutton and New Zealand supplies most of the balance, including almost half of Britain's total consumption. It is scarcely surprising that New Zealand should reject the claim that the trade in lamb to Britain that has been going on for 97 years is a distortion of the Community trading pattern. It is, on the contrary, an integral and essential part of it. Efficient New Zealand production has been welcomed, not only in Britain, but in many other

Community member states, as a contribution to the maintenance of reasonable food prices in Europe. New Zealand is by no means alone in its opposition to the introduction of any sheepmeat regulation that would have the effect of impeding imports or of artificially raising prices so that consumers can no longer afford to buy the lamb they want.

Shared basic values

If the future of its butter and lamb markets are the key issues in New Zealand's trading relationship they clearly represent only a part of the total trading picture. The Community is New Zealand's largest market, but it is also its main source of imports. While the visible trade balance favours New Zealand, the inclusion of invisible items such as freight, travel, insurance and interest payments swings the account in the Community's favour. It is a striking fact that every man, woman and child in New Zealand spends an average £62 a year in the European Community on these invisible items alone.

The economic relationship is, in fact, of considerable value both to New Zealand and to the Community. To New Zealand it represents irreplaceable markets, indispensable export earnings and a vital source of technology. To the Community New Zealand represents a valuable if inevitably small trading partner and a good customer for its shipbuilding industry, its shipping lines and financial institutions. But New Zealand has something more to offer as well, the importance of which the Community should not underestimate.

New Zealand is deeply aware and appreciative of the role of the European Community in creating prosperity and peace in Europe. New Zealand shares the same fundamental values as the Community. It is a stable and genuinely democratic society. While it remains economically healthy and prosperous it can make an important contribution to the prosperity and stability of the Asia-Pacific region. It is important that the Community should not, by its trading policies, undermine New Zealand's capacity to fulfil that role.



Lomé II

New trade and aid agreement between the EEC and 58 African, Caribbean and Pacific (ACP) states

Kaye Whiteman of the European Commission staff, who attended the signing of the Lomé I agreement in 1975, returned to the Togolese capital in West Africa for the signing of the new agreement on 31 October 1979. He reports on the colourful ceremonies and notes a new realism in the Lomé II agreement. The externals in Lomé were unnervingly the same, despite much new building, notably the opulent new hotel Sarakawa, shaped like the bridge of an aircraft carrier, where many of the delegations stayed.

There were the same banners over the roads in the town (like Vive Surinam! Vive le Président Arthur Ferrier!), to give one a crash course in EEC-ACP geopolitics. There were the same portraits of the heads of state of the two groups, although time had wrought a few changes. The Grand Duke of Luxembourg and Dr. Carstens were shoulder to shoulder with Dr. Banda, the King of Tonga, and,

spankingly up to date, the new President of the Central African Republic, David Dacko.

As in 1975, there were the cheer leaders trained in North Korea, groups of Togolese singers and dancers engaging in corporate mime and song, waving wooden hoes, or singing a Togolese version of 'Marching through Georgia' to exhort the EEC and the ACP to greater solidarity. One catch-phrase was: 'in Togo there is freedom of expression'.

The setting was likewise the same: the headquarters of the RPT party (Rassemblement du Peuple Togolais) re-painted and carpeted for the occasion. There were the same salesladies in the foyer, encouraging delegates to purchase EEC-ACP cloth for wrap-around garments: and in the hall itself (the 'largest conference hall in Africa') the same towering portrait of General Gnassingbe Eyadema, President of Togo ('great helmsman and guide') which in



1975 also dominated the proceedings.

The form of the ceremony was also a re-run: the Mayor of Lomé who spoke in 1975 had been scheduled, but was replaced at the last minute by Ayite Gachin Mivedor, a senior party official, who warned the assembled EEC and ACP, plus cheerleaders, of the ever-present danger of mercenaries, and thanked friendly powers (in the EEC?) for their help in exposing a recent plot. Then there came the two Presidents of the EEC—ACP Council of Ministers.

On the EEC side, as in 1975, it was the Irish Presidency, only this time there was Michael O'Kennedy instead of Garrett Fitzgerald. For the ACP, who in 1975 were represented by Senegal's Finance Minister, it was the Deputy Premier of Barbados, Brie St. John, reminding the gathering by his presence that the Caribbean is one of the component parts of the ACP.

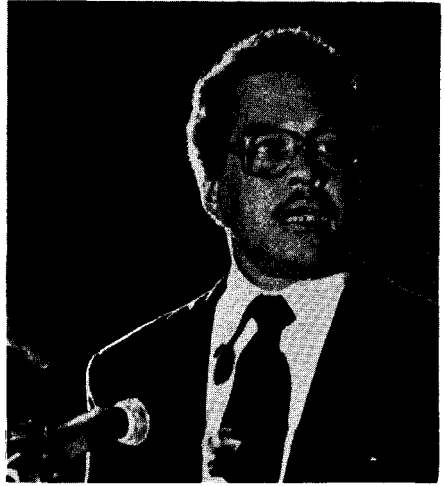
Claude Cheysson spoke for the Commission, followed by Mme. Simone Veil, President of the European Parliament, who bore witness to the fact that the parliament is involved in the Convention through the joint EEC—ACP Consultative Assembly. The last speech, as in 1975, was that of the Togolese President, interjected by praise-shouts from the cheerleaders, which also accompanied the signatures which followed.

There were 66 signatures — the only one left unsigned was Dominica (which was remedied two weeks later at a ceremony in Brussels). There were three other absentees, who had found others to sign for them — Tuvalu, for whom Fiji signed, and the Solomon Islands and Kiribati, both of which had mandated the British Minister of State, Douglas Hurd who, accordingly, looking pink but dignified, signed three times. Then the ceremony ended, and the participants left with the sound of the cheerleaders ringing in their ears.

From experiment to policy

But was it the same as 1975? Is Lomé II simply a re-run of Lomé I?

There are new provisions in Lomé II,



Mr St. John, Barbados Ambassador, President of the ACP.

the minerals system, the investment guarantees, the Agricultural Technical Cooperation Centre. It remains to be seen how they will work in practice. In the past four years we have seen the difficulties of operating the industrial cooperation chapter, and the trade promotion provisions; this time round a new deal is expected in these sectors.

In the past four and a half years, too, there has been a campaign in the Community for the introduction in some form of a mention of human rights. Although this does not finally figure in the Convention, four of the speakers (O'Kennedy, Cheysson, St. John, Eyadema) referred to the human rights issue. Mr St. John, speaking for the ACP, was very forthcoming ('we are militants for human rights') and President Eyadema expressed some of the ACP reserves on the question, saying that it was time the idea of human rights was replaced with the concept of the right to a 'vital minimum'. Moreover, if the ceremony looked like history repeating itself, this time the atmosphere surrounding it was more cautious. As Mr St. John put it, 'we must avoid the heady superlatives of some time past'. This realism had already marked the negotiations, symbolised in the way in which discussions between EEC and ACP

on the text had continued until the mid-morning of the day of the signature, to the point that the Togolese President had to throw his own prestige into the balance in order to ensure that the ceremony, already late, happened as planned.

The lack of illusions was reflected in the speeches. Nobody described Lomé II as 'revolutionary', and both Mr O'Kennedy and M. Cheysson spent some time recognising the shortcomings before passing on to the more positive aspects. The keynote phrase was coined by M. Cheysson who said: 'what has been an experiment has become a policy'.

One particular virtue of the Lomé package lies in the provisions for encouraging regional cooperation which can contribute to that development of intra-ACP relations which Mr St. John in his speech predicted might 'well become the signpost pointing the way to the development of the developing world'.

The value of this comes home to you if you travel in any of the ACP regions (as I did in West Africa just before the Lomé ceremony). West Africa, with its patchwork of English/French/Portuguese-speaking states, is a telling example of the confusion created by Europe's colonial legacy of artificial frontiers. Right on the doorstep of the signing ceremony, near the centre of Lomé, you come across the Ghana border post, making Lomé an African Berlin — without a wall, it is true, but with a real and absurd barrier, a barrier created by European 19th century politics.

Regional cooperation

One of the positive effects of the Lomé Convention has been to help create a climate more conducive to regional cooperation, and West Africa is a good example. The Treaty establishing the West African Economic Community (ECOWAS) grouping 16 countries of the region was signed three months after Lomé in 1975. Although there were many pressing factors leading to its establishment, there is no doubt that whereas previously the relationship of some countries of the region with the EEC had served as a divisive force, the fact that

all came into Lomé encouraged mutual confidence.

Although ECOWAS even now is only beginning to get off the drawing board, and the only direct assistance under Lomé I has been the provision of technical assistance in the harmonisation of tariff nomenclature, in Lomé II cooperation is bound to increase. There are also a number of ways project assistance can help further regional unity, such as the EEC contributions towards sections of the 'ECOWAS Highway' which should eventually link Dakar with Lagos.

A number of Lomé assisted projects in the field of regional cooperation are already visible, such as the installations at Tabligbo and Lomé of the CIMAO (the West African Cement Company) which will become operational in January. This is designed to serve the markets of Togo, Ghana and Ivory Coast with clinker. I also visited the site of the Kpomg dam now being built on the Volta river in Ghana, which although destined to meet Ghana's own increased needs in electricity consumption, will continue to permit the existing dam at Akosombo to continue to furnish Togo and Benin with cheap power.

Further along the coast, the Mano River Union between Sierra Leone and Liberia (one of many smaller-scale efforts at regional cooperation in West Africa) is receiving assistance from Lomé in a number of fields such as telecommunications and industrial development. And in the critical sector of rice — increasingly West Africa's main staple food — the invaluable work being done by the West African Rice Development Association (WARDA) in Monrovia is also receiving a grant from the European Development Fund.

These are only a few examples, but the increase in Lomé II of money for regional cooperation from 10 to 15 per cent of the total fund (which in practical terms means 600 million EUA instead of 300 millions in Lomé I), will justly bring this sector further to the forefront.



Europe lags behind the US and Japan in new information technologies

The European Commission would like to see the Community supplying, as well as providing, one third of the world market in telecommunications, computers and related electronic equipment, Roy Jenkins, President of the Commission announced recently.

Speaking in Paris last September Viscount Davignon, the Commissioner responsible for industry, pointed out that compared with its competitors, America and Japan, the Community was not keeping pace with the electronic revolution. Europe, he said, tended to measure technological innovation rather in terms of jobs lost than in terms of the jobs it would create. This was typical of a society overtaken by age and putting security as a top priority.

Both he and the President emphasised the need for a common Community strategy, designed to unblock some of the existing constraints between member states, to produce common standards and inter-operability of equipment, to take advantage of the large volume of public purchasing power in promoting unity of the Community market, and to coordinate and rationalize research and development in this field within and between member states.

As a step towards implementing such a strategy the Council of Ministers adopted, at its September meeting, a four year Community programme for the development of data processing, covering the period 1979-1983.

Import dependence

As far back as 1974 the Council of Ministers expressed concern about the future of the data-processing industry but the situation today, as described by Viscount Davignon, has shown little improvement. In 1978, while the Community market represented about one-third of the world market in telecommunications, 29 per cent in informatics, and 25 per cent in components, European industry failed even to supply these needs in a vast and growing sector. It supplied only 30 per cent of telecommunications, 16 per cent of informatics and 10 per cent of components. Increasingly, therefore, the Community is having to rely on imported electronic equipment, creating jobs and markets for its competitors, but failing to supply them for its own nationals.

The situation on components is particularly serious. Forecasts suggest that the world market here will grow from \$6,000m today to \$80,000m by the end of the next decade. Components will be increasingly used in the manufacture of products and in services, such as the car industry, machine tools and household appliances. Unless the Community is to be squeezed out of this lucrative market by America and Japan, urgent action is necessary.

Community assets

The Community has certain major assets which at present it is failing to utilise.

*Telematics (from the French neologism *télématique*) means the combination of information transmission and processing facilities based on integrated circuits ('chips'), computers and their environment, and new transmission techniques.

Overall it has an internal market of about the same dimension as the United States, but this remains fragmented by technical rules and barriers, by national preferences and jealousies, and by the juxtaposition of public monopolies, as in telecommunications. Europe simply cannot risk the luxury, for example, of a differing digital network because it cannot agree on a European system.

Public authorities are major buyers of informatics; the Community share of world public sector buying (35 per cent) is almost the same in value as in the USA, but once again fragmented markets put a brake on development.

Such weaknesses can only be overcome by a unified approach and a coordinated strategy to introduce an element of European preference, particularly in the case of new products and new techniques.

The Commission emphasises that it is not urging the harmonization of all public markets in informatics; these will remain regional or national, although they should be progressively opened to all Community producers.

What it would like to see is coordination of national programmes on research and development, particularly as they affect telecommunications (including satellites) and components. The strategy would not mean Community centralization or interference with national programmes, but rather coordination at Community level in consultation with operators, governments and the Community institutions. The major objective would be to avoid fragmentation and duplication of research, which too often costs member countries dear and uses up money that could be better applied elsewhere. Viscount Davignon suggested that the strategy should cover four major areas: *standardisation of equipment* in telecommunications, with a view to evolving an integrated digital network among the Nine and to better coordination on satellites; *harmonization of interfaces* for computers; a common programme on the *development of components* for data processing; and the

speeding up of the establishment of *data banks*.

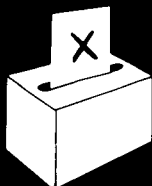
The 1979-83 programme

The four-year development programme on data processing, approved by the Council last September, attempts to put into practice in one sector the strategy outlined by Mr Jenkins and Viscount Davignon.

Its origins, however, go back to the 1974 Council Resolution, and follows some preliminary work already in hand. The programme seeks to build on this, and includes projected studies of the impact of data processing on employment and on society, and problems of confidentiality and data security. The programme concentrates on *general measures*, covering standardisation policy and public procurement, and on *promotional measures* concerned with general software and applications. The Council has allocated 25 MEUA (£16.25m) to the programme, with 10 MEUA (£6.5m) for the general measures, and 15 MEUA (£9.75m) for promotional measures. The Council also set up an advisory committee for the management and coordination of data processing programmes.

Microelectronics

The Council also noted the critical importance of microelectronic component technology to the development of European industry, and invited the Commission to examine the possibilities of coordinating national projects in this sector and to submit, before March 1980, proposals for specific joint projects at Community level involving undertakings from several member countries. The Commission was also asked to examine developments in the Community of production of advanced equipment and methods needed to realize a leading European capability in micro-electronic technology.



Second thoughts on Europe

Opportunities for a more whole-hearted British participation in the EEC

'For several years now the Community has been hindered, even crippled, by a grudging acceptance of membership by Britain. The combination of new developments in the Community and attempts to tackle issues which cause problems for Britain provides the opportunity both for a more whole-hearted British participation and a more effective Community.'

This was the central theme of a recent talk to the Conservative Party Bow Group by Christopher Tugendhat, European Commissioner and former Conservative MP. Mr Tugendhat discussed the special reasons why Britain's role in the Community had been an uneasy one so far — the difficulties of political adaptation, late arrival as a member, the world economic crisis, poor British economic performance, divisions in the British Labour Party, and particular British problems on the budget and the common agricultural policy.

Political adjustment

'Joining the Community has involved a major and difficult political adjustment for the British people' said Mr Tugendhat. 'The Community is Britain's first permanent peacetime engagement on the continent since the Middle Ages, so we should not be surprised if our focus takes time to adjust.'

Nor had joining the Community 16 years after its establishment made things any easier, he said. It was inevitably less satisfactory than being one of the founder members, helping to frame the Treaty and laying the basis of the policies pursued.

'It is not surprising in these circumstances that we find the Community framework less than a perfect fit for the British shape. But with a little wear I think we may begin to feel more comfortable.'

No panacea

The Commissioner challenged the view that because economic success had not followed Britain's accession EEC membership had not been a success. The Community offered no panacea for our economic problems.

'Looking at Britain's economic performance over the past six years and at the chilly economic winds which have buffeted all our economies one is driven to wonder how much worse off Britain might be now if she had remained outside the Community' he added.

Treating meetings of the Council of Ministers as a virility contest between the British and the foreigners as some Ministers had done had not been conducive to a constructive attitude to the Community by the British public, or to a helpful approach to our problems by our partners.

Mr Tugendhat recognised that the UK had particular problems on the CAP (Common Agricultural Policy) and the budget. He believed that though the principles of the CAP were sound, its practice left much to be desired. The problem of surpluses could, and he believed would, be dealt with in the foreseeable future. The Commission, for its part, was determined that it should be. He also believed there was now

widespread recognition of the need to tackle the British budget problem.

British drive

'There is now a new opportunity for Britain to add drive to the Community enterprise. The directly elected Parliament, the increasing co-operation on economic and monetary matters, common efforts to renew our industrial strength and meet the challenge of new technologies, the energy crisis, the prospects of enlargement — these are the big issues which affect us all and in which the Community is deeply involved.

'If the British cease to have a sense of grievance about the Community, and if the Community sees Britain not as a handicap but as an active and constructive member, then I believe the political climate of the Community can be significantly changed and we will all be much better able to meet the challenges which lie immediately ahead.

'It is time for second thoughts on Europe, second thoughts which raise our sights and restore a sense of national purpose, and allow us to make the contribution to the Community of which we are capable', Mr Tugendhat concluded.

Bridging the gap

"If Europe as a community is to mean anything, we must concentrate on the matters which bring us closer together. I mean this in the literal sense as well as figuratively. The fixed Channel link, whatever its form, can do just this" said Sir Horace Cutler, Leader of the Greater London Council, when he addressed delegates to a seminar on 'Transport — The European Dimension' at County Hall early this month. Among them was Mr Richard Burke, the EEC Commissioner for transport, who presented the EEC Green Paper on the role of the Community in the development of transport infrastructure.

Sir Horace continued, "My interest in the link is not entirely altruistic, though. Its importance for London is immense, and if I do nothing else today I must bang London's drum. We have the land, the know-how and the will to provide the English terminal and it is my intention that we get it."

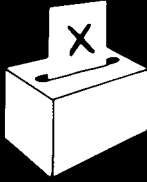
Why? What? When?

"Why, particularly at this time, should the Commission develop a policy for transport infrastructure?" asked Mr Richard Burke. "I can be very positive. An effective solution to the Community's long-term transport needs is only to be found at the Community level. There are many very important obstacles like the Channel, the sea crossings in Denmark,

the Alps, the Straits of Messina. For various reasons, mostly good sound national budgetary ones, projects designed to overcome these barriers have been placed at the back of the queue for funds. I believe we should look for a solution at Community level."

As to the question "What role?", Mr Burke said: "I am not suggesting some Orwellian extension of Brussels bureaucracy to encompass all aspects of Community infrastructure planning. Rather, the object is to add to the existing system a further dimension, the "Community interest" dimension when the costs and benefits of a project are measured, the effects the project has beyond national frontiers throughout the Community should in future be included. Possible adverse effects on the environment and quality of life must be among the costs to be taken into account."

Turning to the question "when can we expect results?" Mr Burke said, "We are clearly to a large extent in the hands of the Council. The financial regulation has to be approved before progress can be made. Assuming it is approved next year, what would be the result? In the short term, first priority would be given to examining solutions to obstacles which are already well known. Many such black spots exist which call for urgent attention. Here the Channel comes immediately to mind. The Commission has a study underway intended to identify the Community interest of a fixed crossing.



New deal for air travel?

Hopes for lower fares on European flights

Mr Richard Burke, European Commissioner responsible for transport, explained the Commission's position on air travel at a recent meeting of the Royal Aeronautical Society in London.

The Commission advocates the wider application of low tariffs in the Community. There is already a wide variety of low tariffs available at the moment but there are many restrictions on the use of low fare tickets which mean that their utility to many travellers, and particularly to leisure travellers, is limited. This is very much in tune with what many airlines are trying to do.

Inter-regional services

The possibilities for the development of new scheduled services should be increased, particularly new cross-border inter-regional services. There have been a number of very encouraging developments in this area in the recent past. Good examples are services from Manston to Rotterdam and Brussels, from Cork to Rennes, from Bordeaux to Barcelona. In addition, there should be greater possibilities for 'new' operators to enter existing routes in the Community and to offer services on new routes. If the licensing authorities of the country of origin of the airline concerned were prepared to authorise the proposed service, the authorities of the country of destination should not, after a certain consultation period, be able to reject those services except on operation and congestion grounds.

Consideration should also be given to liberalising the conditions of operating

non-scheduled air services.

More generally, the development of a greater degree of flexibility in services, the rationalization of route networks and the introduction of a greater degree of competition in European air services will create the need for the civil aviation authorities to adopt a new approach to licensing — more uniform, but more liberal than at present.

Community measures

The implementation of these measures would require the adoption of Community rules in a number of areas. These are:

- regulations applying the EEC competition rules to air transport;
- criteria for granting state subsidies;
- measures concerning the right of establishment;
- the stabilisation of exchange rates for tariff construction;
- a compensation system for passengers affected by overbooking.

As far as airline operating costs are concerned, the Commission proposes a series of measures to simplify the formalities with which airlines must comply. This is in line with the general aim of further developing the Customs Union, and eliminating obstacles to the free movement of persons and goods within the Community. The Commission also suggests an examination of the harmonization of technical standards for aircraft. Studies have also been ordered on working conditions in the aviation industry within the Community and on the mutual recognition of qualifications of air-crew and ground staff.



Agricultural

The Common Agricultural Policy of the European Communities by Rosemary Fennell (Granada Publishing, 243 pages, £6.95)

In the belief that too many books on the Community's agricultural policy have been written for experts rather than the general reader, Rosemary Fennell of the Institute of Agricultural Economics at Oxford University has written a straightforward introduction for the benefit of students and teachers in political science, economics and agriculture, businessmen in agrifood industries, and farmers themselves. In lucid style she outlines the history of the CAP and explains its administrative and institutional bases, not forgetting the complexities of the 'green money' system.

Provinces

A tale of five cities – life in provincial Europe today by John Ardagh (Secker & Warburg, 457 pages, £8.95)

After his well-known book *The new French revolution*, John Ardagh here extends his canvas to western Europe, looking at society, work and leisure in Stuttgart, Toulouse, Bologna, Newcastle-upon-Tyne and Ljubljana.

A sample of chapter headings gives some idea of his approach: the Swabian soul, godliness next to cleanliness; Don Camillo and the bourgeois bolsheviks; happy sing-song hedonists in a gastronomic desert; textiles turn trendy as Concorde flounders; worker-management theory and moonlighting practice. Altogether a good read and a help

towards a better understanding of our European partners.

Socialism

Europe: a socialist strategy edited by Peter Ebsworth (EUSPB, 234 pages, £2.75)

This book is written by members of the Young European Left (YEL) who believe that a Labour Britain in a progressive EEC is the best hope for the future. After describing the history of Labour's involvement with Europe ("not happy reading" says Lord Thomson in the introduction), the authors look at the main Community policy areas. They advocate greater public spending and increased public control and show that often the Community is a better vehicle for redistributing resources than the nation state.

Energy

Energy in France: planning, politics and policy by Dr N. J. D. Lucas, Lecturer in energy Policy at Imperial College, London (Europa Publications, 220 pages, £15)

France is currently pushing forward with a large nuclear programme which makes one of the most interesting parts of this book its comprehensive and objective discussion of the French anti-nuclear movement, including a compelling account of the Creys-Malville demonstration. In this and other energy sectors, the author succeeds in throwing light on the history of French energy policy and the forces which shape it.

Multinationals

Europe, Latin America and the Multinationals by Prof B. Lietaer (Saxon House, 273 pages, £9.50)

In an intriguing analysis, the author predicts the most likely sequence of events and policies to be followed by European multinationals operating in Latin America over the next ten years. Likely changes will work against the objectives of Latin American governments and the European multinationals. So a second analysis proposes a new set of policies which would involve Europe no longer treating Latin America as a 'poor relation' in foreign affairs.

Work

Humanization of work in western Europe edited by the European Association for Personnel Management (Institute of Personnel Management, 227 pages, £8.50) This is the published version of papers presented at the congress of the EAPM in Madrid in 1977 covering the worker's rôle in his organization, his education and training and the attitudes of trade unions and employers. In the words of one speaker "No-one should go joyless to work just to earn a living. No-one should be straight jacketed physically or psychologically because he conscientiously performs his function every day. No-one should be the slave of a machine or a system".

Also from the EAPM is *Management Unionization in western Europe* (117 pages, £10), a report examining the situation in a number of countries and suggesting some of the factors which influence it.

Economics

Economic policies of the Common Market edited by Peter Coffey (Macmillan, 212 pages, £12)

Agriculture, industry and competition, social, fiscal, trade, monetary, transport, regional and energy policies – each one is examined from both theoretical and practical viewpoints. The results of the policies are assessed and each contributor makes his proposals for future changes.

Crisis

A continent astray: Europe 1970-1978 by Walter Laqueur (OUP, 293 pages, £7.50)

It can be salutary sometimes to see yourself as others see you even if, as in this case, the beholder's eye is a jaded one: "Europe of the 1970s presents a melancholy picture of fragmentation, internal squabbles and aimlessness". The author, a well-known American political commentator, does not however feel that "a new ice age is a foregone conclusion". He sees potential for hope in the EEC, quoting Jean Monnet who once said that the great crises are the great federators and it is precisely at a time of adversity and acute danger that energies needed for a new awakening are released.

Negotiations

25 years of European Community external relations by Edmund Wellenstein (published by the European Commission, available from HMSO, 40 pages, 50p). The author, formerly Commission Director-General for external relations, surveys the most important negotiations since 1952 and the many agreements concluded between the European Community and the rest of the world. These are conveniently listed at the end of the book.

Enlargement

Spain, Portugal and the European Community (University Association for Contemporary European Studies, 62 pages, £1.80).

These are the papers presented at a conference at the Iberian Centre, St. Antony's College, Oxford in October 1978. Apart from general and political papers, special emphasis is placed on Spanish agriculture and industry, Portuguese agriculture, and social and regional problems.

Also published recently by the UACES is their *Register of Research into European Integration 1978*, 90p). Both available from UACES Secretariat, Kings College, Strand, London WC2R 2LS.



Summer song

The theme for the International Composers Competition at the 1980 Stroud Festival will be a song or group of songs for baritone and piano. They may be in any European language and total performance time must not be more than 15 minutes. Applicants should be under 40 on the closing date, April 30, 1980. Details from: IC Secretary, Lenton, Houndscroft, Stroud, Glos. GL5 5DG, England.

Summer school

Five British universities are organising summer schools in 1980 for graduates and final year undergraduates, from July 7 to August 15. Each has chosen a theme related to its special academic and cultural resources:

Birmingham (at *Stratford-upon-Avon*), drama and theatre in the age of Shakespeare; *Canterbury*, culture and society in the later middle ages and the renaissance; *London*, Victorian literature and the arts in London; *Oxford*, British literature, history and society from 1870 to the present day. More information from: British Universities Summer Schools Joint Committee, 26 Russell Square, London WC1B 5DP.

Summer time

For the first time, all EEC countries will move over to summer time in 1980 – from *April 6 to September 28* in Denmark, Belgium, Netherlands, Luxembourg, Germany, France and Italy – from

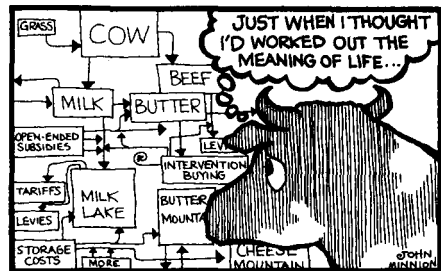
March 16 to October 26 in the UK and Ireland.

Unemployed

For the first time since March 1979 the number of persons registered at public employment offices in the Community rose to just over 6 million. Unemployment as a percentage of the civilian working population rose from 5.5% in September to 5.6% at end-October 1979.

£83m from Social fund

The European Commission has announced a second allocation of 1979 Social fund grants for the UK totalling £83m. This follows a first allocation of £36m in July. Money from the fund is used to assist national employment training schemes, with special emphasis on helping the unemployed, particularly the young, in the poorer regions. Last year some one million workers throughout the Community benefited from the Social fund, which totalled £381m.



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