



The good ship 'Sauve qui peut'

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The British Government's decision to have a seat of its own at the coming world energy conference in Paris was widely criticised during an emergency debate in the European Parliament on Thursday 16 October. Parliament passed, by a large majority, a resolution expressing "concern at such attitudes", and calling on national governments "to speak with a single voice on such occasions".

The original motion down for debate, sponsored jointly by the Christian Democrat and Liberal groups, had been a good deal more outspoken than that. It named Mr Callaghan personally, and declared that Britain was in breach of Article 116 of the EEC Treaty. British Labour Members reacted angrily. Michael Stewart found the resolution "heavy-handed" and "defamatory"; Mrs Gwyneth Dunwoody "a very empty and sterile propaganda effort"; and Willie Hamilton "a cheap, irresponsible, tawdry party trick. . . ." Even Lord Gladwyn, from the Liberal benches, doubted the wisdom of pillorying anyone "for acting in what he doubtless considers to be in the interests of his country".

Most Members, indeed, seemed to agree with Commissioner Soames that Parliament should "discuss the matter in the measured and undramatic fashion that it deserves". They also agreed with him, however, that the Community's Member States should speak with one voice at the conference. "The record shows," noted Tom Normanton when proposing the more moderate, and ultimately successful resolution on behalf of the European Conservatives and the European Progressive Democrats, "how, whenever a crisis has arisen, someone deserts the ship, takes to its own private lifeboat and leaves the rest of the crew to fend for themselves. *Sauve qui peut* replaces the name of that ship which originally was named European Community". Gerhard Flämig (Ger),

supporting an even more moderate motion from the Socialist Group, was against "brandishing a big stick", but likewise stressed the need for the Community to speak with a single voice.

There were some doubts as to how far this could be achieved in practice. "Problem after problem will always be arising," Michael Stewart pointed out, "in which one or another of the Nine has a special interest not entirely according with those of the rest." John Evans (Soc/UK) went so far as to say that "the Common Market cannot represent Britain's interests at this vital conference for the simple reason that the interests of Britain and the other eight Member countries are diametrically opposed".

Michael Yeats (EPD/Irl), however, was clear that a matter of principle was at stake: are we members of a Community, do we accept the obligations of membership? What, indeed, was the British government up to? "I believe that the statement that Mr Callaghan has made in public is too simplistic to be accepted at its face value," said Mr Hamilton; and Gerd Springorum (CD/Ger) announced that the British, "astonishingly", had been very cooperative at the preparatory conference that morning.

So the debate ended on a note of hope, with some adroit repartee by Socialist leader Ludwig Fellermaier giving even his Group, whose own resolution was not voted on, something to cheer about.

Harsh words for 1976 Budget

The "first reading" of the 1976 Budget in Parliament on Wednesday 15 October promised plenty of tough bargaining between Parliament and Council before the somewhat byzantine budgetary procedure is complete. Of the 1976 draft before them, not one Member had a good word to say. Words like "disaster", "an insult", "hypocrisy" flowed freely; and Peter Kirk (Con/UK) sympathised with President of the Council Mario Rumor for having to defend a case with which he patently disagreed. Even Commissioner Cheysson confessed to "agony", "disquiet" and "astonishment" at what the Council had done to the Commission's original draft.

Criticisms were of both procedure and substance. Michel Cointat (EPD/F), Parliament's rapporteur, noted that the budget ran to seven volumes and over a thousand pages, yet Parliament had only had eight days to consider it. Peter Kirk complained that "we do not have the faintest idea of what the sum is of which we are to dispose".

Complaints of substance centred on the apparently arbitrary cuts which the Council had made in the Commission's original estimates for social, regional, research and overseas aid spending while leaving 75% of the budget — "the sacred cow of agriculture" — untouched. The Commission's budget, Lord Bruce (Soc/UK) declared, at least presented an intelligible plan. True, the Council had hinted that some of the cuts might be restored in supplementary budgets: but this was "to reduce the budgetary procedure to a complete farce".

Rhetoric no doubt exhausted by the referendum campaign, none of the British Party conferences this autumn showed much interest in the European Community. The Conservatives, however, did manage to pass a resolution which could have great significance for the future. Besides "encouraging" the Party to work for direct elections to the European Parliament, it also "urged" the formation of "a moderate centre-right alliance (a European Democrat Party) able effectively to oppose the Socialist grouping in the European Parliament . . ."; and hints were given by Mr Maudling from the platform that work to this end was already under way.

There were indeed signs at the October session of the Parliament that the new vigour on the left has already produced a countervailing response. The vote on the "Callaghan" motion (this page) was a victory for the right; moreover, it was a victory, within the right, for the European Conservatives and the European Progressive Democrats. For some time now these two groups have been tabling joint resolutions on controversial subjects, with the Christian Democrats teaming up rather with the Liberals. It is now possible that these two alliances will be combined.

These turned out to be photocopies of Sir Christopher Soames' notes for his reply to the debate; and there was a wild, momentary hope that the Commissioner was going to sing. But it turned out that the notes had merely been laid out in this way in order to help the interpreters.



Willie Hamilton, new committee chairman

Not content with trying to sharpen up procedure at the House of Commons, Willie Hamilton is now turning his attention to the European Parliament. Just appointed as the only Labour chairman of a parliamentary committee, the newly-formed Committee on Rules of Procedure and Petitions,

he has his own ideas on what initial steps should be taken.

Mr Hamilton would like to see a Question Time every morning that parliament is in session, or four times the present 1½ hours a month, with three Commissioners in attendance at a time to answer questions on their different fields of responsibility. All other forms of oral question would go, which would mean not only dropping the existing oral questions without debate (already largely superseded by Question Time) but also oral questions with debate. The latter, based on the interpellations common to many continental parliaments, provide pegs on which to hang debates on one subject or another.

Of wider political significance is Mr Hamilton's other main proposal for periodically inviting individual political heads of state and government of the Community ("Including the Queen?" "Political heads of state.") to address parliament and answer questions. It has happened in the past. Two years ago Willy Brandt made a stirring appeal for unity in Europe, but then — it was at the height of the terrorist wave — was whisked away by squads of heavies.

Usefully, the invitations could be extended beyond the heads of state and government. In October, many MEPs would have like to put a few questions to Mr Callaghan . . .

Those in the Parliament's press gallery on Thursday 16 were intrigued to have handed to them what appeared to be an as yet unpublished poem by Walt Whitman entitled "Report on the Generalised Preference Scheme". One passage ran, for example:

*"I see
that the Resolution before the House
returns again to the subject
we debated last year,*

*inviting us to review the criteria
for determining beneficiary countries."*

Problems of communication via interpreters were neatly illustrated during the pharmaceuticals debate (next page). " . . . Deshalb hat meine Fraktion dieses Problem so offensiv Aufgegriffen," said Socialist leader Ludwig Fellermaier. "That is why," said the simultaneous interpreter, "my group has approached this matter in so offensive — er, er — attacking a manner."

TOO MANY BOATS CHASING TOO FEW FISH

Within the next few weeks the Commission will be making concrete proposals for a new Community fishing policy, Commissioner Lardinois told Parliament on Thursday, October 16. He was replying to a question from John Corrie (Con/UK) on the "serious deterioration of incomes in fishing industries within the Community".

The situation, John Corrie pointed out, was now "desperate and tragic": the industry was in danger of total collapse, "but very few people seem to be noticing or caring". He had spoken to a local fisherman on the Saturday, who had been paid the equivalent of 20 Belgian francs for a kilo of cod. "For one helping of fish at dinner last night I paid nine times that." The herring situation was "nothing short of a scandal", with "too many boats chasing too few fish so that no one makes a living".

Several other Members had also, it seemed, been speaking to their local fishermen over the weekend, and had a similar story to report. Mark Hughes (Soc/UK) criticised Commissioner Lardinois for asserting that the situation had improved since August, and pointed out that

"much of the assistance given to the fishing industry has had the effect of making the long-term prospects even worse". Elaine Kellett-Bowman had discovered trawlers in Lancashire losing £300 a day; Winifred Ewing (Ind/UK) had found more and more Scottish trawlers being tied up every week; and Michael Shaw (Con/UK) had heard of a huge Russian fleet waiting to pounce on the fish 28 miles off Scarborough.

Various suggestions were put to the Commissioner, including an end to industrial fishing, an increase in territorial limits, coastal-state preference and action against Iceland. John Prescott (Soc/UK), however, pointed out that the industrialised countries would have to give up some of their rights to assist countries like Iceland for whom fish provided 80% of total exports.

Question Time

If the British were in the dog-house over oil policy, on Wednesday morning they had everything their own way. Nearly two-thirds of the questions taken at Question Time were put down by British members, and both Sir Christopher Soames and George Thomson were present to answer for the Commission. Following mainly British criticism in the September session, President Georges Spénale began the October round by admitting the need for an overhaul of Question Time.

The producer and not just the taxpayer might soon have to bear the **cost of agricultural over-production**. A hint of such a change of principle in the Common Agricultural Policy was given by Sir Christopher Soames deputising for Commissioner Lardinois. Answering James Gibbons, Tom Nolan (EPD/Irl) and Ralph Howell (Con/UK) he replied that cost pricing and other policies should take account of the need to prevent the creation of chronic surpluses such as the current million-tonne surplus of skimmed milk. He added that "it is the Commission's hope that built into next year's price proposals will be some element of co-responsibility". This meant, he said, "that the producer should share some of the market risks when production gets beyond a certain level".

In an earlier question, James Scott-Hopkins (Con/UK), supported by other Conservatives, had called for an immediate **devaluation of the green pound** to help farmers — particularly the dairy farmer — obtain a higher return. He spoke of a coming milk shortage: John Corrie (Con/UK) thought there could even be milk rationing this winter. Mark Hughes (Soc/UK), however, spoke up for the British consumer who would have to pay higher prices. As the green pound had recently been devalued twice, resulting



James Scott-Hopkins

in higher farm incomes, in view of the current British pay policy, he asked Sir Christopher whether for the average-sized British dairy farm this represented "more than an increase in income of £6 per week".

British transport could soon be subjected to VAT for the first time. This was disclosed by Commissioner Simonet in answering Sir Geoffrey de Freitas and Tom Ellis (Soc/UK). This would happen if the British Government accepted a directive on the harmonisation of VAT which the Commission had prepared. At present, said the Commissioner, Britain was the only Community member not to levy such a tax.

and 1971 to counter price-fixing and market-restrictions attempted by other companies.

Half-way through the debate the Socialists put down a resolution for a vote. This aroused Christian Democrat leader Alfred Bertrand to protest at the lack of notice. Why is Mr Bertrand so nervous? retorted Socialist leader Ludwig Fellermaier (Ger). Does he need a tranquiliser? Evidently, the Socialist-sponsored debate had stirred up a hornets' nest. But he added his own tranquiliser by agreeing (doubtless after a quick count of the members present) that the matter should be referred to committee for a full report.

No modesty on Lomé

Successes for the Community are few enough to excuse a lack of modesty over the Lomé Convention signed with 46 African, Caribbean and Pacific countries, Colette Flesch (Lib/Lux) told Parliament on October 16. It represented a fundamental change from the preceding Yaoundé Convention with 19 countries: Lomé covers 250 million people, development aid has tripled to \$3,500 mn., there is virtual free access for ACP products to the Community, backed up by an

ambitious export price stabilisation plan (STABEX), and there would be new moves to promote industrialisation in the ACP countries.

The Convention was but one framework for the Community's relations with developing countries, Commissioner Claude Cheysson emphasised; there was the general North-South dialogue, UNO and UNCTAD. He agreed with Sir Geoffrey de Freitas (Soc/UK) that failure to make progress in these other fields would jeopardise the achievements of Lomé itself. Sir Geoffrey also looked beyond to the problems of the other poor countries: "Our governments must not appear to go back on their brave attitudes."

The wider problem had been stressed more brutally the previous day during the budget debate by Guy Barnett (Soc/UK). At the beginning of the year the Council had asked the Commission to make proposals on aid to India and other countries. A modest \$100 mn. had been written into the budget, which the Council had now struck out in "a desperately bad decision".

Animal welfare

Friday morning is usually British morning at the European Parliament (since most of the delegation has to wait until their charter plane takes off at the end of Parliamentary business, while everyone else goes off early), so that it was appropriate that Parliament should debate animal welfare on Friday, October 17. The report, by Mark Hughes, was the first by a Labour Member; and it approved Commission plans for a Community accession to a Council of Europe convention protecting animals during international transport. Jim Spcier (Con/UK) and John Osborn (Con/UK) thought that a more satisfactory solution would be to cut back on the traffic in live animals altogether.

Green pound farce

Economic and monetary union by 1980 seems to become more improbable as the date gets nearer, and the European Parliament's debate on the monetary system on Tuesday, October 14 was little more than a *cri de coeur* against what Michael Cointat (EPD/F) called "international monetary anarchy". There are within the Community itself, remarked Erwin Lange (Soc/Ger) up to 18 different units of account — "we once had one just for a special kind of cheese!" "I think," said Sir Brandon Rhys Williams (Con/UK), "that we have to abandon all these green pounds and similar farces."

But the Parliament found itself, as Commissioner Haferkamp remarked, up against the economic facts of life. There was no sense in talking about monetary union unless there were first "comparable economic situations".

PM for EP PAC

The European Parliament's proposed Public Accounts Committee "must be capable of striking the same terror in the hearts of those who control expenditure as the (British) PAC strikes into the hearts of the Accounting Officers of the spending departments," the British Prime Minister said in Liverpool on September 26.

Mr Wilson also said that he hoped that parliament would move towards the British idea of a Select Committee on Expenditure, to review the basis of the expenditure programmes themselves. "This means that policies themselves must be called into question, on a democratic basis, to ensure that policy programmes justify the expenditure involved."

The Prime Minister also commended the German proposal for a Commissioner responsible for Community expenditure, adding that he hoped that the Commission's spending departments would have their own Accounting Officers on British lines. The fact that much Community expenditure, especially on agriculture, was carried out in fact by national governments, was not, in Mr Wilson's view, an insuperable obstacle to close financial control. But because the CAP represents the greatest element of expenditure, he thought that "there may well be greater difficulty in finding improvements in this area which will be acceptable to the various interests and institutions in the Community".

Hornet's nest

There was the odd word or two in praise of the pharmaceutical industry in the European Parliament on October 13, but its errors and omissions have been too frequent and too many for even the most ardent of defenders of free enterprise to rise wholeheartedly to its defence. "There is no doubt that there is some exploitation of patent rights. One can point to cases of extraordinary profit margins, inexplicable price policies, and what appears to be exploitation of the sick," said Sir Brandon Rhys Williams (Con/UK). Perhaps the instigator of the debate Pierre Lagorce (Soc/F) had protested too much, for his mention of possible nationalisation of the drug companies enabled a number of Members to concentrate their criticisms on that rather than the central issue

The force of the attack was deflected by the action already taken by the Community, as Commissioner Albert Borschette pointed out. Since Mr Lagorce's question had been put down, two directives on drug control had come into effect. The Commission was also looking into the activities of Hoffman-La Roche, the Swiss-based manufacturer of such tranquilisers as "Valium" and "Librium", and had taken action in 1970