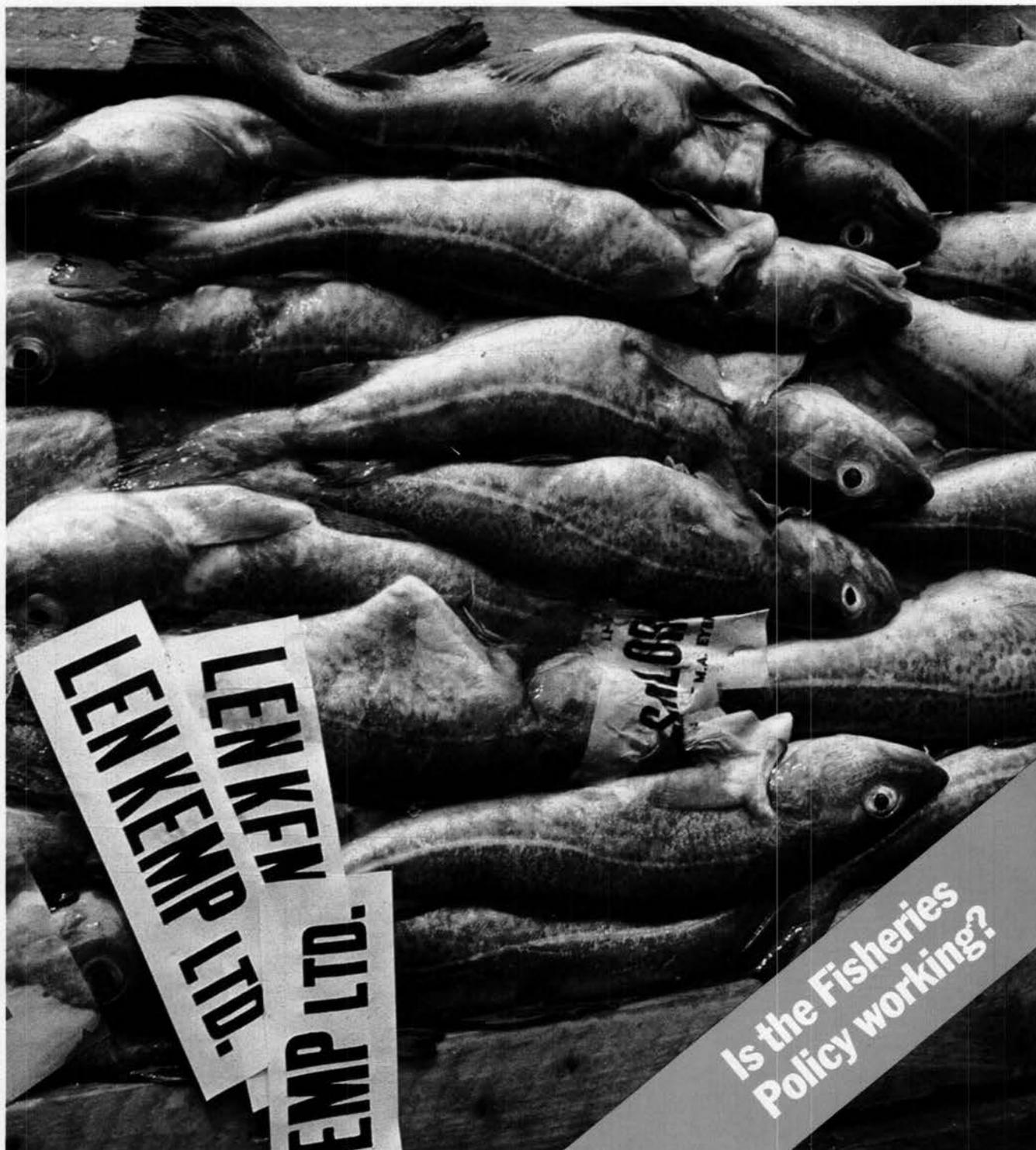


Europe 85

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Is the Fisheries
Policy working?

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Social Fund help for arts therapy



ROY STEMMAN visits a Hertfordshire County Council centre, jointly financed with the European Social Fund, where pioneer work in treating psychotic disabilities through remedial art and drama therapy, and offering training to students, is showing results

Doctors caring for a woman with a severe physical handicap were worried by her suicidal depression. She was a very intelligent person but was unable to speak. Her right arm also had limited use, though this seemed to be of psychotic rather than physical origin. They could find no treatment to help her.

Her condition improved remarkably, however, when they tried art therapy. The suicidal tendency fell away and she regained some use of her right hand, through handling paint and brushes.

This is just one of many case histories with which the tutors at Hertfordshire College of Art and Design are familiar. Their St Albans centre has pioneered the therapeutic use of

'Drama therapy is particularly relevant for people who find it difficult to express themselves'

art and drama with disabled people, and has just learned that it is to receive joint funding from the European Social Fund (ESF) and Hertfordshire County Council, for a project that will enable EEC students to gain scholarships in these fields.

Yet the college's involvement in art and drama therapy came about almost by accident, as I discovered when I spoke to John Evans, vice principal and project director.

'This part of Hertfordshire has a bigger concentration of psychiatric hospitals than any other area of the country,' he told me. 'Our involvement with them started when we designed furniture for the mentally handicapped over ten years ago. One of the sets of furniture is still in production - I saw it during a recent visit to America - and the county is still getting royalties. We soon realised, through that work, that there was a need for patients to get involved in recreation. And that is what led to the establishment of the Certificate in Remedial Art.'

Since then, the college has made remarkable progress. It is now recognised by practitioners in the field as the major provider of training and up-dating. It was the first in Europe to offer a specific qualification in art therapy and the first to provide postgraduate training for drama therapists. Today, 500 students a year pass through the college.

The selection process for students is tough. It includes participation in a group activity, so that tutors can assess whether an individual is suitable. Those who apply for the art therapy course must have had some experience, even if only part-time, of working with the disabled. They must also have, or acquire

'Most of the students will probably return to their former jobs, such as social work or nursing'

on the course, basic artistic skills.

Similarly, would-be drama therapists must demonstrate an interest and practise in the field of drama, as well as possessing appropriate degree and professional qualifications.

All the courses, including an MA in art therapy, extend over a two-year period on a part-time basis, with the exception of art therapy, which is also run as a full-time one-year course. The average age of students is 30, but a couple in their mid-50s and one of 60 have participated.

As well as their studies at St Albans, the students are sent out on two placements: the first as an observer to make a case study; the second in a clinical placement as a trainee art or drama therapist working under a supervisor for eight weeks. There are openings for trained therapists in these fields (Goldsmiths' College, London, being among those who employ both art and drama therapists). But most of the students will probably return to their former jobs – as social workers, nurses or psychologists, for example – and introduce their new understanding and training into their work.

A decade of using art and drama to help the disabled has earned Hertfordshire College international recognition from the medical profession, culminating in the EEC's decision to finance a training initiative. The project, which runs initially for three years, will enable students from other EEC member countries to work alongside UK students.

'It will give overseas students an insight of approaches and techniques used in the UK,' says Sue Ball, senior lecturer and project leader. 'But the main aim is for scholarship students to return to their home countries after their course of study in St Albans, and initiate therapeutic schemes and opportunities designed to achieve a fuller integration of the disabled in the community.'

The £300,000 ESF grant, matched pound for pound by Hertfordshire County Council, has also been made to allow the college to conduct a research project to assess education and training opportunities in art and drama therapy, as well as evaluating the benefits of the scholarship scheme operating at the college. Final stage of the research project will involve identifying trends in the use of the arts therapies throughout the EEC, and recommending to the Commission a policy for future discussion and implementation.

The grant will enable 40 European students to study at St Albans. The first two – from Greece and the Republic of Ireland – are already well into their courses. One of the first lessons they will have learned is that the people they will be helping are described as



PICTURES BY BEN JOHNSON

'clients' rather than as 'patients'. That is meant to reflect the unique relationship which develops between the therapist and the person being helped.

'The purpose of art therapy is to help resolve a client's difficulties and explore artistic activity as a means of self-expression and personal growth,' Sue Ball explains. 'The art therapist is trained to integrate the physical experience of working in media such as clay and paint, with insights into the way ideas are expressed in images like a painting or sculpture.'

Inherent in the art process itself, she explained, and the relationship between client

'It is not always the bad things that are suppressed – sometimes there is something good'

and therapist, is the uncertainty about particular outcomes or responses. These cannot be predicted with any reliability, and special skills are required to help mobilise an individual's hidden capacities and enhance their self-esteem.

Art therapists, she added, use their knowledge and experience in a wide variety of settings, including schools, the social services, community schemes, family groups, the prison service, child guidance and rehabilitation programmes for the disabled.

Sue Ball was previously with the Open University, where she directed an ESF-funded programme on service for teachers in religious education. She was looking forward to a European Symposium at the College on 15 March, in which she was expecting to be a 'client' for group painting analysis.

Drama therapy is used to help clients obtain relief from symptoms, or to enhance their personal growth. The techniques are used with individuals as well as groups of younger or older people, in similar settings to



Left: Janek Dubowski, tutor in art therapy, describes his work as 'a philosophy rather than a process'. Alida Gersie, above, the Hertfordshire College of Art's drama therapist, takes part in play-acting as preparation for real life.



that of art therapy. It is a particularly relevant treatment for people who find it difficult to express themselves, as well as with articulate clients who are afraid of non-verbal forms of expression.

Drama therapists combine improvisation, role play, movement and mime techniques, in order to create an environment which is sensitive to the needs of the clients involved. Much of the work carried out between client and drama therapist is spontaneous; but there is an underlying contract about the aims of the activity.

How will the lessons learned by the students be of benefit to people, in the UK and Europe?

Art therapist tutor Janek Dubowski describes his work as 'a philosophy rather than a process'. It cannot be used universally, he explains, adding: 'It's not a radical alternative, like homeopathy. It works alongside other methods of treatment, including drugs.'

He cites the case of a young Iranian girl who suffered severe brain damage in a car crash. A student on placement worked with her, on a one-to-one basis, for six weeks, learning Persian phrases to help communicating with her. At the end of the period there was a marked change in the girl's response to surgery.

Drama therapist Alida Gersie was also able to cite a number of examples of the way in which people had been helped. For example, a 15-year-old girl had taken drug overdoses and been in a coma for some time. Two-and-

a-half years later she wanted to be a nurse, but was terrified about her past and how it might affect her chances of following a nursing career. So, partly as therapy and partly as preparation for the interviews, the girl and Alida took turns at play-acting an interview for the job of nurse. First one, then the other, would ask probing questions about that period; they each played the part of the girl, too, in attempting to answer these questions.

'Expertise for unlocking imprisoned minds and bodies'

'Of course,' Alida told me, 'in real life the interview was nowhere near as bad as we had enacted. She got a place on the training scheme and eventually qualified. That was because, although she felt enormous anxieties, she was able to find a quietness in herself through drama therapy. It gives one the opportunity of looking forward and backward in time, in the present.'

Such changes in outlook are not confined to individuals. Alida also told me about a group of elderly people in a church day centre who were intolerant and conflict-ridden. They were invited to take part in drama therapy, telling folk tales about heroines. At first they were resistant; but after two or three sessions, real and imagined stories began to come out which were very revealing about their inner

conflicts. Through these sessions they learned to develop tolerance for 'playing' and make space for differences between people.

Three years later this group of elderly people, totally transformed by the drama therapy experience, have befriended a children's playgroup to whom they have told their made-up stories. The latest news is that they are now being published for a far wider audience.

'It is important that suffering is worked out,' Alida told me. 'And it is not always bad things that are suppressed. Sometimes there is something good – a hidden treasure – they need to gain access to. For example, part of drama therapy is concerned with writing. I had a lady who was a very ordinary person but who wrote poems. Her identity was being put into these, but they were secret. When we discovered the poems in therapy, and got her to read them to us, her personality changed. Once the secret was in the open her life energy emerged from the pages of a closed book.'

Measuring the success of each individual case is obviously difficult. What is obvious, though, is that the tutors at St Albans and the students who go on to work in local communities, in the UK and in Europe, possess the expertise to unlock imprisoned minds and bodies, enabling them to enjoy the communication with the rest of us which other therapies have not achieved.

It is a rare case of Social Fund aid finding its way into the inner beings of those who most need its help.



A stately home for social studies

Set in an elegant 200-year-old country mansion eight miles south of Dublin, Ireland's only Community institution seems a far cry from the steel and plexi-glass corridors of Brussels and Strasbourg. But in the decade since its creation, it has made a major contribution to research into social issues affecting millions of Europeans, such as the impact of shiftwork, commuting and the introduction of new technologies.

Loughlinstown House houses the European Foundation for the Improvement of Living and Working Conditions. It was the idea of the late French President, Georges Pompidou, and was set up in 1975 by the current Irish President, Dr Patrick Hillery, who was then Social Affairs Commissioner in the European Commission.

When President Pompidou first proposed the creation of an EC cultural foundation and think-tank in the late Sixties, few Europeans could have predicted that the world was on the brink of the worst economic recession since the great Depression of the 1930s. In the five years that it took the Foundation to get off the ground, issues facing social researchers changed from those current in an era of growth and prosperity to those of societies confronted by economic stagnation, soaring energy prices and the prospect of mass unemployment.

It was France's President Pompidou who first had the idea – now it's a going concern

When the Foundation published its first 1977-1980 'rolling' research programme, it became clear that what had emerged was a high-powered research institute designed to fund and collate studies that would provide governments, employers and unions with objective information on social issues on a European basis. The essence of its work would be to provide comparisons of how different social problems were dealt with in different member states.

Europe's preoccupation with the economic crisis in the mid-Seventies meant that the Foundation's first programme concentrated almost exclusively on working conditions. This brought some of its work close to that of another EEC institution, the Centre for the Development of Vocational Training, located in Berlin. Studies concentrated on shiftwork, physical and psychological constraints at work, wages, work organisations, economic and social assessment of working conditions, the effect of new technologies and the interdependence between the improve-

ment of living and working conditions.

It was only with the second, 1981-84, rolling programme that the Foundation widened the scope of its activities to include issues such as the effects of work organisation (for example early or late closing) on customers and consumers; the impact of shiftwork on family life; links between living conditions and physical and mental stress; the need for leisure time; and the social implications of commuting.

Researchers in universities and institutes throughout Europe have also been using Foundation funding to investigate the impact of new technologies on social relations at work, particularly in offices and factories. The Foundation's remit has also spread to other issues such as housing, and environmental questions such as the transport of dangerous substances and radioactive waste disposal.

In the new 1985-1988 programme, which will consist of about 200 research contracts spread over four years, costing about 4.5 million ECUs (£2.8 million) (IR£3.2 million), the Foundation plans to spread its net even further. Its studies will include changing sexual roles in Europe; the increasingly important role of leisure time, given the high level of unemployment; inner-city urban decay, and a range of environmental issues. **☐**

COMMUNITY NOTEBOOK

GIULIO ANDREOTTI outlines his priorities for the Italian Presidency of the EEC Council of Ministers

On 1 January, Italy took over the Presidency of the Council of Ministers of the European Community and the European Council. During this Presidency, every effort must be made to overcome the serious difficulties which affect the Community, and of which we are all aware. The immediate task will be to deal with the most delicate problems left over from the Dublin summit last December. The first of these is the continuation and conclusion of negotiations for the accession of Spain and Portugal, so that the Accession Treaties may come into force on 1 January 1986 as intended. A special effort will have to be made to reach a decision on the Integrated Mediterranean Programmes, designed to assist the southern regions of the Community.



Then it is vital to repair the breach between Parliament and the Council caused by the situation which culminated in rejection of the 1985 budget. We shall also have to adopt joint measures on employment and completion of the internal market, to see that Council decisions on the common agricultural policy are politically and socially acceptable.

The integration process has come to a full stop, and the Community's decision-making machinery is in crisis. This clearly shows the need for a qualitative leap, to establish the conditions required if work on building Europe is to make further progress. The priority for the Italian Presidency should be to outline a strategy for a new impetus. This is confirmed by what has emerged from the first phase of the work of the Institutional Committee (the so-called 'Spaak II Committee'). We shall therefore do our utmost to ensure that an intergovernmental conference to negotiate a new Treaty is convened, despite the divergent opinions of the member states on both the objectives and the means. Specific aspects of this strategy for a new impetus must await the Committee's final report, although I can say that the Italian government agrees with many of the ideas put forward in the interim report to the Dublin European Council. The greatest possible weight will have to be given to Parliament's draft treaty on the European Union, and this will constitute a touchstone for any attempt to reform the Community.

The Parliament's decision to reject the draft budget for 1985 has brought it into dispute with the Council, as well as further holding up the Community's decision-making process. The present situation is not particularly rosy. And it is for this reason that still greater efforts will be required to provide mediation, so that the two institutions can be brought closer together. This means reaching agreement not only on the 1985 budget but also on what is known as budgetary discipline.

I should like to point out that Italy has always argued that any decision on budgetary discipline should not affect Parliament's responsibilities under the Treaty of Rome. The Italian position has always been to accede to as many as possible of Parliament's

wishes. It has adopted an attitude of understanding, if not of actual acceptance, on those positions which appear motivated primarily by a desire to preserve the methods and spirit of the Community. Naturally, our position will be more delicate during the coming six months, in that the Italian Presidency will have to secure support from the other delegations so that the Council can speak with a single voice.

On the international scene, there is no doubt that the meeting at Geneva in January between Mr Shulz and Mr Gromyko to discuss the whole range of vitally important negotiations on nuclear and space arms limitation enables us to look forward to 1985 with more optimism. I think Europe's role in East-West relations will continue to be that of endeavouring to exert a positive influence on the uncertainties which still persist, and of keeping the political dialogue going.

I view the existing situation as one which offers the Ten member states considerable encouragement to participate actively in every possible way in the East-West dialogue. Again, the present situation in the Middle East shows signs of movement. The European Council in Dublin held a thorough review of the situation, including likely developments and the role of the Ten, and agreed that it would do all it could to foster opportunities for negotiations in the area. The Italian Presidency will operate according to this policy. But we shall not neglect the need to coordinate European initiatives with those of the United States. We are convinced that Europe cannot ignore moderate Arab calls for it to play an active role on the Middle East chess board.

Although there are still some important issues to be tackled on the matter of enlargement of the Community, there is now no reason why the negotiations with Spain and Portugal should not be completed quickly.

There is no doubt that in certain sectors, agriculture in particular, the accession of Spain and Portugal will pose problems for the Community's southern economies. I am thinking primarily of those products, such as oil, wine and fruit and vegetables, for which enlargement will lead to surpluses which the market cannot absorb. I believe, however, that the solutions negotiated represent a fair balance. They appear to be in line with what has always been our ultimate aim, and which will be the constant touchstone of the Italian Presidency, namely permitting Mediterranean agriculture in an enlarged Community to maintain its own levels of production and income, without any sudden backlashes which would affect the weakest unfairly.

We intend to encourage the Committee on a 'People's Europe' to the utmost during the Italian Presidency. Any fresh impetus for the Community must be accompanied by improvements to the way it is perceived by public opinion both at home and outside the Community. So we expect from this Committee a number of concrete proposals, for instance on freedom of movement and more extensive rights for Community citizens. These measures would have a positive impact on the image of European solidarity, which has been tarnished by excessive and sometimes sterile internal debates.

The most important decision which I hope the June European Council will take will be to call an intergovernmental conference to negotiate a treaty on European union. This would be a clear sign that the governments of the member states have rediscovered the political will to get the Community moving again, and that they have faith in Europe.



Coping with squalls in Community waters

Despite the hard-won agreement reached only two years ago, national differences are still preventing the Fisheries Policy from being fully effective.

With Spain and Portugal due to join next year, the pressure is on for a structure that will work – and put an end to strong-arm tactics

Almost two years after its adoption, the Common Fisheries Policy continues to strive for recognition as one of the European Community's few truly common policies. Inevitable teething problems have held back the smooth operation of a management scheme which attempts to encompass huge waters, a fluctuating resource,

some 140,000 fishermen, and over one million other workers in associated industries.

The CFP is not the first attempt by the leading West European fishing nations to regulate fisheries in what are now Community waters. Over 100 years ago, eight such nations formed the North Sea Fisheries Convention, establishing three-mile territorial

'Fisheries seem doomed to remain in the shadow of the agriculture sector.'

waters. But, even then, national interests prevailed, and Norway and Sweden refused to co-operate.

The CFP came into effect in January, 1983, and was immediately dogged by the seemingly intractable problem of how to share out the Community's common resources of herring. After a year, EEC fisheries ministers agreed a complex, long-term system fixing each member state's share of North Sea herring stocks.

So far, so good. But in the summer of 1984 the Norwegians, who have a stake in the joint herring stocks, reacted angrily to the Community view that only a tiny proportion of the herring was to be found in Norwegian waters. The Commission argued that scientific advice showed only 3 to 4 per cent of the herring were off the Norwegian coast, so Norway should be given only a proportionate amount of the 170,000 tonne total allowable catch (TAC). The Norwegians retaliated by fishing 'all-out' to prove their case.

The fisheries policy has succeeded in enabling Community fishermen to plan ahead. For the first time, catch proposals have been agreed in Brussels well before the start of the fishing campaign (although the current herring dispute has held up an agreement on 1985 proposals). Scientific advice recommends total allowable catches which are shared out between the member states on the basis of a fixed percentage allocation. These national quotas are themselves based on traditional fishing patterns from the mid-1970s, with lost distant-water activities (as a result of third countries, such as Iceland, establishing their own 200-mile exclusive economic zones) taken into account.

The Community's own exclusive economic zone was declared in 1976, effectively barring East European and other fleets; although several countries have been granted access to EEC waters in return for EEC fishing rights in their national waters.

The herring problems clearly illustrate the difficulty in overcoming national interests, whether they are of EEC member states or of third countries in association with the Community. Other third country agreements, however, appear more settled – Canada and the US are prime examples – and the withdrawal of Greenland from the EEC has not posed the initial problems feared. Spain and Portugal are shortly to move from third-country status to transitional membership; though the problems are unlikely to end there. Agreements with other, less-developed, nations have advanced well, and

'National quotas are based on traditional fishing patterns from the mid-1970s'

the Community has signed long-term access/aid deals with several nations in Africa and in the Indian basin.

While outside interests and responsibilities have taken up much of the public's awareness of the fledgling fisheries policy, much work has been done backstage to manage the everyday aspects of its operation. Overshadowed by massive farm support spending, the fisheries division seems doomed to remain in the

'Research continues into new species and new waters outside the Community'

shadow of the agriculture sector; though it should be kept in mind that the latter is considerably bigger and more rational.

Product quality and fish marketing have been improved during these first two years, as have safety standards and the training of fishermen. Mediterranean fisheries and aquaculture are also expanding, having been earmarked for development aid from the Brussels authorities. The accession of Greece, and the impending arrival of Spain, have served as a timely boost to the southern regions of the Community, where aquaculture and other fish farming techniques have considerable potential for economic growth.

Conservation policies have begun to preserve stocks previously threatened by irresponsible over-fishing. Net mesh sizes have been brought under stricter control: to an average 80mm, compared with the Icelandic average of 155mm. Research continues into new species and new waters outside the immediate Community sphere. The Dutch fleet, for example, is expanding with new vessels to fish the waters in the Arctic regions, bringing home catches to sell at the quayside.

Increased transport and labour costs have so far deterred British and French vessels from venturing as far as the South Atlantic. But the idea of joining East European, Spanish and Japanese boats around the Falklands has often been mooted, especially in the European Parliament.

Other technological and management improvements include the use of lighter materials in vessel construction; the containerisation of fish catches; the development of alternative engines depending on the type of voyage undertaken; and the adaption of the growing fish processing industry, which is coming to grips with the smaller, bonier species, such as horse mackerel and blue whiting, which are abundant in Community waters.

The EEC's fisheries inspectorate – comprising thirteen ex-national inspectors – has had some notable successes. It has reported back to Brussels on several cases of massive over-fishing, and has led to the timely closure of a number of fisheries as stock exhaustion approached. The inspectorate, however, is far too small to be an effective policing force,

and numerous calls have been made to boost its ranks. However, the modest fisheries budget of around 45 million ECUs (£31.5 million) a year prevents any major additional recruitment.

The introduction of Community fishing vessel log-books, at the beginning of 1985, should support the work of the inspectorate. It has been noticeable throughout the Community that improved policing has resulted in slightly higher fish prices. As excess catches have been curtailed, fish supplies have not been so easily available, maintaining prices at higher levels.

EEC fish prices are now better controlled by Brussels. Fishermen have been actively encouraged to group themselves into producer organisations (POs) – an exercise in self-management which can help maintain fishermen's incomes by regulating supplies in the ports to meet consumer and industrial demand. If offers from prospective buyers are at low levels, the POs withdraw the fish from the market. The fishermen are then paid a special price by the EEC – usually between 70 and 90 per cent of the guide price – to compensate for the immediate loss of income.

The EEC also subsidises the POs to freeze the withdrawn fish until demand picks up. EEC reference prices are introduced for cheap fish imports, and levies are slapped on to make up the difference from the reference price. These customs duties can be suspended when the Community is short of supplies, as is the case with cod and tuna.

Looking to the future, the Commission is to help the restructuring of the Community fleet. An aid package of 250 million ECUs has been offered over a three-year period to cut the fleet's overall capacity. Grants are awarded in relation to the tonnage taken out. Similarly, there are financial incentives to modernise and restructure the fleet. Coastal regions dependent on fisheries are also receiving Community aid.

Enlargement of the Community to include the considerable Spanish fishing fleet, and that of Portugal, threatens to upset the precarious balance of the Common Fisheries Policy. Spain catches some 1.2 million tonnes of

fish a year, mostly for human consumption: the average Spaniard eats 32 kilogrammes of fish a year, which is double the Community norm.

The economic importance of fisheries to Spain is best illustrated by their value of total Gross National Product, put at 0.8 per cent against 0.13 per cent in the rest of the Community. It is this significant dependence on fisheries that has led the Spanish to present tough demands to the Ten in the accession negotiations.

Following the December EEC summit in Dublin Castle, there are difficult negotiations

'Some member states want Spain to be barred from EEC waters for 10 years'

ahead. Some member states wish the Spanish fleet – all 17,000 vessels – to be barred from normal Community operations for at least ten years, and probably 15. The Madrid government has said this is 'unacceptable', and has demanded greater access to EEC fish stocks, especially in traditional waters in the Bay of Biscay and the Atlantic Ocean off the west coast of Ireland.

Negotiations with Portugal are almost complete, with some adjustments needed to protect the Atlantic sardine industry. But the difficult talks that lie ahead with Spain must be concluded by the spring if the ten national parliaments are to have sufficient time to ratify the accession treaties to beat the January 1986 entry deadline.

After the long haul to get the CFP into operation, strenuous efforts are being made to repair the national differences and co-ordinate a common management policy. The need for a secure long-term strategy is all the more important, given the imminence of Spanish membership. A Community policy is needed to bring together the various national factions, and to prevent the 'gunboat' diplomacy that ruled in the 1970s.

IAN GEOGHEGAN

WHY ALARM A WELSH LAMB?

Sheep farmers who feel they are losing out following the Commission's decision to impose curbs on milk production could take a look at an alternative source of income, according to Patrick Edgington, secretary of the Pembrokeshire branch of the National Farmers' Union.

His suggestion, according to a report by the agricultural correspondent of the Daily Telegraph, is to take up llama farming.

Many Welsh farms, Mr Edgington says, are suitable only for livestock, and with the quota limits on the amount of milk they can produce, they are looking

into a host of alternatives, from tourism to beef, sheep and goats for meat and milk production, and even deer and llamas.

Llamas, he told the Telegraph, were a 'sort of very vague possibility'. They produce a beautiful soft wool, of very high quality, which fetches an excellent price.

Mr Edgington said dairy farmers were now locked into a particular quantity of milk that they are able to produce, and if they are restricted to a livestock farm they have to look to other enterprises. It was typical of farmers to be both resilient and imaginative, he said.

Small businesses are gaining ground — but can they create the jobs?

In recent months, our series of economic reports from Community member states has stressed the importance, to each of them, of the medium and small enterprise. The entrepreneurial spirit, it seems, offers more hope than at any time in recent history of reviving the fortunes of the European Community of nations. Increasingly, agencies and resources are

available to help any small businessman with a viable project to get started. Many do get going, only to fail through lack of managerial, marketing or organisational skills. A majority hold on, and in doing so encourage others. It is early days yet to tell if they will make any impression on the rising unemployment figures in the Community. But it's a start, and a hope

As major industries in the European Community — steel, coal, shipbuilding, heavy engineering, textiles — shed their workers, the small businesses is being heralded far and wide as the new major agent of employment. In the UK, where the idea that 'big is beautiful' in industry has sent small businesses into decline for forty years, and in other Community member states, there is now a public resurgence of interest in them.

Wherever you look, there is a host of 'ministers' — in the shape of government, local authorities and voluntary agencies — whose major aim is to nurture the small business back into healthy activity. The European Community is also playing an important role in this development. But the problem, as always, is to link the needy into the network.

In Britain, a small business is defined as one managed in a personalised way, not part of a larger organisation, with a maximum of 200 employees and a turnover ceiling in retailing and other services. There have been claims from America that, between 1969 and 1976, small firms with 20 or fewer employees generated 66 per cent of net new jobs. British research, as undertaken by the Department of Industrial Management at the University of Newcastle upon Tyne, suggests that figures in the UK are more like 31 per cent; although half of all jobs in the private sector are generated by firms with no more than 100 employees.

The success rate, however, appears to rely heavily on geography. Pom Ganguly, statistician at the Department of Trade and Industry's small firms division, has calculated that, taking account of VAT registrations and de-registrations, in the four years 1980-83 some 646,000 small businesses were started and 534,000 collapsed, giving a net surplus of 112,000. The retail trade appeared to be the most vulnerable, with construction and service enterprises such as hairdressing, laundrettes, advertising and market research proving to be the most successful over the period. Wholesaling, manufacturing, and the financial sector, such as accountancy, also proved to be moderately successful.

The idea that such activity will regenerate

the deprived areas, however, appeared doubtful. The most buoyant area for the small business was the South-east, where only two per cent of businesses are in assisted areas and 42,000 undertakings survived. In the North the figure was under 4,000, and in Ireland (100 per cent assisted) it was around 4,650. The entrepreneurial push is less evident in areas where heavy industry has been the major employer, often for generations. Even so, wherever they are, small firms are

'The entrepreneurial push is less evident in areas where heavy industry has been the major employer, often for generations'

very vulnerable to collapse. David Trippier, Minister for Small Firms, estimates that one in three small firms goes out of business during its first twelve months — often, he believes, for failing to seek advice. Yet the sources of such advice are almost overwhelm-

ing. Why *do* small businesses not seek them out?

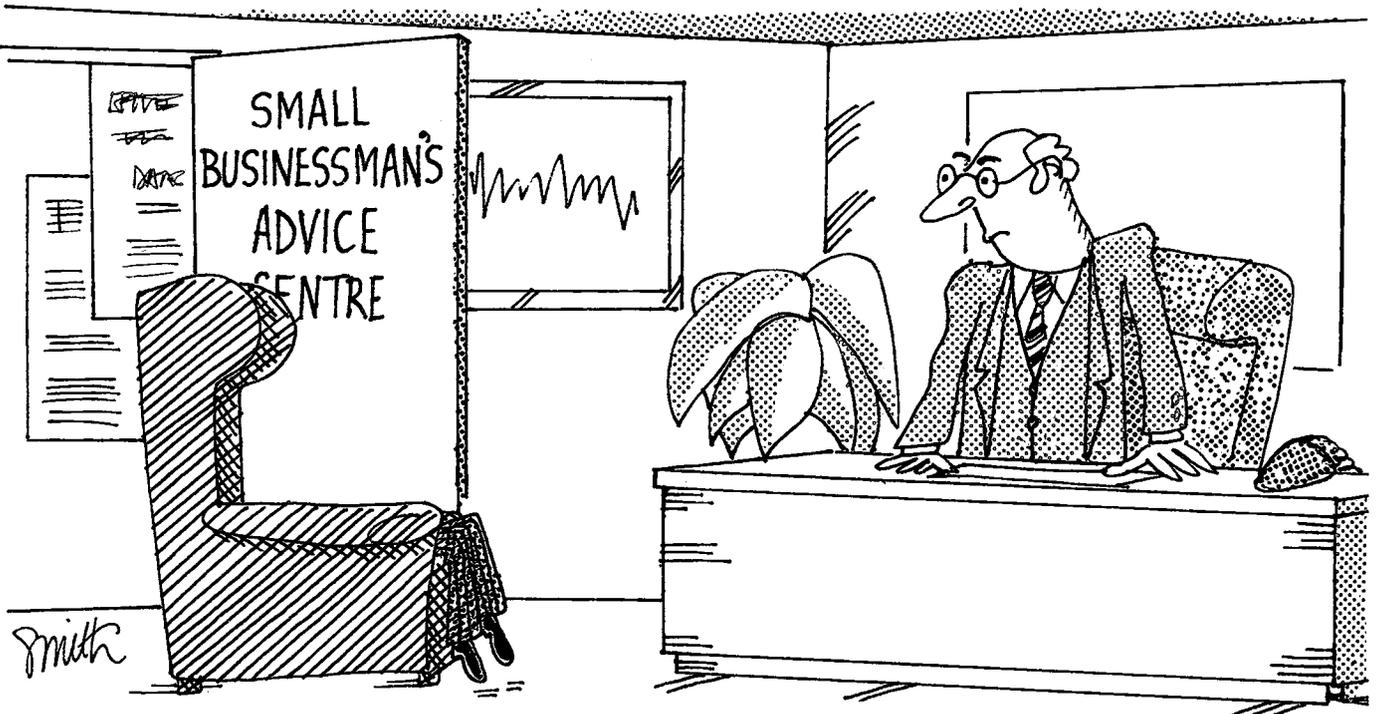
The answer, very often, is that the man or woman running the business has no time or energy to look. Yet many small firms collapse, less for lack of money than for some useful advice at the right time on how to manage the money; on marketing possibilities; a practical forward plan; export opportunities, and so on. Those that take advice do seem to benefit. Business in the Community (BIC), a non-profit-making organisation supported by major companies, and concerned with establishing over 230 local enterprise agencies in the UK, claims that, where the agencies are consulted, only 5.5 per cent of firms founder.

In Scotland, Enterprise Executive Services, founded by Jim Caulfield, formerly of British Steel, has nursed 80 small firms over about two years, of which only four have died, although a few are only hanging on by their fingernails. The firm provides, for instance, a financial and control package, will prepare quarterly accounts, or undertake feasibility studies on marketing. In this case, because Strathclyde is an Assisted Area, Enterprise Executive Services is helped to offset its costs by money from the European Regional Fund, allocated by Scotland's Department of Industry.

The Scots claim that it was largely on their initiative that the British Government persuaded the European Commission to allocate part of Britain's regional share to grants for business improvement services, aimed at helping small firms with practical advice on marketing, management, financing procedures, and with technical help in the development of new products and processes. Scotland launched its Better Business Services in October 1983, and in November 1984 Norman Lamont, Minister of State for Industry, announced a Community regional grant of £63 million, topped up by the Government to £100 million, to help the growth of small firms in steel, shipbuilding and textile areas badly affected by closure or contraction of old industries. Of the £63 million, England has £40 million, Scotland and Wales £7 million each, and Northern Ireland £9 million to cov-



Following the EEC's designation of 1983 as the Year of the Small Businessman, a 'local enterprise week' was held from 17 to 22 June last year. Another is planned for May 1985.



er a five-year programme.

Business Improvement Services (BIS) in England and Wales, and a similar organisation in Northern Ireland, have launched a small firms' aid package, similar to that operating in Scotland, which permits grants of up to 55 per cent and, in some cases, up to 70 per cent within a cost ceiling, for help with general check-ups, marketing, management and financial advice, and with small investment projects. Grants are also available to help private providers of advice, a scheme much favoured in Scotland as a means for small entrepreneurs to break down fears of bureaucratic intervention.

The Department of Industry, through its regional offices, provides excellent leaflets on what is available, as do its counterparts in Scotland, Wales and Northern Ireland. Community regional help of this kind, however, is available only in the special closure areas; other regional help, and favourable loans from the European Coal and Steel Community or the European Investment Bank (EIB), are also today limited mainly to the Assisted Areas. Under the UK Government's latest geographical adjustments, the West Midlands has appeared in that category for the first time.

Government itself runs several schemes to help small businesses, both within and without the Assisted Areas. The DTI runs 12 Small Firms Centres throughout the country (dial 100 and ask for Freefone 2444). Aided by Business in the Community and its Scottish counterpart, local enterprise agencies offer not only advice but also management and other courses, and sometimes linking the business starter with a good idea with an interested investor.

Major companies like Shell and BP 'second' some of their staff to act as local

'The major banks are devoting time and energy to helping the small firm'

advice agents. The major banks, too, so often unpopular with small investors, are devoting both time and energy to helping the small firm (Nat-West, for one, produces some excellent material). Local authorities, through such bodies as the Greater London Enterprise Board, or Lancashire Enterprises, have launched job-creation schemes based largely on the small business. In the countryside, the Council for Small Industries in Rural Areas (CoSIRA) is a fount of assistance and knowledge.

For those interested in expanding their businesses abroad, the EEC's own Business Cooperation Centre in Brussels would be glad to help. It has now extended its contacts beyond the Community, to include countries such as Canada, Scandinavia, Austria and Yugoslavia. It is also seeking to improve its services by establishing a Business Cooperation Network (BC-Net), for passing on useful data from national or regional networks to other countries. The European Commission is also planning to create opportunities for firms of like interests to come together into European Economic Interest Groupings (EEIG), which would have flexible constitutions and a legal entity within the Community. They would offer the chance of overcoming the variety of legal systems that still operate within the Community, and provide opportunity for common cross-frontier services.

With or without the help that is available to

them, many small firms have launched on a successful career. But the failure rate remains painfully high. The UK Government is now proposing to help by introducing certain administrative changes, to cut out red tape in planning permissions for small businesses, and in requirements for company registrations. There are also pressures to raise the VAT threshold from the present £18,700 to at least £50,000, to relieve small businessmen and women of one of their main tax banes. However, this is not likely to secure the approval of the Government, which shows no signs of making such a change in the system.

The UK Government has also failed to take much notice of the Resolution, adopted by the Council of Ministers in June 1984, to provide a helpful framework for so-called local employment initiatives, such as community businesses or local cooperatives.

The take-off of the small business in the United States not only relies on a native entrepreneurial spirit in that country, but also, many believe, on the ease with which it is possible to hire and lay-off employees as fortune dictates, and to establish a business in a garage, if need be, without planning interference.

The rise of the small business has important political, as well as economic, implications – not only in Britain. It is unclear to what extent any government will be prepared to go to amend legislation on these matters. Small businesses flourish in periods of buoyant trading. They undoubtedly make an important contribution to creating employment, but any growth from small to medium to larger firms is very small. While an upsurge of success in small businesses is to be welcomed, they can only be part of a wider job-creation economy.

PEGGY CRANE

Small businesses are springing up in Belgium

Against the economic odds, small-scale private enterprise is proving increasingly popular among Belgians who want to be their own boss

Nearly 35,000 new businesses were launched in Belgium during 1983. This is a striking indication of how times of economic crisis can result in many new enterprises starting from scratch.

A study carried out in Belgium has shown that the motivations underlying the creation of a business can be very diverse, ranging from the desire for independence – the wish to implement one's own ideas and the ambition to be one's own boss – to negative experiences arising from unemployment or an unsatisfactory situation at work. The latter category consists mainly of highly qualified workers, who find they cannot put their creative ideas into practice in the companies they work for. In the sectors in which new businesses are created, there is a clear polarisation between, on the one hand, new industries which are directly or indirectly based on the new technologies – the data processing sector being by far the most important – and the craft and services sector.

In the domains both of hardware and software, new technological businesses are springing up. The number of data processing service offices is increasing; so is a whole series of new businesses linked to the telecommunications sector. More limited numbers of new businesses are appearing in the so-called traditional sectors, where industries are applying the most advanced techniques to their production methods: in Belgium, a notable example is the manufacture of carpets.

New industries in the craft and services sectors are characterised by their high labour intensity. Typical examples are the numerous do-it-yourself centres, and businesses linked to leisure activities.

In Belgium, both the public and private sectors are making great efforts to encourage the entrepreneurial spirit, helped by an impressive series of official regulations aimed at helping new businesses. National, regional and local authorities are all making remarkable efforts in this direction, trying to create a more favourable tax system or to make things easier in the area of social legislation.

Recently, special measures were agreed to encourage the unemployed to start their own businesses. The Belgian Government announced last September that loans totall-

ing 1100 million Belgian francs were available to people wishing to set up in business on their own. Some interesting initiatives have also been taken by the private sector: for example, by the financial sector under the slogans 'Be your own boss' or 'Become a businessman'. The Union des Banques Belges organised a highly successful competition among new heads of business. Again, trade unions and service clubs are trying, each in its own way, to stimulate the creation of new businesses.

In launching a new business, the necessary administrative formalities are, without any doubt, an important impediment. The major difficulty is that contact must be made with many different services, usually geographically dispersed: Belgium is still a long way from the ideal of a single office where all the administrative formalities can be dealt with together. Various professional and inter-

'Both the public and private sectors are making great efforts to encourage the entrepreneurial spirit'

professional organisations exist to assist new business people confronted with a veritable forest of rules and recommendations.

As regards the legal aspects of creating a business, social legislation is perceived as an expensive obstacle to taking on a first employee, or increasing the number of workers. In the former case, the Belgian authorities have recently made the procedure more flexi-

ble. However, easing the situation in social security and labour legislation seems to be a necessary prerequisite for creating employment in new businesses.

When it comes to finance, it is evident that a new kind of business person is coming to the fore. Like their predecessors, they manage in most cases to set up their businesses on the basis of technical knowledge and sound organisation, so that they are ready to go into production. The novelty lies in their greater openness to different forms of financing. In particular, it is apparent that new business people no longer give an absolute priority to total financial autonomy. Their focus on business considerations alone means that exterior sources of finance have more chance of being considered. This applies particularly to the possibilities offered by finance companies. As a result, the big private holding companies have set up special investment companies, which take a particular interest in promising new businesses. The Caisse Nationale de Crédit Professionnel, for example, has set up an investment fund.

In autumn, 1984, a secondary market was opened in the Belgian Stock Exchange, aiming specifically at small and medium-sized enterprises (SMEs). Private banks are also making big efforts to stimulate SMEs' activities. However, the question of security when a loan is requested remains delicate. On the banking side it is emphasised that it is not the role of a bank to take risks. Risk is considered to be inherent in setting up any business.

Again, in Belgium, several initiatives have been taken to provide further training for future heads of SMEs. This additional training is particularly concerned with the technical aspects of running a business. Measures to combat the waste of energy resulting from the failure of new initiatives include the services of the *Centre pour la Formation des Classes Moyennes* (Centre for the Training of the Middle Classes).

RIK DONKELS

□ Dr Donkels is Director of the Study Centre for Small Enterprises at the University of St Aloysius, Brussels.

'Let's make the Market a reality'

Fast and decisive progress towards a more united Europe was called for by foreign affairs minister Malcolm Rifkind in a keynote speech to *Maison de l'Europe* on its Franco-British day on 31 January.

Speaking in Paris, he said there was now a solid consensus within the Community on the pressing need to make a reality of the Common Market. The British Government would like to see a target date for completing the Common Market no later than the end of this decade.

'We believe that a high priority should be given to the achievement of a true common market, as the foundation on which much else could be built,' Mr Rifkind said. 'That is the key to the creation of more jobs, and to making Europe truly

competitive with America and Japan.

'But that is very far from being the limit of our ambitions. We want to see greater European unity, not only through the abolition of frontiers within Europe, but through closer operation in economics, science, education, health, culture and politics.'

Since the Fontainebleau agreement last June, the Community had turned the corner and was now on a much sounder basis for enlargement next year to include Spain and Portugal, Mr Rifkind went on. There was widespread agreement for better cooperation on research and development in which industries could cooperate more effectively and help to avoid wasteful duplication.

EUROFORUM

What the new proposals for agriculture mean to farmers – and consumers

The annual farm prices package is one of the first big dossiers which a new Commission has to handle. It is also one of the major events in the Community's annual calendar. The new Commission has now adopted its proposals. This should permit Parliament to give its opinion, and Council to make its decisions, before 1 April this year.

I want to place the price proposals in their political and economic context. Important changes in the Common Agricultural Policy were decided last March by the Council of Ministers. The Council decided to follow a policy of prudent prices, with the application of guarantee thresholds in sectors where it is necessary. In its new proposals, the Commission follows that line.

Since last March, the market imbalances in our agriculture have deteriorated rather than improved. Even for milk, where production has now been reduced because of the quotas, large stocks remain, and that will mean expensive measures for disposal. At the same time, the general economic situation is not too brilliant. Although there has been a reduction in the rate of inflation, and in the disparities of inflation between members of the EEC, there are still 12 million jobless in the Community.

Europe's agriculture achieved a record performance in 1984, and it was also a good year for farm incomes, which increased by an estimated 4 per cent in real terms for the Community on average. But this average figure for incomes covers, on the one hand a nega-

FRANS ANDRIESEN, Vice-President of the Commission responsible for agriculture, explains how a policy of 'prudent prices' can secure a sounder future for the CAP

tive result for milk, and on the other hand a very positive result for cereals, of which there was such a large harvest.

Against this background, the Commission concluded that the possibilities for price increases are limited, and that, in some cases, even reductions are necessary – that is, if the guarantee thresholds are exceeded, or if the market situation is very bad. So, for the prices for the majority of products, the Commission proposes between 0 and +2 per cent, but also some reductions.

Because of the exceptionally difficult income situation for milk, resulting from last year's introduction of quotas, the Commission considers a small increase in price justified (+1.5 per cent). Taking account of the reduction of 1 point in the levy, this means a net increase of 2.5 per cent in returns for producers. Other elements will also help incomes in the milk sector in the coming year: the reduction of 1 point (from 3 per cent to 2 per cent) in the co-responsibility levy, the continuation of

the aid of 120 million ECUs to small milk producers, and the exemptions for certain producers from the co-responsibility levy, and the fixing of a Community reserve quota of 335,000 tonnes.

To help the disposal of butter, we propose another adjustment in the fat/protein ration. This means that the butter price can be reduced by 4 per cent, and the butter subsidy (for UK, Ireland, Denmark and Luxembourg) can be dropped without increasing the price to consumers.

The Community market for beef is finely balanced, with a high level of production and large stocks. Because we must not discourage consumption in Europe, or make our exports less competitive, we cannot risk price increases; so we propose to maintain them at the existing level. As last year, we propose to keep the suckler cow premium (*prime à la vache allaitante*) as the single premium for beef, without renewing the calf premium and the variable premium. We propose a price freeze also for pork and mutton.

For cereals last year there was a record harvest. The guarantee threshold was exceeded; and in accordance with the regulation we have to abate the normal price for cereals by 5 per cent. Normally we could have increased the price by 1.5 per cent so the abatement leads to a net reduction of 3.6 per cent in prices for most cereals.

For some crops of interest to Italy and Greece, we propose price increases: +2 per cent for cotton, +2 per cent for olive oil (to finance a campaign against the olive-fly). For other products where the Community has a deficit (soya, dried fodder, flax) we have proposed a price increase of +1 per cent. But we propose a price freeze for sugarbeet and wine. There should be a differentiation of prices for tobacco, fruit and vegetables, according to the variety.

That means for tobacco, as last year, we have to reduce prices for some varieties for which we can find no markets, while making efforts to reconvert to saleable varieties. Since the Commission is very concerned about market developments for fruit and vegetables, with big withdrawals of fresh produce and an increasing volume of processed products, we propose +1 per cent for some vegetables, a price freeze for most fruits, -3 per cent for apricots and peaches and -6 per cent for citrus fruit and tomatoes.

In our price proposals, we traditionally make a further move to the unity of the market by reducing MCAs – both positive and negative. This year is no exception, and we propose a green devaluation for Greece and France so as to eliminate their negative MCAs,

and a small green revaluation for the Netherlands and Germany, so as to reduce their MCAs for milk and cereals to the same level as for other products (+1.8 per cent). In the light of the big efforts already made to dismantle the positive MCAs, we do not ask them this year to go further than this minimal step. For the United Kingdom we make no proposal yet, until the development of the pound sterling becomes clearer.

For the Community budget, the price package will cost very little this year (+138 million ECUs expenditure from the Guarantee Section of FEOGA in 1985) and will even reduce expenditure next year when the full effects of the cereals prices come through (-34 million ECUs in 1986). But I have to add the fact that - independently of our price proposals - the conjuncture has deteriorated since the Commission prepared the 1985 budget last May.

So, in any case, expenditure will be more than the original draft budget; we now estimate that, with this price package, and on the best assumptions about the markets, the dollar, and so on, the total needs for the Guarantee Section in 1985 will be 19,995 million ECUs. However, our best forecast for expenditure for next year suggests that the objective of a rate of growth of agri-



Frans Andriessen

cultural expenditure lower than the Community's own resources should be fulfilled.

In conclusion, this package amounts to more or less a price freeze on average. So, for consumers, it will not increase the price of food, or the cost of living. But for farmers - and for Agriculture Ministers - it will not be easy. They understand the reasons why the

Community is obliged this year to be restrictive. But they want to know about the future - what are the prospects for the next generation?

That is why the Commission intends to engage a dialogue with the Council, the Parliament and the professional organisations, to define the perspectives for Europe's agriculture in the medium and long term. We have to look at the possibilities for the creation of a modern and efficient agriculture which continues to exploit its potential to improve productivity in the interests both of farmers and consumers but which, at the same time, respects the environment.

We must also consider increasing integration of agriculture into the economy as a whole, which implies that the rural population must be assisted in improving its economic and social situation, not only through the policy on agricultural structures, but also by means of other policies and instruments such as the Integrated Mediterranean Programmes.

In this way we intend to arrive at a clearer definition of the perspectives and of the framework and instruments which are necessary for the CAP to fulfil its objectives in accordance with the Treaty.

Is protectionism really as widespread as we think?

Nostalgic references are made nowadays to the liberal era of the 1960s and the early 1970s. It is claimed that the open international trading order has been disintegrating slowly over the past five years or so. Protectionism, allegedly, has increased so much that parallels are drawn with the early 1930s.

All this is hardly justified. During the Great Depression, trade contracted by over 25 per cent in a few years. The fall in world trade volume in 1982-1983 has been around 2 per cent. World production has contracted much more. This year, world trade is rising strongly again.

In reality, the 'ideal trade conditions of the 1960s' never have existed. The international economic system always has had numerous warts and blemishes. Balance-of-payments import restrictions and exchange controls for long have been the norm rather than the exception, and central planning has been widespread.

'Import restrictions and exchange controls have for long been the norm rather than the exception,' says Paul Luyten, deputy director-general for external relations at the Commission's headquarters in Brussels

In the trade-policy field, for several decades there have been restrictions and distortions in a number of areas: textiles and clothing since 1962; steel, with export restraints by the EEC and Japan vis-à-vis the United States from 1969 to 1974 and by Japan vis-à-vis the

EEC; specialty-steel quotas in the United States in the 1970s; restrictions against Japanese cars and shipbuilding subsidies.

Up to the end of 1967, ie, before the beginning of the staged implementation of the tariff cuts agreed to in the Kennedy Round of multilateral trade negotiations, customs duties in most developed countries were comfortably high. Customs duties on passenger cars were 35 per cent in Japan, 22 per cent in the EEC, 65 per cent in the United States and 17.5 per cent in Canada. On polyethylene, they were 20 per cent or over in all these countries. On silk ties, the corresponding figures were closer to 30 per cent. This in itself made it easier to dispense with non-tariff barriers.

While trade liberalisation has made progress in the less important agricultural products and processed foodstuffs, trade in the major agricultural products of the temperate zone has largely escaped the liberalisation process. In the developing countries, trade policies have always been highly protectionist, with less than a handful of countries following liberal policies.

Today, industrial countries have reduced tariffs to unprecedentedly low levels - indeed, staged tariff cutting

under the Tokyo Round continues until 1986 – and they have gone even further in the framework of the Generalised System of Preferences. A number of codes, such as those on customs valuation and government procurement and subsidies and countervailing duties, were negotiated in 1979 to supplement the rules of the General Agreement on Tariffs and Trade (GATT), thereby tightening up the obligations of the signatories.

Other provisions, such as those dealing with dispute settlement, balance-of-payments difficulties and less developed countries, have been clarified. In the regional context, free trade has been achieved in Western Europe in industrial products and the EEC has gone a long way to grant full, free access to the developing countries linked with it through the Lomé Convention and substantial tariff disarmament to practically all the Mediterranean nations.

'Steel is a trouble area with a wide and broadening variety of gimmicks interfering with the free flow of trade'

The 'great recession' and the behaviour of exchange rates have in recent years imposed enormous strains on the trading system. The world trading order has withstood the pressures surprisingly well. It has not disintegrated.

Creeping protectionism has been eroding the progress achieved in some areas, but modest liberalisation in other areas has worked the other way, thereby compensating somewhat for the regression elsewhere.

Where has slippage into protectionism occurred and what form has it taken?

The picture of the textiles clothing sector needs to be carefully analysed. Total imports from the developing world into the industrial countries have continued to grow at a significant pace notwithstanding the fact that both the commodity coverage and, even more so, the exporting country coverage of the restrictions applied under the Multifibre Arrangement have expanded.

Steel is another trouble area, with a wide and broadening variety of gimmicks interfering with the free flow of trade. A downward trend in steel consumption in the developed world combined with recession and new steel

plants in a number of newly industrialised countries – which for the time being, because of the recession, have export availabilities – is forcing painful contraction and modernisation of the steel industry in the industrialised world. But world trade in steel is still rising, and production capacity in the developed world, together with employment, have been shrinking fast.

In the automotive sector, the restrictions are practically concentrated against exports by Japan. Disregarding inflation, passenger-car exports from OECD countries have risen from \$4.3 billion in 1965 to \$59 billion in 1982.

Finally, there are a number of other sectors, *inter alia* in the consumer electronics area, where new restrictions have been introduced, but not in as systematic a way as in textiles or clothing, nor against the same background as in steel. International trade is expanding by leaps and bounds.

In agriculture, the picture has not really changed over the last decade. The degree of trade tensions in the area of temperate agricultural products fluctuates with the overall supply/demand situation.

A meaningful quantification of *all* these restrictions is practically impossible, because of the very complex and diversified nature of the measures. It is clear, for example, that the amount of trade suppressed in the case of Japanese car exports is substantial, but in other areas, when the restraints involve so-called 'weather forecasts' or other kinds of export-restraint promises, the restrictiveness depends on the precise nature of the undertakings, the degree to which they are respected, trade conditions in the importing country, and so on.

Although voluntary export restraints and organised marketing arrangements have multiplied in recent years, they mostly have only slowed the progress of foreign penetration in the importing markets or altered its pattern. Either other suppliers have taken the place of those directly affected, or the penalised exporters have succeeded through selling upmarket products and have gained in price terms part or all of what they were losing on quantity. Considering further that export restraints tend to raise prices charged by exporters, the

'In agriculture, the picture has not really changed over the past decade...'

real burden of such limitations is falling largely on the consumers of importing countries rather than on the exporters.

Many exporting countries, including a number suffering from great indebtedness problems, have hardly been affected by the recent protectionist trends, although several of them have been hard hit by a spate of stiff anti-dumping and countervailing duties to resist unfair trade practices. But claims about the terrible impact of new protectionism can frequently be attributed to the universal tendency of politicians to find external scapegoats for domestic ills.

There is also the understandable dramatisation of the recent trends by those responsible for maintaining liberal trade in order to heighten resistance to protectionism – in the words of Arthur Dunkel, director-general of GATT: 'frightening people for their own good'.

This analysis, that the recent drift into protectionist measures has not been so intense as is often claimed, seems to be supported by one fact. While no major liberalisation measures have recently been taken the volume of world trade in the first half of 1984 was running 9 per cent above the first half of 1983, a rate of growth well above that of world output. As the 1984 GATT report states, it was external demand which was the main, often the only, stimulus to output in 1983 in industrial countries other than the United States, the Federal Republic of Germany, the United Kingdom and in several developing countries.

What has happened since World War II is that world trade has been growing much faster than the rate of growth of world GNP. The share of trade in the economies of almost all industrialised countries has doubled since 1973, the year of the launching of the Tokyo Round. This has been made possible by trade liberalisation, by lower transportation costs, by improved communications which have lowered barriers and by increased receptivity to foreign goods. Foreign trade has now become highly sensitive to changes in national and international economic conditions.

Most countries maintain highly protectionist policies themselves, even in areas where their export performance is strong. In fact, international trade rules apply only to industrialised countries, while all the others, regardless of their stage or rate of development, remain substantially and, apparently, indefinitely free of international disciplines.

What, then, are the causes of the

'Free trade is not an end in itself, but a means towards increased welfare all round'

heavy strains on commercial policies? Among the more general reasons for this trend, one can mention that in democracies today governments have come to be regarded by their electorate as responsible for economic welfare. Indeed, in recent years, results of elections in democratic nations have increasingly been influenced by economic growth and employment. This affects the behaviour of politicians, and thus of governments.

Finally, pressure for protectionist relief also stems from the rising number of NICs, which have succeeded in developing export industries and in establishing themselves on world markets. Exceptionally rapid growth of exports of these countries, often in sensitive sectors, has continued unabated. Take the examples of South Korea, Hong Kong and Taiwan. Expressed in US dollars, with a base year of 1975 for 100, the 1983 export index in value, disregarding inflation, stood at 481 for South Korea, 368 for Hong Kong and 471 for Taiwan.

This is, in itself, evidence that world markets are not as closed as is too frequently asserted. What has happened is that along with the rising cost of labour associated with industrialisation, the protectionist measures adopted against these countries have prompted them to diversify exports.

In sum, the agitation about protectionism in trade, particularly as it is voiced by those responsible for monetary affairs and macroeconomic policies, is partly misdirecting the attention to a symptom, while failing to attack the malady.

Free trade is not an end in itself, but rather a means toward increased welfare – and not just in material terms – all around. It is this objective which is fundamental, and, when deviations occur, they should be kept at a minimum with the basic consideration of human welfare as a guideline.

This should not be construed as a defence of the recent trend to protectionism. It is merely an attempt to set the record straight. The resistance that has been offered to the pressures augurs well for the future. But if macroeconomic policies do not improve and exchange rates continue to behave in grossly distorted ways, the worst could still happen.

Youth Orchestra is on the way

Claudio Abbado and Leonard Bernstein will be joining the European Community Youth Orchestra in their peripatetic celebrations of European Music Year.

The ECYO, their chamber music ensembles, well-known soloists and massed choirs, including the Wiener Jeunesse Choir, the London Symphony Chorus, the BBC Symphony Chorus and the Hiroshima Children's Choir, will be performing throughout Europe on the Orchestra's Easter and summer tours.

Venice, Brussels, Luxembourg and Germany are on the itinerary for the Easter tour from 12 to 21 April. Ligeti's *Lontano* and *Le Grand Macabre* (Scenes and Interludes), conducted by Matthias Bamert, will be the main works. Chamber music concerts have also been arranged. On days when there are no full performances, ensembles will play works specially commissioned by young companies from all ten member countries. Performances of the works of Handel and Bach will also commemorate the 300th anniversary of the composers' birthdays.

The summer tour, which begins on 27 July in St Albans Abbey, England, and ends on 23 August with a Eurovision recording of Mahler's Symphony No. 2, 'The Resurrection', includes stops in London, Dublin, Berlin, Copenhagen and Paris. Claudio Abbado will conduct. 'The Resurrection' and Leonard Bernstein will conduct their other main programme, which includes Beethoven's *Leonora No. 3* and Bernstein's *Symphony No. 3*.

A deterrent for lorry drivers?

Christian Democrat MEP Elmar Brok has proposed a way to discourage lorry drivers from exceeding their maximum permitted hours at the wheel.

He says that employers, as well as drivers themselves, should be put in the dock to face tough penalties. That would stop the employers putting pressure on drivers to stay on the road beyond the daily limit on driving hours, he says.

But he has reservations about Commission plans which would reduce working time for drivers: because, he claims, drivers would get longer rest periods while away from home, which

is when they do not want them.

Vehicle crews could even find themselves forced by the rules to spend rest periods close to, but not actually at, home – and that would encourage them to break the rules. Drivers will not consider reduced working hours as a benefit if they cannot spend the extra free time in the way they want, says Herr Brok.

Life-saving call for fishermen

Fishing is one of the most dangerous industries in the Community – and the death rate is rising.

That is the grim warning from Conservative Euro-MP James Provan, who is calling for a code of conduct for all EEC fishing boats.

The statistics, he says, are disturbing. There were 200 fishing deaths per 10,000 people at risk between 1976 and 1980 in Britain alone, compared with 13 in the construction industry and just three in manufacturing.

'Bon appetit' – in ten languages

The average European is eating more pork, poultry, vegetables and fruit, and drinking more fresh milk than he was ten years ago. He is also eating less sugar and potatoes and drinking less wine, according to the European Commission's 1984 annual report on agriculture in Europe.

The report shows that regional differences in diet are as acute as ever. The average Irishman consumes 1½ to two times as much butter, milk and potatoes as the average European. The French eat more meat than anybody else, particularly beef.

The Germans eat the most pork, the Italians the most poultry, and the Greeks the most lamb and mutton. The French also drink twice as much wine as the Community average.

Clear differences also emerge between north and south. Northern Europeans eat more potatoes, pork, butter and sugar than southern Europeans. The Danes eat the most sugar.

Southern Europeans, on the other hand, eat more lamb, mutton, vegetables, fruit and cereals. The Italians and Greeks consume about 1½ times the Community average for cereals. They also use more vegetable oils, notably olive oil, and drink more wine than northerners.

Good marketing and good contacts — that's the way into Europe

Small firms may well be the big employers of the future, capable of absorbing some of the Community's 13 million unemployed. They are innovative, they are good at design, and they can see their own way forward.

However, they are often less successful at marketing what they produce. Typically, they are short of cash; they lack the contacts to sustain their export efforts; and they often do not know where to turn to for help.

Coupled with the problems facing all exporters, large and small — unwieldy procedures, paperwork, unfamiliar laws and languages — it is a wonder that many small firms manage to export at all. 'It is very difficult to sell in Europe.

It is even harder to sell outside. But Europe is close by, and it is capable of being cracked,' said Brian Quinn, of the Institute of European Trade and Technology, co-organisers with the European Commission of a recent trade conference in London entitled 'Breaking down the barriers — the smaller firm in the EEC'.

Some 20 hard-pressed entrepreneurs were among the 90 or so conference delegates who came to hear how they could overcome the problems and pitfalls, and how to get paid. There are two main areas where small firms need help, said the opening speaker, Bill Anson, of Buckinghamshire College of Higher Education: finance and marketing. The British had often failed to grasp the principles of good marketing. Exporting the right product to the right market within the EEC (for

'The big clearing banks have only just begun to cater for the small exporter'

example, the less developed markets of Greece and Ireland) would extend a product's life cycle and smooth out the troughs. He stressed that firms need to work together, form partnerships and make contacts through local export clubs, swapping experiences and pooling resources. One furniture maker, realising he was exporting 'air wrapped in wood', clubbed together with a candelabra manufacturer: not only did he successfully fill the vacuum in his shipping crates, but he was also able to share the freight costs.

Mr Anson pleaded with small firms to make use of centres of learning for help and advice. Organisations such as his own 'Scanmark' one of several throughout the EEC, existed to build a bridge between business and

Representatives of small businesses at a recent London conference, jointly organised by the Commission, and the Institute of European Trade and Technology, were given practical advice on cracking the market just across the water

the academic world. In return for commercial experience, his polyglot students could cast a fresh and imaginative eye over a small firm's marketing problems.

The big clearing banks have only in recent years begun to cater for the small, cash-starved exporter hit by technical factors rather than commercial ones. John Grimmett, of Barclays Bank, outlined the facilities offered — finance, factoring, collection of payment, invoice discounting.

The greatest nightmare for a small exporter, however, is not to get paid. Mr Grimmett warned of the pitfalls in contracting, urging small firms to make good, formal contracts, and not to let larger companies bully them into accepting their terms. Recovering goods if your buyer goes bankrupt could be fraught with complexities, as laws governing the passing of title can vary from country to country within the Community. A way round this would be to take the payment risk off the buyer and put it on the bank. There are several credit insurance schemes — both government and private — through which a small firm can cover the risk.

It was not finance, however, but finding the right export contacts that most concerned Dr David Jackson, managing director of a small computing firm marketing the fruits of academic research at Manchester University. His efforts to export scientific word-processors had met with mixed success. He had penetrated the Dutch, French and German markets through contacts made at trade fairs, but sales had not yet taken off. Exporting, he had found, is difficult. His experiences had been sporadic and inconsistent. 'I want to expand step by step through exporting and collaborating with other companies. How do you make contacts with other small companies in Europe?'

Dr Jackson, and others like him, might well find the answer in the EEC's Business Cooperation Centre. This, as David Morgan, of the European Commission, explained, is a

sort of 'marriage bureau' for small and medium-sized firms. The Centre will match firms whose standard company profiles are compatible. This databank will help firms to cooperate and perhaps even pool resources in buying, market research, supplying primary products, setting up joint subsidiaries, holding companies and even mergers.

The prerequisite for firms to work together across frontiers, however, is ease of access to the internal market. Already, said Mr Morgan, there had been some progress — simplified regulations and documentation, inspection procedures, and an advance warning system for new standards.

One far-reaching development is that the European Commission has now formulated the necessary legal framework for partnerships across EEC frontiers. Mlle Séverine Israël outlined the principles behind the European Economic Interest Grouping, which allows partners to act jointly while retaining their legal and economic independence.

The concept transcends national laws, and can apply to any stage of a venture, such as the Channel Tunnel, or to a single operation, such as joint purchasing. 'This concept', affirmed Mlle Israël, offers a much more

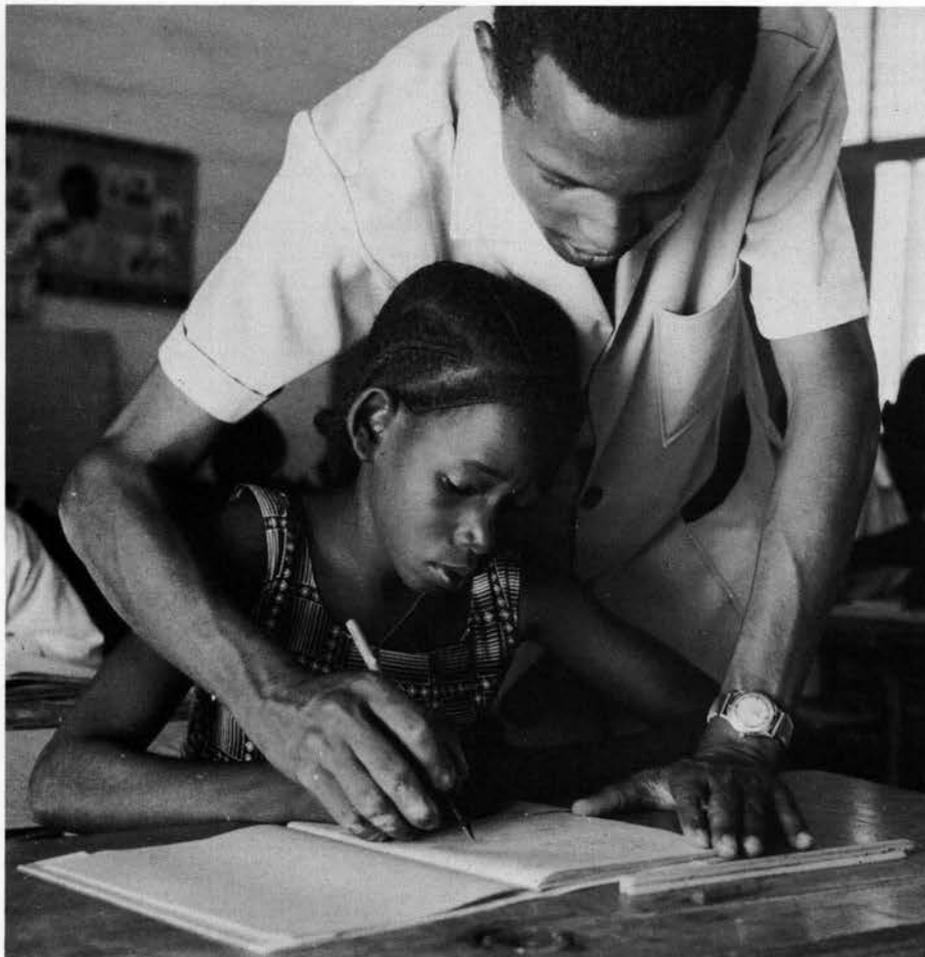
'Loans are available from European Community banks to firms in assisted areas'

attractive and permanent basis for joint action than, for example, a commercial contract. It might well be approved by the Council of Ministers this year: only a few technical problems still remain to be resolved.

The Community is helping small firms in other ways. Guy Baird, of the European Investment Bank, spelled out what financial help was available.

Loans are available from Community banks and institutions to firms in assisted areas, he explained, at below market rates and for longer periods than would otherwise be offered by the clearing banks. Peter Dixon, of the Commission's London Office, sketched out Community support for research and development. Small firms can still tender under the 'Esprit' information technology programme. They can also apply for grants under alternative energy, optics, solid state physics, and environmental research programmes.

How Europeans feel about aid to the Third World



The findings of a survey of public opinion in Europe towards development aid, carried out at the end of 1983, have recently been published in *The Courier*, the Community's magazine devoted to Third World issues.

The survey, based on interviews with 9,719 individuals, was conducted under the auspices of ten associated national institutes forming the European Omnibus Survey, coordinated in Paris, and conforming to the professional standards laid down by the European Society for Opinion and Research (ESOMAR). The results were weighted, so as to ensure that each country was represented in proportion to its population.

There is no doubt, says the *Courier's* report, that Europeans are aware of the severity of problems of Third World countries: two out of three Europeans believe that it is important or very important to help these countries.

However, in the autumn of 1983, Europeans believed that they had their own serious problems and difficulties to deal with: unemployment, terrorism, pollution, uncertain energy supplies, tension between the

Prejudice and lack of information stand in the way of a unanimous response by the citizens of the Community to the plight of peoples far less prosperous than themselves

major powers, regional problems. Among all these preoccupations, the necessity of helping Third World countries was in only eighth place.

In the coming ten years the European public expects a certain amount of progress. Science and technology will have improved the situation of the poorest countries. It will also manage better the use of the planetary resources in the interest of future generations. But the public does not believe that hunger will have been eliminated, nor does it believe that the differences between the rich and poor countries will have decreased. Some 40 per cent of Europeans believe that, no matter what is done, the Third World countries will

never be able to escape their poverty. However, the policy of development aid is widely supported.

Europeans believe that the world regions which need help are above all Africa, followed by India and Pakistan; South America and South East Asia to a much lesser degree.

A study of images and prejudices concerning Third World countries reveals a high degree of perception concerning the problems posed by a rapid increase in the population, instability of the political systems, the disorder caused by the appropriation of resources by privileged minorities.

On the other hand, Europeans do not accuse the populations of not wanting work. At the same time, they admit that these countries are confronted with problems of underdevelopment that Europe lived through, and took centuries to overcome, while favouring, in principle, a model of development which is not based on the model of industrialised countries.

Overall, only one quarter of Europeans expressed points of view determinedly critical or negative concerning the Third World countries.

The principle of helping Third World countries is widely accepted: eight out of ten Europeans are favourable or very favourable, and believe it should be maintained at a current level at least; even given the hypothesis of the worsening of the recession, which would decrease the standard of living in Europe, four out of ten maintain that the aid programme must be continued.

An underlying reason for these favourable intentions to aid is the feeling that the industrialised countries in Europe have a moral duty in relation to the Third World – this often results, says the report, from a certain feeling of guilt from the colonial era. But, at the same time, there is a clear conscience due to the fact that development aid provides a reciprocal interest for Europe.

Europeans who have personally visited or lived in a Third World country seem to be the most motivated in favour of aid to development; those who only have contacts with nationals from Third World countries living in Europe are just as favourable, though slightly less motivated. Therefore, the presence of immigrants in Europe does not result in a rejection of aid. Indeed, even people who show a certain hostility towards the presence of immigrants in their country (hostility measured by the fact that they consider their country 'does too much' for immigrants) are to a large degree favourable to aid to Third World countries.

As to what forms this aid to Third World countries should take, the public clearly favours all those which tend to encourage independence, in particular training and equipment, and are much less interested in assistance (for example, food assistance or sending experts). The promotion of small concrete projects at a local level is regarded three times more favourably than financing large projects which may encourage classical industrialisa-

Projects which encourage independence through education, training and equipment were most favoured by the 9,719 individuals interviewed.

tion. More generally, the type of actions which appear the most appropriate are those which have a short-term effect and which directly involve the population.

In terms of usefulness, aid provided by private associations and international organisations such as the United Nations, is preferred by the public to aid provided by governments or the European Community. The action of the Community was clearly underestimated by the public at the time of the survey, no doubt through lack of information.

Aid should not be seen as a primarily commercial interest; in fact, 53 per cent of Europeans feel that, in the coming ten to 15 years, the events in the Third World countries, their political, economic and demographic situation, can have an effect on the lives of Europeans in their own countries. There is undoubtedly a feeling of interdependence between Europe and the poor countries of the Third World.

Just how far are Europeans ready to go? Many of them (one in ten) say that they would accept 1 per cent taken from their income to provide better aid to Third World countries. This is doubtless a slightly premature reply, though at least it confirms the sincerity of the positions taken in favour of aid.

The majority of the public takes positions favourable to aid to the Third World, stimulated by the questions asked during the interview. But can it be stated, asks the report, that the Third World is a subject of reflection for Europeans? Six out of ten say that they think only slightly or almost never about it. More specifically, out of 85 per cent who said they were favourable or very favourable to aid, 41 per cent said they thought a lot or a fair amount about the Third World, while 44 per cent think rarely or almost never.

How is public opinion concerning Third World countries formed? The survey took into consideration two different types of information sources: personal contacts and the media.

As for personal contacts, there is either the direct experience with one or several countries in the Third World, by travelling or living (13 per cent of Europeans), or the indirect experience by means of nationals from these countries, by contacts at work or in the neighbourhood, at children's school (25 per cent of Europeans). The other 62 per cent, did not, have this type of contact at all.

In addition, the Third World is becoming familiar through the media: 71 per cent of Europeans say that they have recently read in a newspaper or heard on the radio or television 'something concerning Third World countries'. The public does not complain about hearing too much of the Third World, rather the opposite; however, the public often doubts that the image given by the media corresponds with reality.



'The public prefers actions which have a short-term effect and which directly involve the local population'

One group of opinions is characterised by a clear influence of the level of information and by the even greater effect of the degree of motivation in favour of the Third World which leads to a definition of this group of opinions as a statement of faith in favour of aid to development. Three opinions can enter into this category: 'We have a moral duty to help them'; 'It is in our interest to help them'; and 'We Europeans also have much to learn from the populations of these countries'.

The second group of opinions includes the least passionate arguments in favour of the Third World countries and aid to development. Three opinions can be included in this group: 'They are confronted with problems that the European countries took centuries to overcome'; 'We must encourage them to develop in their own way rather than have them imitate us'; and 'The minority of rich people exploit the population'.

The first lesson to be drawn from this is that the negative judgement and images concerning the Third World are associated with a lack of information. Secondly, the reference to colonisation, whether it involves a favourable opinion towards aid due to a certain guilty conscience or to an unfavourable opinion, is independent of the level of information. The moral and affective arguments – 'We have a moral duty to help them' – or 'We Europeans have much to learn from them' – already correspond to a high degree of motivation in favour of aid.

To summarise, the arguments which seem to be the most affective are: 'They are confronted with problems that Europe took centuries to overcome'; and 'They must be encouraged to develop in their own way, rather than to imitate us'.

Since the survey was carried out, the overwhelming tragedy in Africa, and the impact, through television and press reports, of its implications, must be assumed to have affected the opinions of all Europeans. The humanitarian response, though it can never be adequate, speaks for itself.

□ The full report is published in *The Courier*, issue 88, Nov/Dec 1984.

Paying the price for a good read

How can the defence of books as a specific cultural product be reconciled with the smooth operation of an economic community based on freedom of movement and free competition?

This is the central question which could be asked after the European Court of Justice's recent judgement in the case on 'standard prices' for books in France.

On 10 January the European Court stated that the government of a Community member state has the right to get publishers or importers to fix retail prices for books. This stand pleased both the author of the law in question, French Minister Jack Lang, and all those in the European Community who support specific measures, either by member states or by the Community, for protecting the diversity and the quality of books and their distribution.

However, in the same case, the Court condemned certain aspects of the Lang Law: the fact that only the initial importer or 'main agent' can fix the price of imported works, and also the application of a 'standard price' to French books exported to another Community member state, then reimported into France.

These two elements of the Court's opinion satisfied two big French supermarket chains – the Leclerc centres and FNAC – both of which have contested the Lang Law since its inception in autumn 1981, on the grounds that it was incompatible with the Treaty of Rome.

The Lang Law, the only one of its kind in the whole Community, forbids retailers to cut the 'standard price' by more than 5 per cent. FNAC, the biggest chain of bookshops in France, with a branch in Brussels, evaded the law by bringing in books from Belgium; these books were sold in France 'at the European price'.

Similarly, the Leclerc centres, which have become the second largest booksellers in France, offered reductions far greater than the 5 per cent permitted by law.

The case went to the European Court following a complaint by a French bookseller against a Leclerc centre. The Poitiers Court of Appeal, not knowing if it should apply the Lang Law or the Treaty of Rome as interpreted by Mr Leclerc, sent the problem to the Luxembourg judges.

At present, neither books in general nor their pricing have been subjected to any special regulation at the European level. The Treaty of Rome, which guarantees free movement from one member state to another, and competition without distortion for all merchandise sold in the Community, does not make an exception of books. It must be possible, therefore, to move them, like any other product, across Community frontiers without any problems or discrimination which

A ruling by the European Court of Justice that price cutting in the book trade is not necessarily against the law has implications for book-buyers and for bibliophiles throughout the Community



would give distributors an advantage in prices over their competitors.

It was specifically in order to prevent books from being treated like packages of soap powder or tins of food that all the Community member states set up systems to regulate the sale, and especially the price, of this particular product. In France, the system takes the form of a law. This has just been authorised in principle by the European Court; and certain other EEC countries, notably Belgium and the Netherlands, where the authorities are considering similar initiatives, may follow suit.

Price and competition laws vary widely from one Community state to another. In Germany and Luxembourg the law makes an exception for books from the general ban on imposed prices. In the UK commercial law authorises recommended prices in exceptional circumstances 'in the public interest', although the established principle is freedom in retail pricing. In 1962, British judges explicitly considered books 'in the public interest' by accepting the Net Book Agreement. In the Netherlands the situation is similar, but there it was the government which gave the author-

isation. In Belgium and Italy the law does not regulate pricing in any way: there is neither a ban nor an authorisation.

In nearly all the Community member states, protection of books and the regulation of their price is assured by trade agreements between publishers and bookshops. These agreements are sometimes very old, such as the German *Sammelrevers* of 1887 or the 1900 British Net Book Agreement.

These agreements generally involve fixing book prices and booksellers undertaking to respect these prices. This is the case in Germany, the UK, Ireland, Denmark, Italy, the Netherlands and, for books in Dutch, Belgium. The same goes for the two countries applying for membership, Spain and Portugal. In Greece there is simply a catalogue price, fixed by the publishers, and reasonably well respected by retailers.

The legal backing for these national agreements varies from country to country. In Germany the trade can go to court for enforcement. In Great Britain, Belgium and the Netherlands this possibility does not exist; but publishers can refuse sales to recalcitrant retailers. In Italy, a Commission representing both publishers and booksellers makes a judgement in cases of contravention of the recommended price.

In certain cases the recommended price can be subject to a time limit; in the UK and the Netherlands, complete price freedom comes into force two years after a book is published. Any British publisher can always exclude his publications from the recommended price system.

In Belgium, the sale of books in the French language is not covered by any trade agreement or regulation. All attempts to create one by the trade have ended in failure. All the trade agreements in force allow for exceptions, which are more or less the same in all the Community countries: sales to libraries, bibles, school textbooks, or sales to schools. In this latter case a 10 per cent discount is allowed in the UK and Germany; total freedom of prices is allowed in Denmark (this applies also to tourist guides, road maps and opera librettos) and the Netherlands for cheap paperbacks. Except in the Netherlands, all these exceptions never amount to more than 10 per cent of the books published in each country.

Another kind of bookselling falls completely outside the recommended price system: mail order sales through specialised companies or bookclubs. The prices in this kind of distribution are much lower than in bookshops. But the latter, like the publishers – who give large discounts to mail order services – consider this to be a very specialised market, which does not compete with the traditional book trade. The customers, and to a large extent the products, are not the same.

'Price and competition laws vary widely from one member state to another'

Besides, in most Community countries books can be sold only through the post eighteen months or two years after they first appear, which gives an additional guarantee to book-sellers.

So the problem of book pricing is essentially a national one. In practice the European dimension has, until now, only appeared as regards book trading between Community member states.

In the only two cases where the Community has opposed systems to regulate the price of books, it has been because the regulations in question affected trading between member states. This is the attitude which the European Court has just adopted with regard to the Lang Law; but the Court had already expressed the same concern in a different context last year.

In effect, in January 1984 the European Court declared that a transnational trade agreement between Dutch publishers and booksellers (the VBBB) on the one hand, and their Flemish counterparts (the VBVB) on the other, was incompatible with the Treaty of Rome. With this agreement the two organisations fixed the sales price in the whole Dutch-speaking zone, straddling two member states, and the publishers in each country reserved the right to sell their books on the other side of the border only to booksellers who signed the agreement. By the end of 1981 the European Commission had condemned this agreement as a cartel which distorted competition and limited commerce between member states. The European Court backed

'The problem of book pricing is essentially a national one'

this view, and the Dutch language traders had to dismantle their system.

This is a good example of how traders try to act in the context of their problems. In effect, the market for books does not always remain national. Dutch customers can read Flemish books just as well as works produced in their own country. But the book market has scarcely a chance of becoming truly Community-wide in the foreseeable future. How many books published in German are read in France? How many books in Italian are sold in the UK? In fact, this European book market is effectively divided into language zones.

At present the Community has seven such language zones. Three of them correspond almost exactly to the frontiers of three member states: Italy, Greece and Denmark. Generally these countries do not have the problem of books being imported or reimported at 'slashed' prices, nor of litigation on a European scale. This is partly the result of the correspondence between language-zone and state, but also of other factors. In Italy there are no big distribution chains comparable to FNAC. In Denmark, where books are

generally very expensive, free public libraries are highly developed, which has an effect on those who previously bought books at discount prices.

Luxembourg is in a unique situation: having practically no national publishers, its market is based almost entirely on imports from Germany, France and Belgium. Import and reimport do not pose problems, particularly since the country's supermarkets are hardly interested in books. So it is mainly in the French, Dutch and – to a lesser extent – the English-speaking zones that book traders can find themselves faced with uncontrolled competition from imported or reimported works.

In practice, none of these three zones is protected against price-cutting resulting from reimportations. In Belgium there is no regulation on the French-speaking side. In France the European Court has recognised the illicit character of 'artificial movement of goods'; but it is the French authorities who must prove that books were exported from France and then reimported solely in order to evade the law, which does not seem easy.

In the Netherlands, the High Court has decided that Dutch trade agreements do not cover reimportations, although false reimportations are illegal. The same situation applies in France. In the UK and Italy, where importers can also fix book prices, there is no legislation against reimportation.

It is mostly the French and French-speaking Belgian booksellers who see reimportation as a threat. However, publishers' and booksellers' associations throughout the Community would like to be able to apply a form of fixed pricing for books, which would effectively protect them from an invasion by large-scale distributors. They want a system, or a collection of systems, of standard prices which would not be endangered in the name of European rules on free competition and free movement.

Does this imply a modification of European law or of its application? The ministers of the Ten will soon be able to take initiatives in favour of a European policy on culture in which books will have an important place.

JEAN-FRANÇOIS BELAUD

Regional Fund help for ratepayers

How 'real' is aid from the European Community? It's a question which still causes a certain amount of heart-searching, even after ten years.

There's nothing insubstantial about the cheques from Brussels. There they are, signed on behalf of the Regional Development Fund by Antonio Giolitti (Gregorio Varfis nowadays). They come in very comforting six and seven-figure sums, made payable to the Treasurer of your friendly neighbourhood local authority.

But are we not merely getting our own taxpayers' money back? Is this truly new, 'additional' money, of real benefit to the people who live in the area which receives it?

The first question is easy to answer. Yes, an RDF grant *has* been paid for in part by the taxpayers who benefit. But German taxpayers have paid rather more – as have the taxpayers of Paris, Copenhagen, London and Luxembourg, come to that, in proportional terms.

Scotland, with some 10 per cent of the UK population, gets about a quarter of the total RDF allocation. To put it another way, for every 40 pence which a Scottish householder pays into Community aid funds via his subscriptions to the EEC budget, he gets £1 back. No bad deal.

In Tayside Region, some bright sparks in the Regional Council's headquarters in Dundee have recently had a shot at estimating just how much the taxpayers of the region have avoided in interest charges and capital repayments thanks to RDF grants. The calculation is not easy. It depends upon the degree to which RDF grants reduce the region's debt

bill, on fluctuating interest charges, and on the rate at which the money is spent.

RDF money in Tayside, apart from one or two colourful and unusual projects – Pitlochry Festival Theatre, Dundee's tiny airport, wet-weather tourist centres at Blairgowrie and Arbroath – has gone overwhelmingly into unglamorous but essential work: building sewers and water-works, improving narrow roads and bridges, industrial development and vocational training centres.

But this is only part of the story. Future awards will, of course, result in further savings of rates. There have also been savings in interest charges on Community loans from the European Investment Bank.

Tayside Region's Director of Planning, Hamish Ramsay, believes that over the next year or two, after allowance is made for the effects of the revaluation of property, ERDF grants could be worth something like a saving of between ½p or 1p on the rates.

Says Mr Ramsay: 'We are constantly told that the greatest help we can give the business community these days is to reduce their rates burden. The contributions from the various European Community Funds have helped us to achieve more without increasing the rate bill.

'We will, I am certain, do as well as we have done in the past in submitting the right projects to the Scottish Office and to Brussels, getting the money, spending it properly and on time, and thus cutting back on our debts. If by doing so our ratepayers secure an advantage – well, that's the healthiest sort of competition.'

STANLEY BUDD

More cash for the regions

The Commission has approved seven special five-year regional development programmes, costing a total of 229 million ECUs (£140,700,000) for the United Kingdom, the Greek islands, the Federal Republic of Germany and the Netherlands.

The schemes are designed to boost local economies and provide jobs, notably in areas hit by the disappearance of traditional industries such as steel, textiles and shipbuilding, and in poor Mediterranean areas that may be affected by Spanish and Portuguese accession to the Community in 1986.

The United Kingdom will get 155 million ECUs to help set up small businesses in depressed industrial areas over the next five years. Of the total, 105 million ECUs will go to textile areas in Lancashire, Yorkshire, Greater Manchester, Tayside and Northern Ireland.

Another 33 million ECUs will go to similar projects in depressed steel areas, most of which have already received aid under previous schemes. In Strathclyde, Cleveland, Corby, South Yorkshire, Sheffield, Clwyd, South and West Glamorgan and Gwent, 75 per cent of the money will go towards technical assistance to small businesses. In Humberside, Durham, Workington and Llanelli, technical aids will account for about 50 per cent.

The remaining 17 million ECUs of the allocation will go to shipbuilding areas in Strathclyde, Merseyside, Tyne and Wear, Cleveland and Belfast. Again, most of the areas have already received aid and 75 per cent of the money will go towards technical assistance.

In December the European Commission also published plans for a number of similar schemes for other areas hit by the recession in the textile and shipbuilding industries, 'problem areas' like the border between the Republic and Northern Ireland.

Japs make a promise on exports

Japan has agreed to continue to limit its exports of cars, forklift trucks, light commercial vehicles, motorcycles, machine tools, quartz watches, television sets and tubes and video recorders to the European Community.

The agreement, which was reached at a meeting in Tokyo in December with the Japanese Trade and Industry Minister, is part of a three-year arrangement worked out in 1983 by the two sides.

In the controversial area of video recorders, the Japanese agreed to limit their exports to the EEC in 1985 to 2.25 million. This will allow Community manufacturers to produce and sell at least 1.4 million, according to Commission officials.

The market for video recorders in the member states in 1985 is expected to be about 4.5 million sets. But the Commission remains concerned about the large number of part-finished Japanese videos that are assembled in Europe to escape import quotas.



The Ten's XI: what a load of genius!

The idea of creating an EEC football team has been looked on with growing interest in Brussels since the Fontainebleau Summit last June.

The Commission's sporting lobby points out that an EEC team combining the flair and individuality of southern European clubs with the tactical discipline and teamwork of the northern Europeans would offer a rare treat for both fans and players against combined teams from South America or Eastern Europe.

Agreement in principle to set up a Euro-team would be the easy bit.

Selecting the players, a manager, a coach and the venue would be tougher. Deciding on the breakdown of nationalities in the team would be even more difficult.

This page's list of possible managers, after heated debate, might include Germany's Franz Beckenbauer, the Netherlands' Johan Cruyff, Britain's Ron Greenwood or France's Michel Hidalgo. The team, equally tentative, might include such players as Shilton (UK), Schumacher (FRG), Pfaff (B), Van Breukelen (NL), Tancredi (It), Olsen (Dk), Gerets (B), Bossis (F), Briegel (FRG), Platini (F), Robson (UK), Brady (Ir), Elkjer-Larsen (Dk), Rush (UK), Rummenigge (FRG), Michos (Gr) and Hellers (Lux).

Alternative squads might include one player from each member state, including the new members, Spain and Portugal, lobbyists say.

Green light for your Euro-cheques

The Commission has granted an exemption from its rules on restrictive practices to the international use and clearing of Eurocheques.

The move is the Commission's first competition decision in the banking sector. It will allow banks to charge standard commissions on Eurocheques without violating EEC competition law.

Under the Eurocheque system, which was introduced in 1968, banks issue plastic Eurocheque guarantee cards with the cheques, and accepting institutions cash guaranteed cheques at their counters. Banks within the system have gradually adopted a standardised format.

In 1981 they agreed that no commission should be charged on the spot by the foreign cashier or shopkeeper, when a customer cashes a cheque abroad. Instead, the foreign bank cashing the cheque would get a standard 1.25 per cent commission, payable when the cheque is reimbursed by the responsible clearing bank.

Although agreements of this kind involving collusion between banks are specifically banned under EEC competition rules, Commission officials decided that the advantages of the system to holidaymakers and businessmen travelling abroad were such that an exemption was justified.

Fund for fighting poverty

Social Affairs Ministers have agreed to set up a new 25 million ECUs (£15.4 million), four-year programme to fund pilot projects aimed at fighting poverty in Europe. The money will go to public and private bodies operating schemes designed 'to test or develop' new methods of helping the poor.

Other schemes eligible for funding will include projects designed to improve the exchange of information about anti-poverty measures and levels of poverty in different EEC countries. The EEC will normally contribute up to 50 per cent of the cost of a scheme, but in particularly poor areas the limit will be raised to 55 per cent. Other exceptions will be made if a project is 'of exceptional interest' to all or part of the Community.

Pressure on ministers to adopt a new poverty programme to replace the one that expired in 1980 has grown steadily with the deepening of the economic recession in Europe and the rise of unemployment.

In 1984 both the European Parliament and the Economic and Social Committee urged the Council to adopt European Commission proposals to counter the spread of poverty, particularly in industrial regions and inner-city areas.

'Get stuck in' says Scottish MEP

A call for the British people to 'join the game and try to score a few goals, instead of staying on the touchlines barracking', has been made by Ken Collins, MEP for Strathclyde East, in an article in a Scottish newspaper, the Glasgow Evening Times.

In dealing with unemployment, he says, it is no longer feasible for any one European country to go it alone. 'In or out of the European Monetary System, unemployment can be tackled only if we learn that art of co-operation with like-minded neighbours in Europe,' writes Mr Collins, adding:

'It is true that the European Community is a clumsy instrument, but at the moment it's the only one we've got.'

£1.2 million fine for breach of EEC rules

The Commission has fined Deere & Co, a US farm machinery maker, two million ECUs (£1.2 million) for violating its competition rules on free trade.

The Commission said Deere, which has plants in the United Kingdom, France, Italy and the Federal Republic of Germany, had since 1975 tried to prevent farmers and dealers in the Community from importing machinery from other member states where it was cheaper.

Since farm equipment prices have been 'persistently higher' in the United Kingdom and Greece, farmers and dealers have had a clear incentive to import, says the Commission.

Deere finally agreed to end its export ban in August 1983, at a late stage in the Commission's proceedings against it.

Go-ahead for Esprit projects

The Commission has announced the list of Esprit projects selected in 1984, the first year of the main European Strategic Programme for Research and Development in Information Technology.

A total of 104 collaborative research projects are being given the go-ahead, subject to final signature of contracts, following the 1984 call for proposals and the Esprit pilot phase launched in 1983. These contracts represent a total Community financial commitment of slightly less than 180 million ECUs. Esprit projects are co-financed equally by the Community and the industrial participants in the programme.

Each of these new projects brings together an average of more than five partners across Community frontiers. In total, about 270 different European companies, universities and research institutes are involved, a number of them in several projects.

Following the adoption of the first five-year phase of the programme by the Council of Ministers on 28 February, 1984, six weeks were allowed for the submission of projects in the first year. Despite the

compressed timetable, 441 transnational research proposals were submitted from all member states in response to this first call.

The projects put forward represented a total funding requirement nearly five times higher than the programme's financial ceiling for 1984. This allowed the independent panels of evaluators to select the 104 projects from an impressive field. The final shortlist was unanimously recommended for adoption by both the Esprit management committee, representing the EEC governments, and the Esprit advisory board, drawn from the industrial and scientific community.

The powerful IBM corporation, which has been in dispute with the Commission over an anti-trust suit, is among the industrial companies invited to take part. Others include GEC (UK), Philips (Netherlands), Siemens and AEG Telefunken (Germany), and CIT-Alcatel (France).



A European passport? Wait for it!

European Community passports, which were to have become available throughout the Community from 1 January, may be delayed in some countries because of technical difficulties.

Both the Federal Republic of Germany and the United Kingdom have said that technical difficulties involving the electronic reading of the documents will delay their introduction until 1986 and 1987 respectively.

Greece, Belgium and the Netherlands have also said that unforeseen technical problems would cause short delays in bringing in the new system.

Italy led the move away from the 'national' passports of the past by adopting the burgundy-coloured Euro-document several months ago. France, Denmark, Ireland and Luxembourg all followed suit on 1 January.

Germany's rivers need a clean-up

The Commission has asked Environment Ministers to approve legislation to end pollution of the Rhine by the chemical cadmium.

Cadmium is currently produced in three of the four EEC countries bordering the Rhine - the Federal Republic of Germany, France and the Netherlands.

It is used in a variety of forms, in industries as diverse as non-ferrous metals, zinc extraction, lead and zinc refining, the manufacture of pigments (paint), stabilizers, phosphoric acid, phosphatic fertilizers and batteries.

Concern over the chemical's health implications led ministers last year to adopt a directive limiting its use in ceramic glazes likely to come into contact with foodstuffs.

The new legislation would strictly monitor the amount of cadmium being released into the river, in line with EEC commitments as a signatory of the Bonn Convention on chemical pollution and a member of the International Commission for the protection of the Rhine against pollution.

But, whilst efforts to clean up the Rhine have met with relative success in recent years, attempts to save the Meuse - another of Europe's major rivers that supplies drinking water to large parts of France, Belgium and the Netherlands - have met with serious setbacks.

According to Belgian Socialist MEP, Ernest Glinne, quantities of cyanide, heavy metals such as aluminium, zinc, cadmium and lead, hydrocarbons and detergents have leaked into the river over the past two years, killing millions of fish.



Action on those new car prices

The Commission has adopted new legislation that will guarantee the right to buy a car in any member state, as well as going some way towards reducing price differentials for cars in different EEC countries.

Car prices in Europe currently vary by as much as 30 per cent for the same car in different countries. A car costing 100 units in Belgium, would cost 110 in the Federal Republic of Germany, 114 in France, 121 in Italy and 130 in the United Kingdom, according to a 1984 survey.

The regulation, which comes into effect in July, is designed to rationalise existing car manufacturers' distribution systems by giving them certain exemptions from EEC rules on restrictive practices. In return, the companies will have to supply any car ordered, whether left- or right-hand drive, at reasonable prices.

If they refuse, or try to levy an unreasonable surcharge, for example on right-hand drive cars sold on the continent, they will be liable for prosecution under Community laws governing discriminatory pricing in a free market.

Moves for a single customs form

Cutting paperwork between businesses, traders and government agencies in the Community has come closer, thanks to a system, partly funded by the EEC, known as Trade Data Exchange.

A first step has been the adoption in principle of a single customs

document, in place of the 60 to 70 currently in use.

A conference sponsored by SITPRO and its European equivalents, the COMPROS, will take place on 16/17 April 1985 at the Royal Garden Hotel, London. It will be addressed by Paul Channon, UK Minister for Trade. Speakers include Colin Anthony, Ford Motor Company; Johannes Tulp, Philips; Etienne Dreyfous, Air France; David Morley, ICL; and Michel Carpentier, European Commission.

Further details can be obtained from: Business Briefings Ltd, 565 Fulham Road, London SW6 1ES. Tel: 01-381 1284.



Home again – with plenty to think about.

HOW THE OTHER HALF WORKS...

A scheme for enabling young people in the European Community to see something of working conditions in other countries is just entering its second year.

Organised by the Central Bureau for Educational Visits and Exchanges, it stresses the importance of such experience, for the young men and women who take part, in determining how the idea of a European community, and Gaston Thorn's 'second generation Europe', might become a reality.

The programme so far can be reckoned a success. Comments by participants – they went not as tourists but as active members of the 'host' societies – reflect a range of positive reactions, from eye-opening disillusion to something like culture shock. Equally,

This was one young Briton's reaction to the work: 'First day, sore back. Second day, sore legs'

young Community citizens were forthright in their reactions to life in Britain.

Interviews with participants on their return have included some candid 'quotes'. On the French: 'Socially they seem to be a great nation of talkers. They are perfectly happy just to share each other's company in this quiet corner of a café... Their public transport system can certainly be envied on this side of the Channel.'

A German comment on industrial relations in Britain was that the system is 'anarchic,

unnecessarily strike-prone, dominated by political trade unions'. In terms of the long hours they work, the Dutch come through as the best workers.

One Briton recorded his reaction to the work he was set to do: 'First day, sore back. Second day, sore legs. Wednesday, did not get to sleep – my back sore as the day before. Friday could not get up, so they let me sleep on...'

Some remarked on the high standard of living in Germany, where 'even the lower paid workers get 30 days holiday above the statutory allowance'. On their side, some Germans saw Britain as 'a tragically fallen power'. In contrast, for instance, to the Danes, who seemed to go for small and efficient factories or businesses, British industry was seen as 'lacking in consistency, with a poor record for delivery'.

The Danes scored with their emphasis on ergonomics – 'always the rural type of atmosphere, created in artistic design and wide, high corridors with vegetation scattered everywhere, to give the feeling of open space... I like the idea of thinking of the people and the environment, as well as the factory itself,' said one participant.

After these first impressions, the organisers note, participants tend to reassess their own situations, to question what previously they had taken for granted, examine their own values and standards; and often conclude that there is, in the end, much that young people from different cultures can learn from one another.

It then becomes apparent that the European Community is more than a mere common market, and why, despite the refusal of an often embittered history to go away, as the Bureau says, it must not be allowed to fail.

Commission calls for action on terrorism

A call for united action against terrorism was made by Lord Cockfield in a statement to the European Parliament last month, as a contribution to a debate on the subject. In his statement, made on behalf of the Commission, Lord Cockfield said that the adoption of the Declaration on international terrorism at the London Economic Summit on 9 June 1984 marked an important step forward.

This referred to closer cooperation and coordination between police and security organisations, especially in the exchange of information, intelligence and technical knowledge, the use of powers under the Vienna Convention in relation to the potential abuse of diplomatic immunity, action to review the sale of weapons to states supporting terrorism, and consultation and cooperation in dealing with known terrorists.

The Declaration was further reinforced by the conclusions of the European Council, adopted at Dublin on 4 December 1984, on terrorism and the abuse of diplomatic immunity.

The most recent development is the agreement reached between France and the Federal Republic of Germany on 5 February, to set up an 'operational group' to coordinate national efforts. A measure of this kind is a valuable means of combating terrorism at the European level, Lord Cockfield said. The Commission hoped that these arrangements could be extended rapidly to include other member states. 'European anti-terrorist measures of this kind are indispensable. Terrorism does not respect state borders, and action therefore needs to be on a European level,' his statement added. It went on:

'We as a Commission are very conscious of our own responsibilities where our actions may impinge on these matters. Thus, while we are all anxious to see free movement of our citizens in the Community, the new draft directive on facilitating cross-border movement does provide for special measures to deal with situations that could threaten public security.'

'It is not enough to deplore terrorism – as we all do. It is not enough just to condemn the outrages wherever they occur – in Brighton, in Paris or in Munich. We need to be eternally vigilant. Where we have powers, we should exercise them. Where we have no powers we should press upon those who do have the powers to act and to act vigorously and in cooperation.'

From Russia with love

It may be something of an effort to accept that a painter aged 97, and still working, is in truth a 'modern' artist. It takes only a moment or two, stepping into the glowing ranks of works by Marc Chagall now at the Royal Academy, to accept that he is the rare, perhaps unique, exception.

The exhibition covers the eighty years of his working life, beginning with his student days in St Petersburg from 1907 to 1910, and ending with a large canvas, 'The Dream', painted only last year.

From start to finish it reveals an imagination untrammelled by credos or manifestos, ignoring such potent forces in 20th-century art as abstraction and expressionism, offering instead a consistently personal message – biblical, allegorical, poetic, made from the stuff of dreams.

Some of the early work reflects his association with the theatre: the composition is stagey, the costume pierrot-like, as in a portrait of his wife-to-be, Bella Rosenfield, whom he met in his native Vitebsk in 1909. The symbolism for which he became well-known, drawn largely from Russian folk tales, at first isolated him from most of his contemporaries, though he seems to have drawn strength from exhibiting with other young Russian painters in Moscow prior to 1918.

In 1923 he left for France, was saluted as a 'surnaturel', but shrank from becoming involved in the Surrealist movement. Instead, from 1927 he was recognised as a leading painter of the École de Paris. He took French citizenship in 1937, only to flee to New York in 1941 after being arrested as a Jew. There, his designs for the theatre and ballet made him a new reputation, and his folkloric painting took on a new wit and fancy. He mastered new crafts, notably print-making and stained glass, both of which are handsomely represented in the present exhibition, sponsored by the First National Bank of Chicago.

His mastery of colour is legendary. 'Colour and substance are what counts for me,' he said once. 'Remember, my painting is partly

'Chagall helps to answer the old conundrum: Do we dream in colour?'

Oriental.' He first left Russia for Paris in 1910, he explained, 'because of the dead colour of Russian painting. I left it again in 1922 for the same reason.'

Since 1948 he has lived in France. But Russia insists on a place in his work: his figures in their padded peasant clothes, the roosters, the little townships all looking like Vitebsk,

Marc Chagall, born 97 years ago in White Russia, has made France his home and the stuff of dreams the material of his art

Right: 'Lovers under Lilies', 1922-25. Evelyn Sharp Collection. Below: 'The Dream', 1927. Museum of Modern Art, Paris.



the creamy clouds like snowfields – these have roots deep in his stocks of inherited imagery, and he does not deny it. When he finally left Russia, he took a considerable number of his paintings with him, which helped him to establish a continuity in his work which reaches into the 1980s. But he has never forgotten, or turned his back on, his own people. In 1934 he wrote to a friend in the Soviet Union: 'The title of "Russian painter" means more to me than any international fame. In my pictures there is not one centimeter that is free from nostalgia for my native land.'

He helps to answer the old conundrum, 'Do we dream in colour?': he recalls multi-coloured dreams, along with images which are both figurative and mysterious. It has been said that he stores colours, as well as forms, in his imagination, allows them to be metamorphosed by memory and emotion, then sets them down in contexts quite different from their original ones. The effect is to prompt the viewer to release his imagination and do the same.

DENIS THOMAS





A sporting chance for the handicapped

Plans are under way for the second European Special Olympic Games, to be held in Dublin next July: an event organised for the mentally handicapped.

The first such Olympics were held in Belgium in May 1981, when 2,500 athletes from 13 countries took part. Similar numbers will participate in Dublin – a testimony to Special Olympics' success in realising its aims of educating the public about how the mentally handicapped can participate in sport.

The Special Olympics is not about competition: it is about integration. Those who feel that commercialism taints sport should read on.

As the world's largest programme of sports training and athletic competitions for mentally retarded children and adults, Special Olympics approaches the Olympic ideal: that games should be a celebration of the complete human body.

The programme is not only good for the health – it is also good for the spirit. Allowing the mentally handicapped to mix socially in games, to travel to meetings, to undertake regular training, and to compete as sportsmen in their own right, gives them the opportunity to develop their self-confidence and play their full part in society.

Special Olympics was founded by the Joseph F. Kennedy Foundation. Recently, a European Development Office was set up in Belgium under Bernard Jurdant, who has

They can't all have a medal. But every entrant at this year's Special Olympics will be a winner

wide experience of working with mentally handicapped. As a former director-general of the Centre Reine Fabiola, which looks after 350 young mentally handicapped adults, Jurdant wants Europe to speak in its own right when working out policies within Special Olympics International. Moreover, Europe has its own special problems, to which it must find its own solutions.

Under Jurdant, the first Special Olympics European Conference was held last year, and will be repeated annually. The idea behind the conferences is to bring together the different European languages, ideas and cultures, and to co-ordinate the numerous national programmes. These conferences also include training programmes.

Given the problems of sport for the mentally handicapped, training and research are very necessary. For instance, the extent of the handicap varies considerably from individual to individual; so how do you organise team games? Rewards cannot be given for win-

ning; so you have to give rewards for participation and successful training.

Jurdant particularly wants to introduce Special Olympics throughout Europe. But finances are, as ever, a problem, and the European media's hesitant attitude to Special Olympics publicity does not help.

Much work is done by volunteers: at the first conference, a committee of the national directors of the five accredited programmes in Europe – Belgium, France, Greece, Ireland and the United Kingdom – was set up to help with the fund raising.

Despite the problems, however, Special Olympics' track record is impressive. In 1968, the Kennedy family were told that it was not possible for a mentally handicapped person to run 100 metres or swim 50 metres, and that the concept of teamwork for sports, like basket-ball and soccer, was beyond the comprehension of mentally handicapped athletes.

Now, 1.5 million are taking part in 16 different sports in 50 countries, as far apart as Taiwan and Australia, St Lucia and Israel. Certainly, sport for the physically and mentally handicapped is making great strides. Last summer, at the Los Angeles Olympic Games, Pol Van Winkel, a physically handicapped athlete, won the gold medal in the 1500-metre wheelchair race. Perhaps, in 1988, we could also see a mentally handicapped athlete in Seoul. **E**

THE BAROMETER SHOWS THE OUTLOOK IS A BIT MORE CHEERFUL

A majority of people living in the ten Community countries support the idea of forming a United States of Europe, according to the latest Eurobarometer survey published by the Commission. It shows that 52 per cent of the 10,000 people questioned wanted the 'kind of political union there is between the 50 states of the USA or the 10 provinces that form Canada'.

In Luxembourg, Italy, France, Greece, Belgium and the Federal Republic of Germany, between six and seven out of ten were in favour of the plan.

The Netherlands and Ireland also recorded a clear majority. But 55 per cent of the Danes, and 48 per cent of the British questioned said that they thought political union would be 'a bad idea'.

The poll also shows that Europeans are generally less pessimistic about the economic situation now than they were this time last year. Optimists now outnumber pessimists in Denmark, the Federal Republic of Germany, Italy and Greece.

However, in Belgium, France and Ireland pessimism still prevails, and a majority said that they are worse off now than they were a year ago. In Luxembourg, the Netherlands and the United Kingdom, views were more or less evenly balanced.

The most optimistic replies for the coming year were in Greece, where 53 per cent of those questioned expected the economic outlook to improve and 22 per cent expected it to get worse. The most pessimistic were in Belgium, where 51 per cent expected things to get worse and only 12 per cent expected them to improve.

A majority in all ten member states, with the exception of Britain, said they thought that their country's economy had benefited from membership. Of the British questioned, 57 per cent thought that their country had not benefited.

Feelings were also mixed about the enlargement of the Community in 1986 to include Spain and Portugal. Whilst six out of ten favoured Spanish membership, only a little over a quarter of those questioned thought Portuguese membership would be 'a good thing'.

Letters

Back to work

As a comprehensive school headteacher, I read with interest the article in EUROPE 84 (November issue) by Morag Alexander on 'Helping women get back to it all'. It is my experience in the world of education that the present legislation is working against the long-term prospects for women.

It is current practice in teaching for women returning after maternity leave to be offered back their former position in the same school. In many subject areas this produces enormous problems, especially where pupils are being prepared for GCE Ordinary and Advanced Level examinations. It is often difficult to recruit staff for permanent posts in areas such as science, mathematics and modern languages. It is virtually impossible to appoint suitable temporary staff to cover for the period of maternity leave, and pupils frequently pay the price in terms of lower exam grades.

When making appointments, therefore, headteachers are sorely tempted to appoint the young man rather than the young woman, all other things being equal. In this way legislation designed to help is actually working against equal opportunities.

It is also interesting to note the different stance taken by women when they become parents, and have cause for concern over their children being left in the lurch at crucial stages in their educational career.

The solution to the problem would be to enlarge the workforce and have a pool of well qualified staff available to cover maternity leave.

D.E. Jones
Colchester, Essex

- and overqualified?

Your article on graduate employment (November) summed up well the predicament that many graduates find themselves in. Personally I am fortunate, being in my second position since graduating (I am a local government officer). But there remains a leakage of graduate talent: to an extent, one tends to accept any job, so that although one may be employed in the short term, the longer term may alter radically.

Once in a position, one's true vocation becomes increasingly unimportant. Many graduates carry out tasks which are not relative to their abilities. This has led me to enrol on an MA course, not simply for additional qualifications but in an attempt to divert my academic ability, which is not really required in my present job, to another area.

R.E. Sibley
Solihull, West Midlands

Limits on noise

On page 19 of your November 1984 issue there is an item on motor vehicle noise. We wish to point out that the earliest dates from which the new limits can be made compulsory are 1 October 1988 for new type approvals, e.g. new models, and 1 October 1989 for the entry into service of new vehicles, e.g. existing models.

Uninformed readers could presume from your article that all vehicles built in and from 1985 would have to comply with the new limits, and that all existing vehicles would have to be modified to comply with the new levels by 1989.

Similarly, the existing noise limits for goods vehicles over 3.5 tonnes GVW is 86 dB(A) or 88 dB(A) if the vehicle is also over 12 tonnes GVW and has an engine whose output is at least 147 kW. The level of 85 dB(A) which is quoted as applying to current commercial vehicles over 3.5 tonnes, does, in fact only apply to large buses.

K. B. Barnes
The Society of Motor Manufacturers and Traders,
London SW1

Free as air?

Having always taken part in the politics of Independent Television in Britain, and made my own modest contribution to the development of our broadcasting system, I am writing to you out of concern with much of the thinking behind the article by Demaris O'Hanlon in your December issue, which presents that the viewpoint of the international advertisers is equivalent, in a common market for broadcasting, to freedom of expression.

Broadcasters, and those members of a passive audience who care to think the matter out, know this not to be the case.

In this country (and elsewhere) 'the protection of advertising' has been of tertiary concern to the need to give the programme maker as much elbow room as possible and to give the audience a wide variety of programme balance and choice. Why should the International Chamber of Commerce now propose the view that cross-frontier broadcasting will require a reversion of this order of importance?

There is no such thing as a multi-national television programme beyond the inane level of *Jeux Sans Frontiers*, or of the calculated mediocrity of the average Hollywood soap opera, even at its technical best.

Frank Brown
London SW11

□ The article referred to was published as a contribution to the issues raised in the European Community's discussion paper, 'Television Without Frontiers', summarised in our October 1984 issue ('What about a common market for broadcasting?') and does not reflect the views either of the editors or of the Commission.

The Common Market is contributing more than £31 million to help British miners made redundant by coal industry cutbacks, it was announced yesterday.

The money represents up to half the cost of retraining schemes, early pensions, and other income support paid out by the Government to 12,347 workers who lost jobs before the miners' strike began, the Commission said.

- Daily Telegraph

Marketing problems, lack of business management skills and poor financial control are the prime reasons for small business failure in Europe, according to a report, published recently, on the first European bankers' small business seminar held in Brussels.

Manager of NatWest's small business section, Noel Dearing, who chaired the seminar, said undercapitalisation stood out as a problem facing small businesses throughout Europe, caused in part by a reluctance of small businessmen and women to give up equity and, perhaps more importantly, through a definite gap in the availability of equity up to, say, £100,000.

- In Business Now

The European Community moved remarkably quickly this week in laying the foundations of a joint approach to deal with the new, or more precisely newly accentuated, threat of international terrorism.

The strategy for a common front agreed in principle at the Rome meeting of foreign ministers, is all the more remarkable for being completely outside the remit of the Community as an institution and therefore firmly within the area of separate, national responsibility for law and order.

- Guardian

Coventry is to appoint its own 'ambassador' to the Common Market.

The job would be to negotiate grants and loans to the city's industry from the European regional development fund.

The city council is confident that the cost of the appointment will be more than justified by the extra grants secured.

Mr Ling has already predicted that about £7 million of EEC grants will be coming to Coventry in the next few years.

The council has yet to consider whether to recruit an outsider as its ambassador or to send one of its present finance officers.

- Coventry Evening Telegraph

Farmers in Europe could soon be supplying their surplus cereal crop to agricultural refineries. These will turn the grain into raw materials for the paper, textile and chemicals industries.

The refineries will help to reduce the EEC's embarrassing grain mountain, which is expected to continue growing until the end of the century. A report prepared for the EEC says that small refineries should be set up in various EEC countries to help promote the conversion of cereal crops into raw materials for industry.

The report, written by two researchers from the Carlsberg Research Laboratory, suggests that although the use of cereals in industry is still expensive, the costs can be brought down with the right technology.

- New Scientist

Dairy farmers throughout Lincolnshire have benefited from an EEC grant which helps them to test their machinery.

The grant was introduced in September 1983 to subsidise the Milk Marketing Board's Milking Machine Testing Service. More than 15,000 milk producers have benefited from the nationwide scheme.

The test itself offers a comprehensive check of the milking machine to the latest British Standard, and the farmer is given a useful report on the condition of his machine.

'The EEC scheme has increased our membership by almost 1,000 already,' says Mr Richard May, the Board's manager of the service.

- Humberside Standard

Europe's wine crop is running over. The annual surplus produced by the Community is now sufficient to fill 1,500 Olympic-sized swimming pools.

Taking the good years with the bad, the EEC now produces 16.5 billion litres of wine annually, but drinks only 13.5 billion of them. In 1984-85 about 27 per cent of the EEC's total table wine output - wine with an alcoholic content of more than 9 per cent (8.5 per cent for Germany and Luxembourg) - will be distilled into industrial alcohol.

The difference between the subsidised price paid to the vineyards and revenue from sales of the alcohol will probably exceed 1.2 billion ECUs (£700 million) in its cost to the European taxpayer.

- Financial Times

WHAT'S IN THE PAPERS

Herefordshire auctioneers, Coles, Knapp and Kennedy, has been given over £100,000 by the EEC to build a new livestock market on the edge of Ross-on-Wye.

The grant, a total of £103,696 from the Commission's Agricultural Fund (FEOGA) is one of only three offered to markets in Britain in the latest aid package.

'This is the best possible way to start the New Year,' Coles, Knapp and Kennedy partner, Mr Richard Williams, said.

- Hereford Times

A £9 million initiative to help small businesses investigate ways they can grow was announced by Industry Minister Rhodes Boyson yesterday.

The initiative, which aims to help businesses improve their managerial, financial and marketing abilities, is a joint effort by the EEC and the British government with two-thirds of the money, £7.3 million coming from the EEC Regional Fund.

- Irish News

Whatever the outcome of the miners' strike, the British coal industry could be forced to close 'uneconomic' pits by European legislation.

The European Coal and Steel Community (ECSC), which like the EEC is administered by the Brussels-based European Commission, forbids unfair competition between coal producers through state subsidies and other aids.

In practice, coal industry subsidies have flourished in all producer countries, and have been granted formal exemption from the letter of the ECSC treaty. But that exemption runs out at the end of this year, and the Commission is considering much tougher new rules to discourage subsidies.

One official said yesterday that in 1982 the Commission estimated that only 20 to 25 per cent of Community coal was produced at a profit. Around 15 to 20 per cent was totally uneconomic.

- Guardian

Common Market grants to Selsey fishermen are helping the industry through a difficult season.

Two have been able to get new boats and a third has made improvements to bring his up to date.

'The grants are helping to keep our industry flourishing', said a fisherman who bought a new boat.

About 50 fishermen work at Selsey, catching mostly crabs and lobsters.

The value of the Common Market grants comes to well over £20,000.

- Chichester Observer

Ulster agriculture this week received grants from the EEC totalling £1.35 million.

Ten of the grants are aimed at improving the conditions under which agricultural products are processed and marketed; and the remaining three towards improving processing and marketing conditions in the cattle feed sector.

- Belfast News Letter

The EEC is blocking British plans to boost duty-free allowances for holidaymakers.

Britain wants to raise the £28 allowance for souvenirs and gifts to £37 immediately, and eventually to £53.

This is in addition to tobacco, drink and perfume allowances.

But other Market countries want tourists to stop using duty-free shops and instead spend their cash in Continental supermarkets and stores.

Many want to scrap duty-free sales altogether within the Common Market.

- Daily Express