

# Europe 85

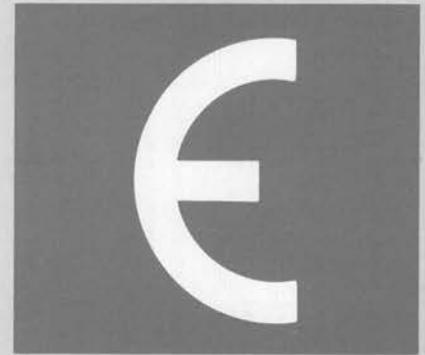
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**Sailing round Europe  
in 30 days...**



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## Lining up for Europe's summer sail

**O**ne of the biggest sporting events of the summer will be the first round-Europe yacht race. On 9 August, thirty contestants will leave the German port of Kiel. Ahead of them will stretch a route that will take them to ports of call in Holland, Belgium, England, France, Portugal and Spain.

The idea for the race came from Gerard Petitpas, who has crewed with Eric Tabarlay over the years, and who heads the Association for the Promotion of Yachting in Europe. He says: 'I wanted to achieve something new in transatlantic racing, and to show all Europeans what exceptional boats the modern multi-hulls are. In most European countries, except France and England, these boats are completely unknown even to very experienced sailors. Still, my idea got an enthusiastic reception from the various public authorities, from local councils in the towns which will be ports of call, and from clubs which are members of the association. This has helped us to do all the organising necessary for such a big event.'

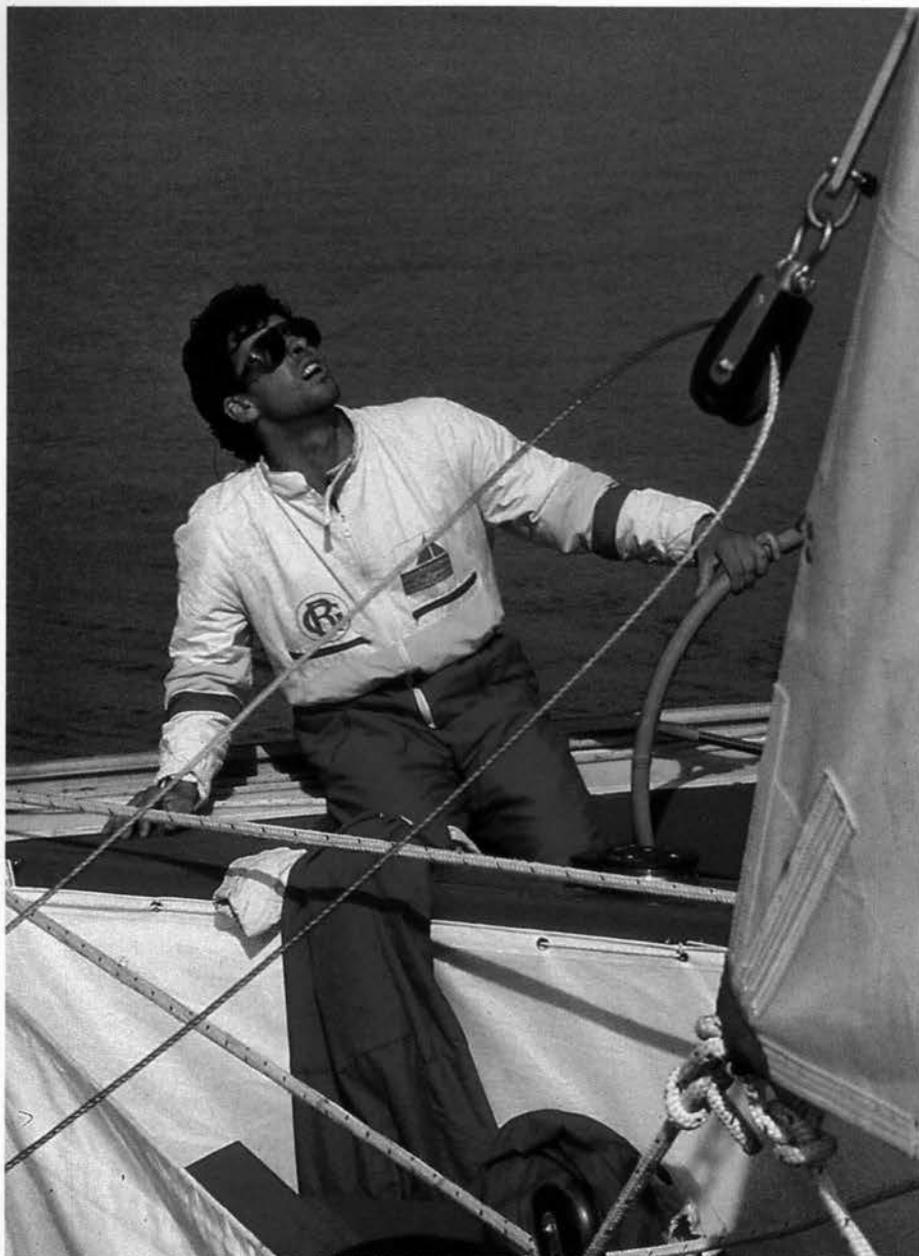
### A popular sight this August will be 30 of Europe's leading ocean racers on a 3,000-mile bid for glory

The yacht clubs and ports of call in the various Community countries could only be chosen on the basis of technical criteria. In Germany the Kieler Yacht Club every year organises the famous Kiel Week, which attracts more than a thousand boats. In Holland, Scheveningen Marina is well-known for races on the high seas, so it, too, was the logical choice. In Belgium, Ostend might have been chosen, but in the end it has turned out to be the Grande Rade of Zeebrugge. In England, the Royal Torquay Yacht Club has been organising races since the beginning of the century. Lorient is another yachting centre with experience of big multi-hulls. The Aporela Club, in Por-

tugal, has also specialised in big yacht racing. Benamadena Sailing Club, in Spain, has likewise welcomed the multi-hulls on their way to the Antilles. So have the Toulon Regatta Society and Porto Cervo, in the north of Sardinia, which is the ideal place to stage the finish.

A race lasting 15 to 20 days is much easier to organise than one involving a series of short stages: the speed of the boats, and the skill of the crews, can be better compared. At the start of each stage it begins again, which gives everyone an equal chance of proving himself, Gerard Petitpas says.

He has succeeded in attracting enough public and private sponsors to meet the race's total budget, which comes to 900,000 ECUs (£540,000). Half is from private sources, and companies already sponsoring multi-hulls, such as Elf Aquitaine, Crédit Agricole, British Airways, Apricot, have joined in. The ports of call will also benefit, since the arrival and the departure of the boats, with their spectacular sails, will add a lively touch at the height of the tourist



Sailors like Eric Loizeau, left – one of a strong French contingent – face an eight-stage competition, starting at Kiel (above) and ending at Porto Cervo (right) a month later.

season. The European Commission, by contributing 45,000 ECUs (£27,000) has ensured that the Community's symbol, the stylised Greek 'E', will be carried on the sails of all yachts taking part.

So, for one month, thirty racing craft, among them the five or six fastest boats in the world, with a total of some 500 crew, will sail 3,000 miles round Europe. Says Alain Gabbay, skipper of the Charles Heidsieck: 'It will be more like the Paris-Dakar car rally than a Formula 1 competition. We shall have to take bumps and hollows into account rather than driving straight across smooth, clean asphalt.' Yvon Fauconnier, winner of the last single-handed transatlantic race, who will join Mike Birch on board the Formule TAG, stresses the uncertainty of the weather.

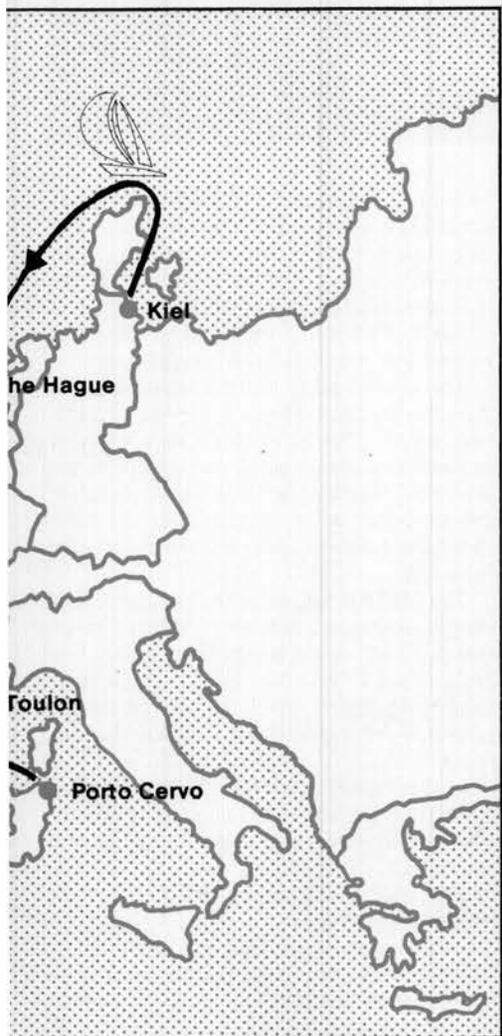
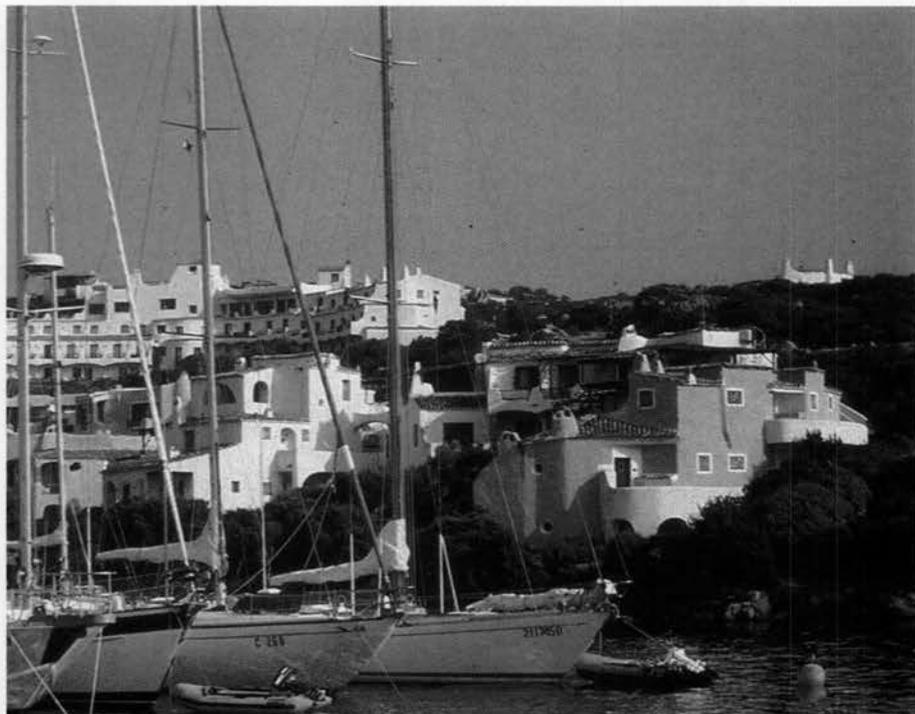
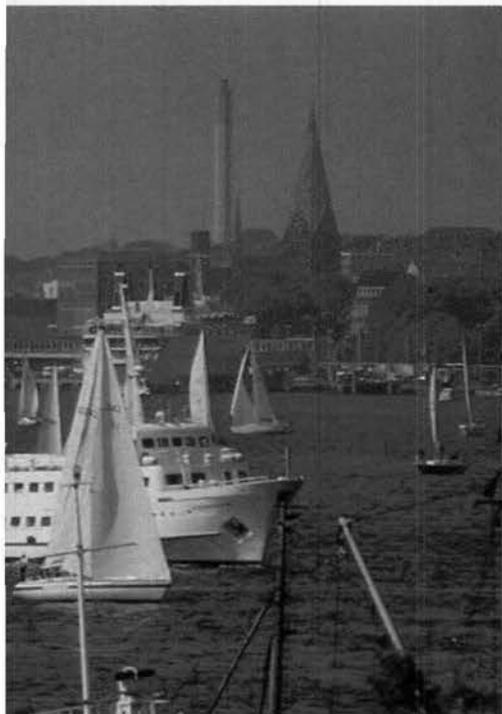
But the race will be fair to all taking part: there are to be separate categories, graded by size, so as to give an equal chance to the smallest yachts – a mere 15 metres – competing with the high-tech giants. Points will be awarded at each

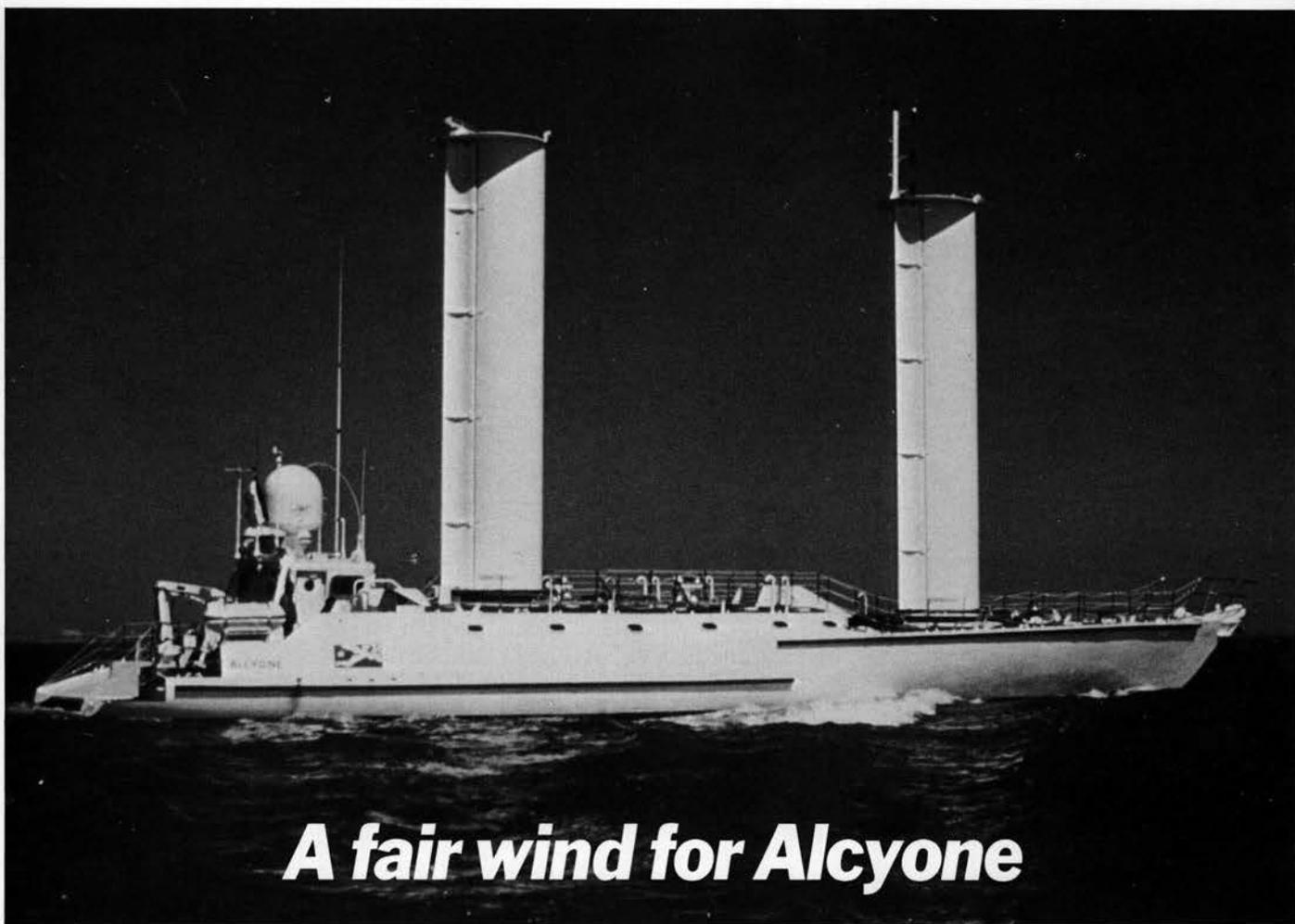
stage of the race, enabling the competition to be re-started at the beginning of each new stage, with a prospect of one of the eight prizes – three of 7,400 ECUs each (£4,400) in the general classification, and the other five for performance in each individual stage.

The schedule is as follows:

- 9 August: Kiel – The Hague (Holland): 640 miles
- 14 August: The Hague – Zeebrugge (Belgium): 60 miles
- 16 August: Zeebrugge – Torquay (England): 265 miles
- 19 August: Torquay – Lorient (France): 235 miles
- 23 August: Lorient – Lisbon (Portugal): 650 miles
- 27 August: Lisbon – Benalmadena (Spain): 335 miles
- 31 August: Benalmadena – Toulon (France): 660 miles
- 5 September: Toulon – Porto Cervo (Italy): 220 miles







## A fair wind for Alcyone

In Greek mythology, Alcyone – Halcyon in English – was a daughter of Aeolus, master of the winds. Today, her name graces an experimental sea-going craft, driven by a wind-propulsion system, flying under the flag of the Jacques Cousteau Foundation. She has just completed a five-weeks voyage from La Rochelle to New York, demonstrating the feasibility of generating increased aerodynamic power with a minimum of outside energy, by means of a 'rotor sail'.

At the same time, thanks to her aluminium hull, she is introducing a completely new conception of maritime navigation.

Alcyone has been designed as a ship for the high seas with a single hull in aluminium, 31 metres long, a displacement of 75 tons at half load, and the classic diesel motor drive in addition to wind propulsion by her two light alloy rotor sails. A micro-computer controls its drive system in accordance both with climatic conditions and the captain's orders. Test trials will allow the aerodynamic performance of the rotor sails to be checked, the controls to be made more precise, and eventual modifications to be planned.

The rotor sail, which is as complex as an aeroplane wing, is in the form of a hollow cylinder designed to capture the energy of the wind by two suction areas, one on each side of the cylinders.

It is estimated that, compared with the most

### A new method of propulsion for sea-going vessels, based on the age-old principles of wind and sail, is being helped by a European Community grant during its trials this summer

perfect sail system now known – the square sails, known as 'Japanese sails' – the rotor sails' output in terms of propulsion is three to four times greater.

The system saves between 15 and 35 per cent of energy, depending on the route and the winds. In this way, a ship of 30,000 tons equipped with rotor sails, spending not less than 200 days at sea, can effect an annual saving, at the present price of fuel, of some £500,000.

Shipowners and shipyards around the world are beginning to be seriously interested in this new process. The Koreans, Chinese and Japanese already plan to introduce it in their merchant fleets in future. Of ships destined for bulk cargos, 90 per cent are nowadays constructed in the 5,000-40,000 tons category. All are suitable for adaptation to rotor sails.

After the first petrol crisis of 1973, many countries – first Japan, then France, Great Bri-

tain, the US and Russia – undertook research to reintroduce sailing ships into their fleets. The main reason for this renewed interest in old methods has been that the proportion of the costs of merchant shipping represented by energy has multiplied five times, and now amounts to about half the total costs of running a ship.

This is why, along with the construction of the experimental boat, the Cousteau Foundation in May 1984 submitted a demonstration project for energy saving in sea transport to the European Commission. The project involves introducing a system of complementary wind propulsion, by equipping a cargo vessel with rotor sails.

The EEC has agreed to cover 40 per cent of the total outlay, or a little over 6 million French francs. The project is being carried out in close collaboration with a French company, Cégédur-Pechiney, which is undertaking the industrial development and commercialisation of the system.

At the beginning of 1986 a tanker of almost 5,000 tons fully laden, the Commandant Henri, plying at the moment between the Baltic, the North Sea, the Gulf of Gascony and the Mediterranean, will be equipped with the new propulsion system. A two-year trial period will show the system performance in action. If the tests prove conclusive, the manufacturers hope to begin to sell and install rotor sails throughout the world. E

# Animals on the move: who cares?

**C**ross-border transport of animals, whether for breeding purposes or to the abattoir, remains a matter of concern in the European Community. Apart from the cruelty that may be involved, ill-treatment of animals loses traders money, because of bruised meat, unnecessary deaths, or animal stress that affects meat quality.

In 1971 the Council of Europe adopted a Convention for the Protection of Animals during International Transport, with the aim of creating common minimum provisions of rest and care. Community directives in 1977 and 1981 established broad common legislation among the Ten, but the contents are based more on experience than on scientific investigation.

Recently, the Commission asked the Standing Committee for Agricultural Research (SCAR) to examine whether there are good physiological, ethological and economic reasons for limiting the final journey to the abattoir of animals for immediate slaughter, and if so to recommend maximum duration for such journeys.

The report, published in March, and based on current research and investigation, provides a fascinating survey of animal psychology and the stresses faced in transport. But to provide an answer to the Commission's question requires far more detailed ground research. The Commission points out that, under present financial stress, it has neither the money nor the staff to undertake such a task.

The directive adopted in August 1977 details the general provisions that must apply to the transport of animals, and the special provisions that should apply in the use of road, rail, water or air. The main concerns are for veterinary approval of health and transport conditions. The latter must include adequate space,

**'It is not always a question of cruelty, but often a total lack of comprehension that animals have feelings...'**

appropriate segregation of species, and provision of facilities for watering and feeding, and for proper ventilation.

The Convention has been signed by the ten Community countries and by eight non-EEC ones - Austria, Cyprus, Finland, Norway, Spain, Sweden, Switzerland and Turkey. The Community has been a contracting party since 1979. In 1981 the Community adopted some further amending legislation, mainly concerned with ensuring and providing documentary evidence of the health of the animals in transit. It is clear, however, that the care of animals bears a direct relation to their value to the owner. Race-horses and breeding bulls may travel royally;

**Moving cattle, horses, sheep or pigs from one country to another can cause them pain and distress. The European Commission has called for an inquiry into the way we pack animals off on what is, in many cases, their last journey**

but horses, cattle, sheep, pigs and poultry bound for the abattoir, or its equivalent, could often tell a different story.

It is not always a question of cruelty, but often a total lack of comprehension that animals have feelings, that they can be easily frightened by strange ramps and bad lights, that young bulls unknown to each other will fight for rank, that all animals dislike uneven movement, and that pigs, in particular, are especially subject to stress.

Animals destined for the abattoir may travel long journeys. Those coming in from Eastern Europe are often in a condition that falls far below approved Community standards, and have to be slaughtered at the frontier. But even within the Community there are problems. Crowding, often leading to dirty and frightened animals that may be injured in buffeting or fighting, can result in bruising. Bruised meat cannot be used for human food. In addition, transport of animals can affect meat quality through stress-related physiological effects producing pale, soft, exudative (PSE) and dark-cutting or dark, firm, dry (DFD) meat. PSE meat is of normal acidity and keeping quality, but it is abnormally pale and watery, and gives lower yields in cooked and processed products. DFD meat is of low acidity, poor keeping quality, and dark in colour.

Financial losses from these largely preventable disasters can be significant. The UK Meat and Livestock Commission found in a survey of 10,000 pigs that over 50 per cent of all carcasses were damaged. Some 44.4 per cent were damaged by fighting; 14 were dead; and bruising occurred in almost 8 per cent (800) of all carcasses. It also found, in 1979, that in a consignment of fat lambs and hoggets (yearling sheep), some 10 per cent suffered bruising damage, resulting in a value loss of £1 million.

Animals suffer stress in varying degrees according to species. But most react badly to overcrowding, noise, contact, temperature change, humidity, lack of exercise or prolonged standing, even when watering and feeding facilities may seem adequate. Pigs, normally the least cared-for of animals on the way to slaughter, are particularly sensitive to stress, resulting in lung congestion, heart attacks and a general deterioration in their meat value.

The Committee found that loading and un-

loading of animals often caused the worst stress. Animals tend to move slowly, and impatient handlers are apt to be heavy-handed with their electric goads.

Although mixing of animals by species is disallowed under the law, the Committee found that most animals react unfavourably to new inmates of the same species, and take time to re-settle their rank order. This situation is particularly true of young bulls, many of whom get damaged, even when dehorned, from fighting and mounting. There can also be trouble if stallions or old bulls are penned near their females. Pigs, particularly, resent mixing and are best kept separate.

The Committee considers that it is preferable for the animals to assemble in lairages before transport, to enable them to acclimatise to a new environment and new diet, after which they will be much more manageable.

Community legislation lays down minimum rules regarding the accommodation necessary

**'Most react badly to overcrowding, noise, contact, temperature change, humidity, lack of exercise, prolonged standing'**

for each type of animal, and watering, resting and feeding facilities while en route. Without further research the Committee could not recommend specific journey periods or feeding routines, so much depending, for the animals, on the quality of their transport and the kind of movement they have to endure.

Much starting and stopping upsets them, making it impossible for them to rest; changes in temperature, particularly heat, contributed to a high collapse rate, especially among pigs. Extended journeys, when a driver loses his way, can lead to the discarding of nearly a whole consignment. Cleansing is also very important, otherwise animals pick up disease, get scalded with urine, and quickly deteriorate.

The Committee urges that, once at their destination, where unloading should be carried out with care, meat animals should be killed as soon as possible. Long waiting leads to deterioration, and mixing to fights and further damage.

Much more work needs to be done on the feeding, watering, resting, stocking rates, ventilation necessities, and the stress physiology of animals before the Commission would be in a position to recommend any amendments to the existing legislation. While the Committee found that the number of deaths of animals in international transport seemed to have decreased, reports of lower meat quality caused by stress during transport have increased. It is a situation that more thought, care and supervision could change. 



## 'Steel has served Luxembourg well. But its fortunes are no longer assured...'

Small means beautiful. It can also, in Luxembourg's case, mean influential – especially when its turn comes round, as one of the member states, to assume the Presidency of the European Community. That is a

responsibility which Luxembourg will discharge for the next six months. To mark the occasion, we look at the ways in which the smallest of the Ten manages to hold its own amid the economic stresses of the time

**T**he guidebooks say so, and the advertisements proclaim it: Luxembourg is the centre of Europe. Now, for the second half of this year, the Grand Duchy takes its turn to preside over the European Community.

For Luxembourg, membership of the Community is a mark of the success of its diplomatic policy, which, seen over centuries, is simply that of avoiding being trampled on. But there is more to it than that. Despite its tiny size, Luxembourg brings together many of the economic and social problems that other European states, many with ten times its population, are having to face.

Luxembourg was a one-product state, overwhelmingly dependent on steel. Steel served it well. It provided the funds to satisfy a high standard of living, and promoted a prosperity which was the basis of an elaborate series of checks and balances making up what, these days, is called social harmony. But the fortunes of the steel-makers are no longer assured. Arbed, the Lux-

embourg steel company with interests stretching across Europe and into the United States, has paid no taxes to the government of the Grand Duchy since the 1970s. On the contrary, it has been devouring funds. And Arbed in trouble has traditionally meant Luxembourg in trouble.

Although the company still provides 44 per cent of the Grand Duchy's exports, the economy is now more diverse. Luxembourg has been restructuring in the same way as other states with an over-reliance on traditional industries. To that extent it is a model. Yet few states can have carried through their restructuring with quite the same degree of social phlegm

The company has slimmed down without enforced lay-offs. Even so, the number of jobs lost is the equivalent of 10 per cent of the country's total labour force. Those who have left have been given public works jobs by the state – which is better than having people hanging around the streets, the trade unions have pointed out. Other steel workers have taken

early retirement.

The slimming process will continue until Arbed's labour force stabilises in 1987 at around 12,500, which will be around 12-15 per cent of the national workforce. While this is going on, the company has been rationalising its plants, raising its productivity, and latterly, as the European economy has started to recover, boosting production – by around 20 per cent in 1984.

Its financial fortunes have improved too: last year, it achieved a profit for the first time since the start of the steel crisis in the 1970s. But this was partly artificial: it would not have been possible without the infusion of state funds. Special taxes were raised to finance the steel company, its workers negotiated what were, in effect, pay cuts. The result is that the state itself is now the biggest shareholder.

As in other Community states, the shedding of labour in one part of the economy has set off a search for other forms of industrial activity. In the earlier years of the steel crisis this was no

great problem for the Grand Duchy: for every job disappearing in the steel industry, another was cropping up in banking. Now that has stopped: the days of fast expansion in banking are over. In Luxembourg's financial services sector, growth is down from a massive 50 per cent a year to 10 per cent, and profits have flattened out.

Nevertheless, the financial services sector has emerged as the biggest taxpayer in the economy, and applications from investment funds to set up in Luxembourg have been pouring in. The early expansion of banking rested on finding a niche in the Euro-currency markets. Now, the stress is being placed on the provision of services at retail level, which is reflected in the doubling of commission income last year over that of 1980. However, although Luxembourg sees its role as a regulated, secure, and discreet haven for funds, it also acts as a safety valve for neighbouring countries, handling funds seeking a refuge from the tax systems of others. A Belgian operator, say, might place money in Luxembourg, but the Luxembourg market is not large enough to retain all the funds flowing in; so they are recycled into the Brussels market.

The financial sector's employment roll is now moving towards 10,000, or about 6 per cent of the country's labour force. But, because it is no longer expanding at the same rate, the Luxembourg government is being forced to look for new schemes to foster employment. It runs investment incentive schemes, though not with the same lavishness as its neighbours. It concedes that its wages are high, but argues that labour costs are nonetheless lower than in France, Germany and Belgium in the longer run, because of harmonious labour relations: strikes are few and far between.

One obvious choice for Luxembourg would have been to try and create a high-technology industry. But Europe is dotted with imitations of Silicon Valley already. Also, high technology enterprises do not necessarily employ many people. So the Luxembourg government has been trying to strike a balance. It certainly wants high technology; and to encourage it, increased write-offs on research and development expenditure are permitted in the tax system, always provided that the research is exploited in Luxembourg. Again, the government has been seeking to promote Luxembourg as a communications centre, by encouraging a satellite project, so far without success.

Since the 1970s, Luxembourg has had its own investment company which handles applications to set up new enterprises. It prides itself on its ability to act quickly: if a company comes in with worked-out plans it can be given approval – or not – within 24 hours. Over the last decade or so, more than 50 companies have set up new business in Luxembourg, often in processing, and jobs have been coming on stream at the rate of about 500 a year. The official aim is to at least double that figure. The government has been heartened by the readiness of American companies like Du Pont, General Motors and Goodyear to expand their inward investment. And it is looking at Japan as a source of new companies and new jobs.

## 'Few states can have carried through their restructuring with quite the same degree of social phlegm'

There is concern in some quarters that the government, by trying to seek a balance between different levels of technology, and between the new and the established, is not being radical enough. The argument here is that, latterly, the level of tax revenue is higher than was expected. This, in turn, has led to a more free-spending approach to propping up what already exists – steel, a somewhat sluggish business sector, and the social security net.

This sort of criticism comes from the Liberals, a party now regrouping and rethinking after losing power last year after 15 years. At the last general election, in June 1984, the Christian Social Party, a centrist party, and the Socialists formed a new coalition. Working out their programme was a long and complex business, because it meant the reorientation of some policies towards Socialist predilections. The coalition, said the new prime minister, Jacques Santer, was not a marriage of love but of reason.

What happened at the election was that the Socialists picked up ground at the expense of the Liberals, while the Social Christians maintained their position. In fact, the old coalition government of Social Christians and Liberals still held a comfortable majority. But, regardless of the figures, the new shift in opinion had to be taken into account.

However, the programme produced by the new government was scarcely radical. The emphasis was on continuity. The Socialists had

made a great point of returning to the traditional system of wage indexation, which had been suspended by the previous government. They won their way on that, in principle. But the move turned out to be hedged in with conditions. The base of the indexation was changed; and no indexation would apply if wage rates increased out of proportion with those of Luxembourg's trading partners.

Perhaps the key political fact of the election result was to bring the trade union movement, through its links with the Socialists, back towards the centre of power. Although each party has links with a confessional trade union movement, the Socialist union is by far the biggest. In Luxembourg, the trade unions have always been, and will continue to be, a crucial influence in the affairs of the State. This is because Luxembourg works less as a government sitting on top of competing economic factions, and more as a partnership.

There is a system of what are called Tripartites. The unions sit down with employers and government, and negotiate at both national and sector level. Thus one Tripartite or another decides whether there will be a rise in indexed wages or not, and settles wage rates in the steel and other industrial sectors.

It looks clumsy, but labour unrest in Luxembourg, is rare. The emphasis is always on keeping the system going and making changes gradually. The unions make no secret of the fact that their approach is pragmatic: they would always accept less to keep employment rates high.

The system is intimate, and probably could only work in a small state. But substantial restructuring of the economy has taken place without a massive rise of unemployment, and the government is now thinking more in terms of growth. 



The great Arbed steelworks (opposite and above) has provided Luxembourg with its economic base in Europe.



## Luxembourg moves into the hot seat

**L**uxembourg is too small to survive on its own. Foreign armies have run through it, and periodically occupied it. Once, it had an economic union with the states and principalities which formed Germany. But the two world wars changed all that, and for the last sixty years it has been in economic union with Belgium.

The wars of this century have created frontiers which break into the natural economic area which Luxembourg forms with Saarland, now part of Germany, and Lorraine, now part of France. In times past this was a coal and steelmaking basin.

The old infrastructure, by and large, remains intact: but is not realised in any economic sense, because the major decisions for Saarland are made in Bonn, and those for Lorraine are made in Paris. But there is a sort of loose consultative union called Saar-Lorr-Lux, to which regional businessmen are trying to give practical substance. They are seeking to get local governments to make the sort of marginal investments that might pull the region together – improving railway links, for example.

From the Luxembourg point of view, this makes sense, and not only in economic terms. It has to ally with somebody; and the more the better.

Its network of links, designed to enable it to influence its own destiny rather than be at the beck-and-call of others, starts with Belgium. The Luxembourg and Belgian francs are held at par – the most obvious symbol of the Belgo-Luxembourg Economic Union. But the ties are stronger than that, and have become more so recently because of the steel crisis. Arbed of Luxembourg, Sidmar-Arbed's Belgian unit – and Cockerill Sambre of Belgium, are now tied into production-sharing and investment-specialisation agreements.

More widely, Luxembourg is linked, with Belgium, to the Netherlands in Benelux an economic organisation now 41 years old. These links will not be extended into the monetary area, because there the Netherlands pursues different policies. At a political level, though, Luxembourg can take part in discussions which, from time to time, result in a common Benelux line in the European Community.

Luxembourg is the Community's smallest state. But it is also the home of some of its institutions – the Court of Justice, the Investment Bank, and some of its parliamentary services. These are facilities which Luxembourg fights tooth and nail to keep. There is no problem about the Court and the Bank. But where the Parliament goes is a matter of argument.

In deference to Luxembourg, the Council of Ministers holds its meetings in the Grand Duchy for three months every year. This, allied to the presence of the institutions, is a handy source of 'invisible' revenue.

The EEC gives Luxembourg a window on the wider world, and an influence it would not otherwise enjoy – especially over the current half-year, when it will be in effect, the world spokesman for the Ten. But handling the presidency will strain resources to the utmost.

This emphasises that Luxembourg, though minute, is an integral part of the western world. It has abandoned the neutral policies that it sought to follow up to 1939: the Nazi annexation saw to that. In the postwar reconstruction of Europe, Luxembourg naturally threw its lot in with the states surrounding it, in a common front against the Soviet Union. It is now more secure than it has ever been, with a voice of influence, if used selectively, as well. There are not many sovereign states of about half a million people which could claim as much. ☐

# Eurobarometer: the glass is rising

The latest Eurobarometer, the Commission's twice-yearly opinion poll, includes for the first time reactions to the concept of 'a people's Europe'. Among the questions put to a Community-wide sample of just under 10,000 selected respondents, were three on topics seen as central to the strengthening of the Community's identity and public image.

The first of these is abolition of administrative checks and formalities at borders. Eurobarometer reveals that this would be welcomed, on average, by six Europeans in ten throughout the Community. But it adds that this broad approval in principle should not be allowed to mask the large differences from one country to another. A majority in the six founder members and in Greece are in favour; but a majority in Ireland, Denmark and the United Kingdom, are against.

The replies correlate strongly with attitudes towards European unification. But even among interviewees who were *against* European unification, a significant proportion were *for* the abolition of border checks and formalities. In other words, such a move would undoubtedly be an important step in the creation of a people's Europe.

The second issue, creation of a European legal entity, would be even more popular: overall, nine in ten of the people interviewed were in favour, and there were majorities in all ten member states.

Those who did not share this majority view expressed themselves as being on the left or far left of the political spectrum. This suggests the report says, that a clearer explanation is needed of the practicalities involved, and in particular the guarantees that citizens could expect to be given.

On the introduction of the third topic, a European currency, two questions were asked on the possible creation of a European currency, as part of a survey on the use of the ECU (European Currency Unit) already being carried out in seven member states as a supplement to Eurobarometer.

The results show that the public reacts differently to the idea of replacing national currencies by a European currency and the idea of using national currencies and a European currency concurrently.

A third of interviewees, on average, said they were in favour of the first idea. There were marked differences between Italy, France, Belgium and Luxembourg on the one hand, with a majority in favour, and Germany and the United Kingdom on the other hand, with a majority against. The replies were more evenly distributed in the Netherlands, with slightly more against. Six Europeans in ten are in favour of the second idea, with a majority, albeit larger in some cases than in others, in all seven countries covered by the survey. There is a strong correlation between these replies and attitudes towards the Community.

Generally speaking, support both for the

## It's not yet a 'people's Europe' – but citizens of the Ten seem to think we may be getting there

principle of European unification and for the Community is slightly up on the previous survey. In all probability, this trend, which emerges most clearly in countries where the fieldwork was carried out in late March and early April, reflects the optimistic messages put across by the media following the agreement on Spanish and Portuguese accession.

This public sensitivity to events, and how they are reported, is particularly evident in replies to the question on the trend in understanding between Community countries in recent months.

For the first time since autumn 1978, positive replies slightly outnumbered negative ones. In France, for example, the percentage of those who consider that understanding has increased rose from 9 per cent in 1983 to 30 per cent in spring 1985.

General attitudes towards Community membership have changed little compared with previous surveys, except in France and Ireland where they are slightly more positive.

There is a correlation between these replies and the feeling that one's country has or has not benefited from Community membership. In some countries, notably France, the Netherlands and Belgium, as well as the United Kingdom, the supporters of Community membership outnumber those who feel that their country has benefited from membership. Analysis confirms that the ratio between the two variables differs from country to country.

In the six founder-members countries, a majority of those who consider that their country has not benefited from membership have equivocal or even positive views on the Community generally. Elsewhere, however, the majority of those who consider that their country has not benefited also have a generally negative view of the Community.

On average, six Europeans in ten welcome the prospect of Spanish and Portuguese accession. The proportion varies somewhat from country to country: most in favour are the Italians, the Belgians, the Luxemburgers and the Dutch, with the Danes and the French slightly

## Two-thirds of those in favour of European Union believe that, if the others can't agree, they should go ahead alone'

less so. However, in four countries – the United Kingdom, Ireland, Denmark and most of all Greece – there were a relatively high number of 'don't knows'. These differences can be explained by the fact that attitudes to enlargement depend largely on people's views on Community membership, and on how they expect enlargement to affect their country.

A closer analysis of replies sheds further light on the interaction of these different variables. The main point of interest is that, even in a country such as France, where opposition to Spanish entry is still relatively strong, the opponents of enlargement are still in the minority.

Questions were asked on the subject of European political union, about which the public still seem to know little: on average, four interviewees in ten (and as many as 55 per cent in the United Kingdom) said they were indifferent or did not reply. Among those who did express an opinion the supporters of the plan outnumbered the opponents by three to one.

The replies differed considerably from country to country: in seven of the ten there is a majority in favour; only in Denmark is there a majority against; in the United Kingdom those 'for' and 'against' more or less balance out, with those in favour very slightly in the lead.

The survey goes further, and shows that two-thirds of those in favour of a European Union believe that, if the member states cannot agree on the idea, those countries which do agree should go ahead alone. What is more, even among the opponents of the plan, one in five would not object to it proceeding without waiting for the countries which do not agree.

A country-by-country analysis shows that it is in the countries with the highest number of supporters of European Union that there is also the largest proportion of supporters in favour of pressing ahead without further delay. Conversely, in Ireland, the United Kingdom, and above all in Denmark about half of those who are in favour of the plan feel that it should be dropped if unanimous agreement cannot be reached.

Generally speaking, the countries whose participation is judged essential if the Union is to have any meaning are Germany and France, followed by the United Kingdom and Italy. In short, it looks as though the United Kingdom will play a decisive role in the outcome, whether it decides to take part in the plan or not.

As for the way democracy works, opinions depend on numerous variables (including cultural norms specific to different societies, and perceptions of the socio-political climate largely conditioned by individual ideologies). Dissatisfaction predominates to a greater or lesser degree in five of the ten member countries. The Italians are the most dissatisfied, though no more so than in 1973, when the six-monthly surveys began. The most satisfied are the Luxemburgers, the Danes and the Germans, whose level of satisfaction is even higher than it was twelve years ago.

# Heavy calls on the Social Fund: who will lose out?

**The European Social Fund is one of the Community's most widely acknowledged successes. From next year, applicants will face stiffer odds and revised guidelines**

**T**he European Commission has decided on new guidelines for the European Social Fund (ESF), to run from 1986 to 1988. Applications are now so numerous that the Commission has had to lay down stricter selection criteria than in the past. Britain, which has hitherto benefited from receiving nearly one-third of the Fund, is likely to face some disappointments.

The rise in the number of applications has been phenomenal. While there were only 752 applications in 1983, there are 4,785 in 1985, rising from the equivalent value of 3,180 million ECUs two years ago to 4,998 million ECU today – an increase of 57 per cent. The ESF budget, however, has risen only by 6 per cent, from 1,947 million ECUs in 1983 to 1,902 million in 1984, and estimated 2000 million ECU in 1985 (one ECU = 58p).

Meanwhile, since 1980 unemployment has doubled. It now stands at 12 per cent of the total Community workforce. Those worst hit are young people under the age of 25. This situation has created calls on the ESF which mean – unless the Council of Ministers were to advocate more money for the Fund – that less than half the applications can be met.

The Commission has decided that financial aid from the ESF must be directed at listed regions with the highest unemployment rates and lowest GDP per head, at those citizens undergoing basic shifts in employment, and to training schemes comprising a minimum of 200 hours training, including at least 40 hours of general instruction in new technologies. Only Greece is allowed easier terms. There will also be preferential treatment accorded to vocational training operations leading directly to job creations in small firms, with under 500 workers, engaged in the application of new technologies, and to special help for long-term unemployed workers.

To be eligible for assistance a scheme must be wholly or partly financed by public funds, and

applications to the Commission can only come through governments. In public authority schemes the Fund can meet up to 50 per cent of the approved projects. In the case of private projects the Fund may match public authority support. In listed deprived areas, assistance can rise to 55 per cent of costs. In all private schemes an approved public body (government department, local authority, training board), as published periodically in the Community's Official Journal, must guarantee the completion of the training operation.

From time to time the Council of Ministers decide on certain categories of workers who should receive priority treatment. Recent guidelines have put young people under the age of 25 and older women of 25 and over as priorities for training or recruitment purposes. The 1984-85 guidelines required that 75 per cent of Fund assistance should be devoted to the young, about 20 per cent to those over 25 years of age, and 5 per cent in respect of specific, preferably innovated projects. Two-fifths (40 per cent) of Fund assistance had to be allocated to promoting employment in Greece, the French overseas departments, Ireland, Northern Ireland and the Mezzogiorno in Italy. While the general principles remain much the same, in the latest guidelines the Commission has readjusted the priority areas, and given increased emphasis to training in the new technologies.

Help from the Fund will in future be concentrated on projects to further employment in specific areas. Among these are the 'absolute priority' regions as defined in 1983 – Greece, the French overseas departments, Ireland, the Mezzogiorno and Northern Ireland; certain areas suffering from changes in the steel, shipbuilding, textile and fishing industries which are designated to benefit from the former non quota section of the regional fund or from the ECSC; and areas of high and long-term unemployment, drawn up by reference to unemployment rates and gross domestic product.

In the United Kingdom, these last two areas cover County/Local Authority areas of Central, Cheshire, Cleveland, Clwyd, Cornwall, Derbyshire, Dumfries and Galloway, Durham, Dyfed, Fife, Greater Manchester, Gwent, Gwynedd, Hereford and Worcester, Highlands, Humberside, Isle of Wight, Lancashire, Lincolnshire, Lothian, Merseyside, Mid Glamorgan, Northumberland, Nottinghamshire, Salop, South Glamorgan, South Yorkshire, Staffordshire, Strathclyde, Tayside, Tyne and Wear, West Glamorgan, West Midlands and West Yorkshire. In addition there are the travel-to-work-areas (TTWA) of Workington (Cumbria), Coalville (Leicestershire) and Corby (Northamptonshire).

The Commission points out that, except for the disabled and immigrant families, priority

for theoretical instruction forming part of apprenticeship training will apply only in the absolute priority regions; but there will be no special help from the Fund towards salary costs for instructors, placement experts or development agents.

Where Fund finances are insufficient to cover priority operations, the Commission will be forced to apply reductions calculated in proportion to the financial volume of remaining applications from each member country. This system will also apply to a surplus of non-priority operations.

Where reductions are necessary, preference will be given to schemes forming part of an integrated programme already assisted by two or more Community financial sources (e.g. the Integrated Mediterranean Programme); offering vocational training leading directly to specific jobs in firms with under 500 employees and linked to development of new technologies under Community programmes of Research and Development; or which are particularly dependent on Fund assistance for implementation.

The aim is to link vocational training with jobs. Priority, therefore, will be given to schemes that offer vocational training for those under 18 of at least 800 hours duration, including work experience of a minimum 200 and maximum 400 hours, and offering substantial prospects of employment.

The guidelines provide help for special categories of people who face difficulties in the job market. These cover: vocational training for or recruitment to additional jobs for women in occupations where they are under-represented; assistance to migrant workers and their families with language training or language refresher courses for those wishing to return to work in their countries of origin; disabled people capable of working in the open labour market, and vocational training for disabled people combined with a substantial adaptation of work places; help, in special circumstances, with vocational training for instructors, training experts and development agents for the promotion of local initiatives, mainly in the absolute priority regions but also elsewhere, to further the employment of migrant workers, women, and of the disabled.

A small amount of money can also be made available for practical research into innovatory operations, testing new approaches to content and methods of organisation that could point the way to further Fund assistance.

Britain is still negotiating with the Commission, under the old guidelines, over its 1985 applications to the Social Fund. Though it may not get quite as much as hoped for, the Department of Employment does not anticipate any major changes.

While it is impossible at this stage to anticipate the position in 1986, the Department notes that the concentration on needy regions and new technologies coincides with British policies. The new guidelines will certainly make the Fund a more precise instrument, and it remains to be seen what effect this has on the overall picture.

**'There will be no special help for instructors, experts or agents'**

# EURO FORUM

## Face to face with the Americans — but not yet eye to eye

Protectionism and agriculture remain the central topics at gatherings where European and United States delegates sit down to thrash things out.

'EEC-US Relations: Conflict and Cohesion' had been the theme for the eighth annual European-American Journalists Conference when it met in Knokke, Belgium, in April 1984. This became 'US-EEC Relations: the Search for Common Ground in a Changing World Economy', when the same event took place — 14 months later — in Maastricht Netherlands in early June.

Did the modification of the theme also denote a change, however subtle, in the relationship between the western world's two most potent economic units? Or has this remained as tense as it was found to be on the previous occasion?

The key fact, surely, is that new problems keep cropping up incessantly, while few of the older ones disappear, and many of them actually weigh more heavily now than they did before. In practical terms, this has meant that while, last year, membership of Spain and Portugal was still an uncertain prospect, the discussion in Maastricht dealt with the impact of such membership, now assured, on future tariff structures affecting the US.

Somewhat in the same vein, the dollar's strength, its possible causes, and the consequences for the US and Europe, or the world economy at large, were already seen as problems last year. But they are obviously even more so now, seeing that (against all expectations) the US currency has experienced a further upsurge.

There was much talk in Knokke also about the 'technology gap', about Europe's concern at lagging behind the

### 'Areas of real or possible conflict spelled out very clearly by both sides'

US and Japan in this respect. Here again, so far from any change for the better, conditions have become more acute. Largely, too, because unemployment in Europe has so plainly failed to yield to 'treatment', while millions of new jobs have been created in the US, Europe's economic and technological inferiority complex vis-a-vis the US (and indeed Japan) is more marked than ever.

Where, perhaps, the changes in the relationship are less easy to detect, is in the twin issue of protectionism and agriculture. Of necessity, these remain the central topics, as presumably they have been at all gatherings to date.

It was intriguing, therefore, that the start of the Maastricht conference was marked by the juxtaposition of two developments — on the 'you win some, you lose some' basis. On the positive side, it appeared that just then the latest of the countless steel hassles was hopefully approaching a harmonious settlement. Against that, the US Department of Agriculture had announced, the day before, its first strike under the Export Enhancement Program. While such a move had not been altogether unexpected, it was not likely to pour oil on troubled waters.

Even without this 'incident', it might

be argued, it is a formidable list of difficulties, of opinion and appreciation, and real or potential controversies, which beset and plagues the relationship. This is quite true, and it has been true for many years past. Yet throughout this conference, and not just on account of the somewhat euphoric mood which such occasions might generate among all participants, there was a clear intent on all sides to de-emphasise the negative.

Not that everything was sweetness and light by any manner of means: areas of real or possible conflict were spelled out very clearly by speakers of both sides. On balance, however, the impression conveyed was that — politically and economically — more unites the US and the Community than separates them; and that, in all probability, this will remain so in the foreseeable future.

By way of example, when dealing with the protectionism quandary, Commissioner Willy de Clercq noted that the US and the EEC were both opposed to it, had both fought to hold the line against protectionist pressures, and had common problems as well. They were both facing the same challenge of adapting to structural changes, and were both in the process of tackling these common problems although they did not always use the same methods.

On the same topic, Ambassador Peter Murphy, Deputy US Trade Representative, emphasised the importance of the US market for Europe and of the European market for the US and the American desire to get the broadest possible consensus on the forthcoming GATT round. 'We are not making any effort to dictate to countries that do not wish to participate. But we feel that those which want to should be able to,' he said, adding that the US had no option for sitting idly, and that, despite its preference for multilateral trade, negotiations would engage in bilateral ones, if need be.

Is Europe's 'high-tech' future as desolate as it is often painted? Is Europe being left behind? Significantly, neither of the two delegates from the business world who dealt with those questions surrendered to such pessimism. IBM Vice President, Lewis Branscomb, asserted that Europe simply had not realised its true potential in this field, and would be all right once it did. Dieter von Sanden, executive vice-president of Siemens AG, went further. By giving an impressive account of his company's performance and activities in this field, he effectively contradicted the fatalistic views so widespread in Europe. But he also made it clear that, with single norms and standards existing in the US as against a multitude in Western Europe, it was there that the real challenge lay. Progress there, he argued,

was part of the European governments' responsibility for creating the proper 'high tech' climate, a task which he viewed as far more decisive than the setting up and financing of governmental research and development programs.

Would such a basically optimistic evaluation be warranted also in the realm of agriculture, which, it could be maintained, has been the central element of the US-EEC relationship since the early 1960s? For so protracted and deepseated a clash of views and interests there can be no quick solution. As Richard Lyng,

### **'Progress over norms is part of Europe's responsibility for creating the proper high-tech climate'**

then US Deputy Secretary of Agriculture, put it in Knokke last year, when referring to an earlier such meeting in 1982: 'Here we are in 1984, the US and the EEC, still talking, still agreeing that we should agree, and still looking for the mutually acceptable definition of what would be equitable world trade that would make it possible.'

Some comfort might be drawn from the fact that, while it was the deputies who came to Knokke, it was the 'top men', Agriculture Secretary John R. Block and Agriculture Commissioner Frans Andriessen, who addressed the journalists in Maastrich. Such an upgrading could have been a pure coincidence: but might it not have masked a certain shift in approach and attitude?

It was not as if both men had refrained from forceful language and an aggressive stance at times. Complaining about the export losses suffered by US farmers since 1980 (while community exports went up), Mr Block said that new US legislation (the proposed Farm Bill) would commit the US government to move against trade practices that distort and restrict the movement of agricultural products in international markets, and set a deadline for doing so. 'There is no question that we mean business in our commitment to straighten out the conduct of agricultural trade,' he insisted.

Not to be outdone, in addition to defending the CAP as being entirely compatible with the GATT, Commissioner Andriessen countercharged that the exceptions made from basic GATT rules for primary products took place at the urging of the US. These exceptions, and notably the 'waiver' granted on a temporary basis to the US more than 30 years ago, were still in force.

## Willy de Clercq spells out the EEC's trade objectives

Speaking at the conference of the Federation of German Industry last month, Willy de Clercq, Commissioner for External Relations and Trade, underlined the basic philosophy which should guide the Community's trade policy in the world trading system difficult situation.

'The Community's primary objective is the preservation and strengthening of the multilateral trading system,' he said. 'Our second basic objective is to bring about a more coherent European presence in international affairs, by the creation of a fully-unified internal market by 1992 and reinforcing the Community's ability to present and defend its interests externally.'

For example, in the field of export promotion, the development of integrated European products, such as Airbus and Ariane, should lead us to promote these products as a Community, rather than as a disparate collection of individual countries. Similarly, as we progress towards truly European norms and standards, it is logical that our efforts to gain recognition for these in

third countries should be pursued in common, rather than individually.'

But, he added, Europe is not just Western Europe. 'As far as countries of Eastern Europe are concerned, the Commission will continue to see to the normalisation and development of our bilateral relations with the member countries of COMECON. We remain open to the possibility of a renewed dialogue with the COMECON itself, although the latter is not a strictly analogous organisation, having no competence for example in external trade matters.'

Referring to the new Round of multilateral trade negotiations, Willy de Clercq stated the Community's readiness to take part in it, but indicated that it could only succeed if there was an adequate prior international consensus on objectives, participation and timing. He also said that 'the further major elements in the success or failure of a New Round will be the attitude of Japan. Although Japan is now a major force in the world economy, she remains as a trading entity poorly integrated with other countries. Unless the three-year action programme announced by Japan achieves considerably more than previous measures, then patience, both in Europe and across the Atlantic, will begin to run out.'

On the future international regime for textiles, he said that there should be a further MFA, but that it should be, where possible, more liberal than its predecessor. And on Community-US relations: 'We shall almost certainly continue to see mounting protectionist pressure in the US, and as we strive to sell our bumper harvest on dwindling world markets there is a risk of a serious conflict on agriculture.' He added: 'Both sides must work hard to keep matters under control.'



Greetings for the President of Mexico, Miguel de la Madrid, on 17 June.

## Will there be video for EEC conferences by 1986?

Next year it will be possible to bring into service a videocommunications network that will not only enable authorities in the member states to communicate with each other, but will also allow network meetings and conferences between representatives of the European institutions and national governments.

That is the main conclusion of a feasibility study carried out by the Commission of the European Community at the request of the Ten. The Commission is installing a videoconference studio at its premises in Brussels, and similar studios are being built or are already available in all the Community capitals.

In February 1984 the Ministers responsible for research in the Ten instructed the Commission to study the feasibility of a videocommunications project in the community, designed to facilitate discussions between the member states and within the Community institutions.

An initial demonstration was held in November 1984, using studios in Paris, London, Frankfurt, Rome and The Hague. Paris was used as the centre, successive videoconferences being set up by connecting it in turn with the other centres. Each videoconference lasted half an hour, and when it was not in direct communication with Paris each studio was able to observe what was going on there during the other videoconferences.

Another demonstration will be organised during the meeting of the European Council in Milan in June 1985. The ten capitals will be connected to Milan by a broadband satellite link. Videocommunications facilities will be set up in the building where all the Council meetings will be held. National delegations will be able to use the videoconference facilities whenever they wish, in addition to the telephone or telex services.



A tribute to Mrs Ripa di Meana, wife of the Commissioner, on European Community Day, Expo 85, Tsukuba, Japan.

## 'Down with the barriers' – Cockfield

The boldest and most clear-sighted attempt to clear up the long-running problem of free movement between member states was announced last month in Brussels.

Lord Cockfield, the EEC Commissioner responsible for the internal market, introduced a white paper which sets out to remove all frontier controls between member states by 1992. It examines every type of barrier – physical, technical and fiscal – which hinders the completion of the common market in goods and services. Lord Cockfield described it as 'probably the most important thing this commission would do during its lifetime.' It gives some 300 proposals for action and a timetable for action.

In March this year, heads of government had called for a specific programme of action from the commission to complete the internal market by 1992. 'The Commission is passing the baton back to them', Lord Cockfield said.

Britain has welcomed the European commission's white paper on the completion of the common market. The government says that it welcomes commitment to the completion of the common market and that 'much in it accords with our own thinking'. It feels that this would be a significant contribution to non-inflationary growth in Europe and to job creation.

The priority areas, as seen by the UK, include freedom of capital movements; harmonisation of industrial standards; integrated financial services and liberalisation of inland, air and sea transport.

Some aspects of the white paper, Lord Cockfield said at the launch, would create difficulties for member states. But these were taken fully into account in the white paper.

Lord Cockfield stressed that the completion of the internal market would establish a foundation on which industry could improve its competitiveness.

## Low-down on a higher budget

Medium-term prospects and sound resource-management – these are the key elements behind the 1986 preliminary draft budget, adopted by the Commission on 14 June, one day after the European Parliament adopted the 1985 budget.

The draft is different from the previous ones in several respects. First, 1986 will be the first year with a Community of Twelve. The 1986 budget is the first since the increases in own resources to 1.40 per cent VAT. 1986 is also the first year that the financial guideline for the Common Agricultural Policy is established. And this draft is the new Commission's first: it thus reflects the Commission's work programme.

In establishing the draft, the Commission – on a proposal from Henning Christophersen, Vice-President of the Commission with responsibility for the budget – has been guided by a number of objectives. The budget cannot any longer simply be an addition of costs deriving from individual decisions: it should be an integrated part of a medium-term financial strategy. This is seen as much more important, due to the limited resources available.

All costs, including those relating to the enlargement of the Community with Spain and Portugal, should be covered by the increased own resources. On the predictions made, this should be a sufficient revenue basis for at least 1986 and 1987. As far as agricultural expenditure goes, the Commission maintains the objective that it must grow slower than the Community's own resources. At the same time, agricultural stocks should be reduced as far as possible (or their book value depreciated) without departing from this objective.

The structural funds must be further developed; but, at the same time, the present imbalance between payments and commitments should be corrected.

In order to provide against unforeseeable events, and to provide a buffer against introducing a supplementary budget during the year, a contingency reserve should be created. These reserves should cover the uncertainties in connection with enlargement and in order to meet the Community's obliga-

## The Pope's message to Europe

**His Holiness Pope John Paul II made history on Monday, 20 May, when he became the first Pope to visit the Commission in Brussels. He paid tribute to the work of the Community in building a united and just Europe.**

His Holiness was greeted by thousands of people, who thronged the area near Rond Point Schumann. He was officially welcomed by Jacques Delors, President of the Commission. The Pope also met Mr Pflimlin, President of the European Parliament, Mr Andreotti, President of the Council, as well as other members of the Commission, Council, and Economic and Social Committee.

Welcoming the Pope, M. Delors spoke of the responsibilities of the Community

tions in connection with any adverse development in the food-aid situation. Finally, the budget must include appropriations for new policies.

The rather high increase in the volume of the budget is almost entirely due to the cost of the past created by the payments needed to honour commitments entered into in previous years. In addition, the contingency reserves, the measures for de-stocking and the appropriations for the new policies, which develop the Community, are included in the increase. For existing operations, the budget only increases 3.2 per cent in overall payments – divided between 2.2 per cent increase in compulsory expenditure and 7 per cent in non-compulsory expenditure.

The budget year 1986 will be the first in which the UK receives a rebate on the VAT contributions calculated according to the Fontainebleau mechanism. For 1986, the compensation amounts to 1,400 million ECUs (£840 million), based on an estimate of the 1985-expenditure going to the UK and the VAT paid.

As the compensation is made on the Community's revenue side, the effect is that the UK pays a lower VAT rate than the other member states. Germany is partly compensated for the increase in VAT payments to cover the UK compensation, so that only the remaining member states pay at the highest rate. It is this rate which is governed by the 1.4 per cent VAT ceiling, and it is this rate which is reflected by the 1.35 per cent for the 1986 draft budget.

If every member state paid at the same rate, the VAT call-up rate for 1986 would be 1.24 per cent.

to the development of free societies, to the third world and to the youth of Europe. He also spoke of the pending enlargement of the Community. This, he said, will mark 'another step along the road to European unification, a step which validates and strengthens the message of freedom, peace and fraternity which Europe must project and symbolise if it is to help man to measure up to his destiny.'

In his reply, His Holiness spoke of the identity of Christian Europe. We are still, he said, 'the heirs of those long centuries in which a European civilisation inspired by Christianity was formed.'

He illustrated his point with a brief overview of the role of Christianity in European history.

It was because of this history, he said, that the EEC was established to ensure peace and unity in Europe. But he warned that Europe was now facing a moral and spiritual decline.

## Keeping transport policy on the road

**There is no Common Transport Policy, the European Court of Justice decided in Luxembourg on 22 May.**

In a case unique in the Court's history, the judges ruled that the case brought against the Council of Ministers two years ago – for failure to act under the terms of the Treaty of Rome – was justified on several counts.

Alongside the Common Agricultural Policy, transport policy is the only clearly defined objectives in the Rome Treaty. Certain precise measures are set out in the section of the Treaty dealing with transport policy, and the Luxembourg Court decided that the Transport Ministers had failed, over the past 27 years, to agree to measures ensuring the freedom of national carriers to offer services in other member states.

The Court put aside many of the other contentions put forward in the Parliament case against the Council, suggesting that it is in fact up to the national governments to decide for themselves how best to proceed towards a Common Transport Policy.

The Transport Commissioner, Stanley Clinton Davis, described the judgement as a 'powerful weapon in creating the conditions for faster progress in the transport sector, where the Council of Ministers has quite clearly failed to meet its Treaty obligations'.

The Commissioner also suggested that further moves could be made by the Court of Justice, if the Ministers persistently failed to make decisions.

# Conflict in Ireland: where Europe's interest can help

**F**or months now, the media in Dublin and London have been carrying speculative stories about an impending breakthrough in Anglo-Irish relations, leading to a solution to the strife in Northern Ireland. But after each report, official sources in both capitals hasten to dampen down expectations.

After 17 years of political turmoil and violence in the North, which occasionally spills over into the South, the view that peace is about to break out is not widely held.

Side by side with this high-level inter-governmental dialogue – which can go badly off the rails, as happened last November at the Chequers 'summit' – a remarkably effective 'Track-Two Diplomacy' has been forging ahead, building up valuable ties between ordinary people north and south of the Irish border.

Cooperation North, a non-political organisation of leading business executives and trade

## 'Co-operation North is taking a new initiative in resolving the conflict'

unionists from both parts of Ireland, is now in its sixth years of promoting practical cooperation between North and South at all levels across the economic, social and cultural spectrum. Since it was set up, it has been involved in more than 40 projects in the areas of business, social services, sport and youth exchanges. Over 2,000 companies and voluntary bodies have participated in the projects, and at least 30,000 people have been actively involved in working together, in both North and South.

The EEC Commission takes a special interest in the work of Cooperation North through financial aid, and is seconding a staff member as its chief executive. Supporting organisations have been set up in Britain and the United States, and President Reagan has singled it out for its work in promoting reconciliation and economic cooperation.

It was the peace movements which sprang up in Northern Ireland in 1976, later spreading to the South, which inspired the founding of Cooperation North; so it is not surprising that, this year, it is taking an important new initiative in developing a North-South university programme in the field of 'Conflict Resolution'.

The President of Cooperation North, Dr Brendan O'Regan, is also Chairman of the new Irish Peace Institute, which has been adopted by Cooperation North, the University of Ulster, and the National Institute for Higher Education (NIHE) in Limerick. The Peace Institute, which is based in Limerick, is the vehicle through which both universities will carry out their joint programme in peace and conflict studies.

## A programme of studies part-funded by the EEC could point the way to more peaceful times for both the North and the Republic

The degree courses starting next autumn will concentrate on studying the experience of Cooperation North since 1979, and Europe's experience since World War II. Thus, special attention will be paid to how peace and prosperity have been successfully promoted in Western Europe through programmes of social, economic and cultural cooperation, despite a long history of bitter conflict and warfare.

The aim of the courses – undergraduate in the University of Ulster, and postgraduate in NIHE – is (in the words of Dr. O'Regan) 'to produce committed and qualified young people who will work to get rid of the legacy of hate, misunderstanding and bitterness which have so affected community relations in Ireland, between North and South, and between the Irish and British traditions'.

There will also be Open University training courses (through correspondence courses and radio and TV) to help Irish voluntary bodies engaged in reconciliation work. Demand for trained persons in this area is expected to increase, as there are already some 80 agencies in Ireland engaged in reconciliation work where graduates could be employed.

The Irish Peace Institute is hoping for funding from the EEC and from the Endowment for Democracy in the United States. It notes that an increasing number of universities on both sides of the Atlantic are planning courses in peace education and conflict resolution. The quickening interest of western governments in the development of peace studies is also shown by the decision of the US Government last September to spend 16 million dollars over the next two years to establish a 'National Institute of Peace' in Washington.

The Canadian Government has allocated 7 million dollars over the next three years, and 5 million dollars for each succeeding year for an Institute for International Peace and Security in Ottawa.

The experience of Cooperation North has shown that the apparently endless violence in Northern Ireland does not preclude progress being made in community relations through im-

## 'The apparently endless violence does not preclude progress in community relations'

aginative programmes to bring people on opposite sides of the divide together. As Brendan O'Regan says: 'We're in a live conflict situation in Ireland, learning from our experience, without political strings attached.'

## Trade unions call for jobless action

The European Trade Union Confederation (ETUC), which represents the majority of unions in the Community and the rest of Western Europe, has called for greater coordination of national economic policies and the mobilisation of more funds to help the jobless... annual congress in Milan.

Unemployment is still Europe's most serious problem: the number of jobless in western Europe has risen from 13 million to 18 million since 1982.

To roll back the tide, the unions called for a European economic recovery programme. That would mean an increase in both public and private investment, and the development of Europe-wide action plans for priority areas such as transport, telecommunications, housing, public health, education, energy and environmental protection.

The ETUC believes that the Community should allocate as many grants and loans as

possible, to job creation projects, although that in turn would require an increase in the Community budget. At the same time, the unions continue to press for a 35-hour working week with no corresponding reduction in earnings.

Professional training should also, according to the unions, be brought into line with the changing situation on the job market. This could be achieved, they say, partly by requiring long-term forecasts to be made at European level.

A unified European market untroubled by national frontiers, and backed up by fully harmonised industrial standards and increased international cooperation between manufacturers, is also high on the unions' list of priorities. However, they warn that workers should also be given a say when they are affected by economic changes, such as the introduction of new technologies.

# Who is making the best use of high-tech?

**T**o what extent have microelectronics been adopted and applied within the Common Market's industrial sector, and what has been the effect?

So far as Britain, Germany and France are concerned, these questions—along with others—are answered in depth by a recently-published study analysing more than 3,500 factories in those three member states.\*

In 1981, the Policy Studies Institute undertook a major survey of the use of microelectronics throughout the United Kingdom, using a sample of 1,200 representative of all branches of manufacturing industry. Two years later the Institute undertook a second survey, re-interviewing the same factories to gauge the developing pattern of change.

On PSI's initiative, parallel studies were undertaken also by the VDI-Technologiezentrum in Berlin, and by the Bureau d'Informations et de Prévisions Economiques in Paris, posing the same questions to similar factory samples in each country. The three research organisations have now pooled their resources in a joint report comparing the findings of the three surveys, thus providing, for the first time, a large-scale measure of the participants' performance on a directly comparable basis.

The survey reveals that, whilst Britain lags behind Germany in its application of microchips to improve both product-performance and productivity, it is not too far behind to catch up – provided action is taken in time. Whilst

## Industrial firms in Germany, France and Britain are catching up in applying the skills needed to compete in the microelectronic age

fears have been constantly expressed regarding job-loss and a Luddite attitude on the part of trade unions, neither have actually presented problems.

Job losses so far are small, and shop-floor opposition in the UK has been minimal. The three biggest obstacles to a better British performance are, in fact, lack of key skills, a shortage of finance, and the continuing economic recession.

In detail, the surveys show Britain to be slightly behind Germany in the percentage of works using microelectronics in their production processes, and – probably more important – further behind in the percentage with applications in the products themselves. France lags behind both. Britain makes less use of advanced machine-tools and robots, appears to have fewer professional engineers with microelectronics expertise, and sends fewer people away for training. The UK does however, appear to be relatively strong in such areas as electrical engineering and the food industries, as well as in the use of semi-custom chips.

Lack of expertise is everyone's problem, and all three countries are seeking to overcome this shortage in different ways. In Britain, the recruitment of engineers from outside is rather more common than training existing staff where product-application is concerned. Training existing staff is more common in factories with process applications. With other kinds of microelectronics skills the pattern is similar, but more evenly balanced.

In Germany the position is different. Both the establishments with product applications and those with production ones are twice as likely to recruit their engineers from outside as to rely on training existing staff. For technicians and others, however, German factories with product applications have only a marginal preference for external recruitment, whilst those with process applications tend to rely on training.

France has another approach. Factories with product applications meet their needs by training existing staff more frequently than by recruiting newcomers, while manufacturing companies with process applications rely overwhelmingly on training.

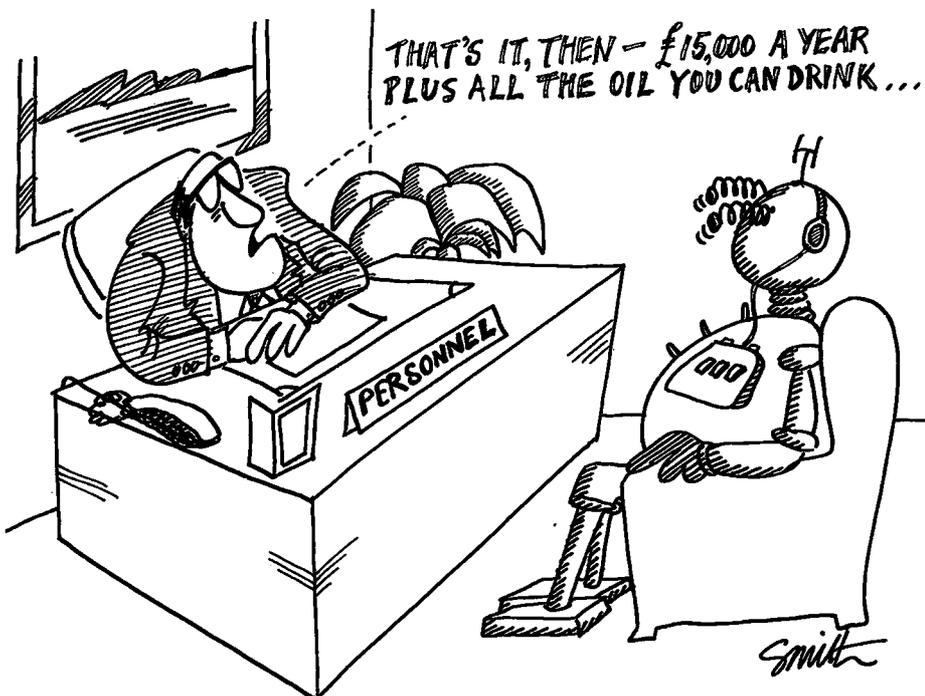
## 'Opposition from the workforce does not appear to be a problem'

Because the introduction of microelectronics can have an important and far-reaching effect on job-opportunity within an industry, it might be expected that firms contemplating such change would take good care to consult their workforces well in advance. Fifty-one per cent of British firms did take such steps. In Germany the proportion was 40 per cent, and in France a mere 23 per cent.

But, whether the workforce was consulted or not, opposition to the introduction of such new technology from either the shop-floor in general or the unions does not appear to be a problem so far as British firms are concerned. Only seven per cent of factories in the British sample, including some in the printing industry, see shop-floor opposition or union attitudes as a serious difficulty.

Far more important to the slow rate of progress in Britain has been the continuing recession. Forty-three per cent of British firms in the survey blame the general economic situation for their slowness in updating either processes or products in this way – twice as many as in Germany (20 per cent) or France (23 per cent).

\*Microelectronics in Industry: An International Comparison. Policy Studies Institute, 1/2 Castle Lane, London SW1





Lisbon, 12 June: Commission President Delors presides at the signing of Portugal's accession, in the historic monastery of Geronimo.

## With the Social Fund, you'll never walk alone!

These likely-looking lads limbering up at Oldham Athletic's football ground are looking forward to the start of the soccer season. They are Brian Marriott and Mike Milligan, and the jumbo-size cheque in the picture, displayed by Athletic's manager, Joe Royle, is one reason why.

Mike and Brian had just signed one-year contracts with the club, and the money – £910 each – will pay part of their wages for the first six months.

The Greater Manchester Council and the European Social Fund went fifty-fifty.

As far as we know, this is the first time Social Fund money has found its way on to a football pitch. Everyone is delighted. Joe Royle told the local paper, the Evening Chronicle: 'It is a great move for the lads and the club. They are both regular members of the reserves, and have the potential to make the first team.' They think it's magic.



# A festival of hope for Glasgow

**T**he ground I stood on during a visit to Glasgow last month was once a magnificent dock, which played an important role in the city's shipbuilding past. Now, the 64-acre site has been filled in, to form the foundation for a huge brick-red and silver building which will shortly become the Scottish Exhibition and Conference Centre (SECC).

Construction workers busied themselves with the last stages of the building as I was taken on a conducted tour of the complex by event sales executive Peter Duthie. It has cost around £32 million, he told me, to erect the impressive centre on the old Queen's Dock site, on the north bank of the Clyde, of which £11.2 million has come from the European Regional Development Fund (ERDF).

The grant has been shared by the Scottish Development Agency (SDA), Strathclyde Regional Council, and Glasgow District Council. Total funding for the project has come from the public and private sectors and the SDA in roughly equal amounts.

In the early days of Spring, as the building neared completion it was possible to appreciate that the Centre is going to be a great attraction for Scotland, fully justifying the EEC's financial support.

The main entrance is a glazed concourse which leads to all five halls. This spacious area will provide shops, banks, kiosks, information desk and business services, as well as space for small exhibitions and advertising displays.

Ahead of us, as we walked through the concourse, was a seminar suite at first floor level designed to accommodate up to 250 people, or smaller groups in separate rooms. On our left were three halls, the first of which will be used for conferences and concerts. Finished to a very high standard, with upholstered seating, and soundproofed, it will accommodate over 2,000

## 'Instead of the Docks alone being redeveloped, the whole area will be transformed'

people. Adjoining it is Hall 2, ideal for small exhibitions or as a back-up area or banqueting room. The first three halls together can seat up to 2,500 people for conferences, but can also be adapted as an arena for sporting activities.

On the right of the concourse are Halls 4 and 5, which will be used for major exhibitions or large audience events such as athletics, boxing and tennis matches, as well as football and basketball.

The advantage of creating a project like this from scratch is that its designers have been able to build in an impressive element of flexibility, allowing the five halls either to function inde-

## With help from the EEC's Regional Development Fund, a prime site on Clydeside is being transformed into an elegant concourse and exhibition centre, designed to bring new life to the city

pendently or to link up with each other. It can also give equal prominence to exhibitions and conferences. Essential services run underground and access to water, electricity, gas, telephones and compressed air is easily gained through manholes sited every 7.5 metres.

Outside, there is parking for 3,500 cars as well as a covered walkway for passengers using Glasgow's Finnieston Railway Station. The Clydeside Expressway road runs alongside the site and Glasgow Airport is just 15 minutes away. You could even arrive by boat: the exhibition complex hopes to have its own moorings before too long.

The only thing missing, when one refers to the original plans for the site, is a hotel. Accommodation is reasonably plentiful in the area – there are 7,000 bedrooms within an hour of the centre – and there has been understandable

pressure from existing hotels who are anxious to fill their rooms rather than see a new hotel take the business. But I was assured that Glasgow will have a Scottish Exhibition Centre Hotel, alongside the Centre, before too long.

The SECC replaces the Kelvin Hall as Glasgow's major exhibition venue, and will also be competing with other complexes, including the Birmingham National Exhibition Centre in its bid for international recognition. The NEC is five times bigger; but Glasgow's rates are half those of Birmingham, Olympia and Earls Court. What is more, it is certainly big enough to cope with the demands of most big events, including 30,000 visitors a day to major exhibitions and 10,000 to a pop concert.

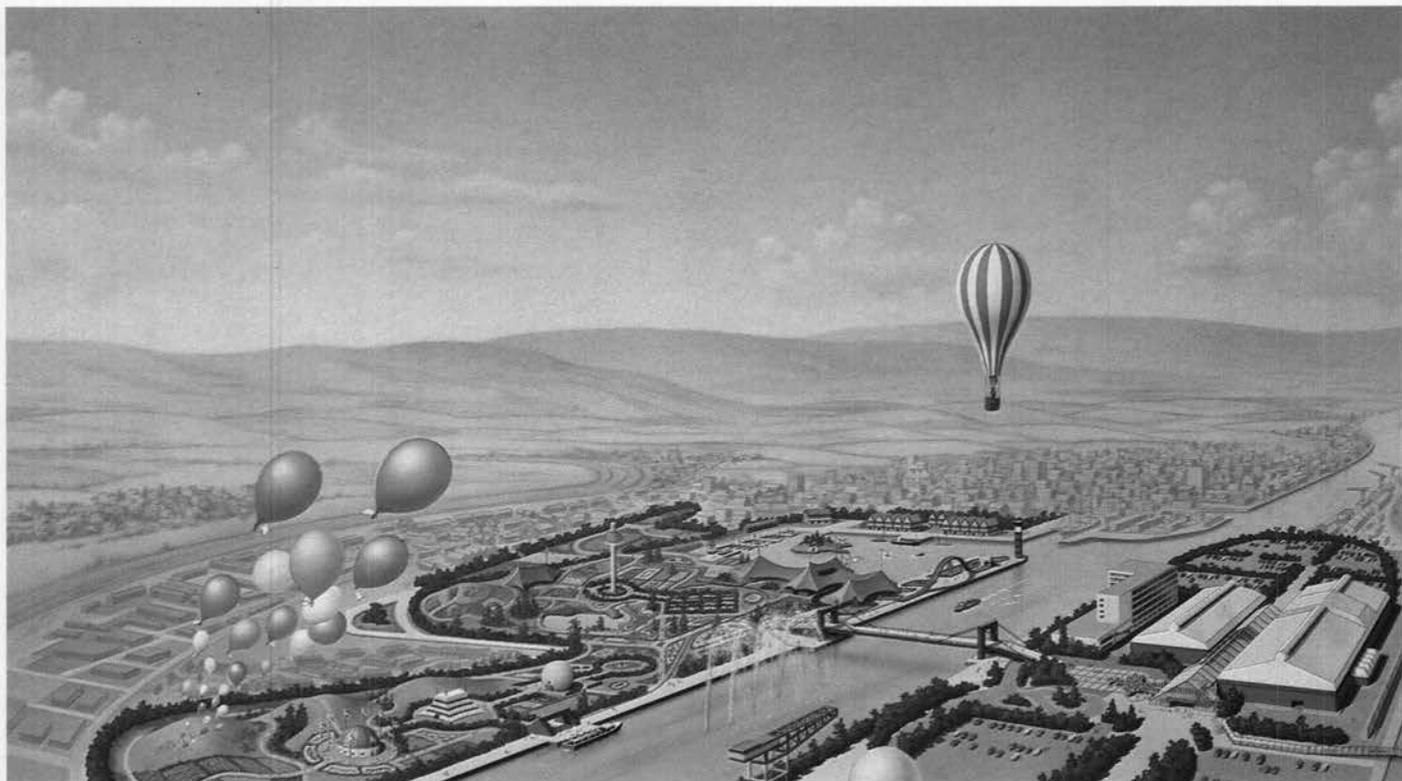
Very shortly, the doors will open and the public will be able to see how the money from Europe and other sources has been spent. The first public event is on 7 September, when the Scottish National Orchestra gives an inaugural concert.

The following day a trade exhibition opens, to be followed in October by the first major public exhibition, Modern Homes.

This huge development is destined to have a considerable impact on the Scottish economy: visitors will want to make the most of a visit to Scotland and to become tourists while they are there. But it is only one of a number of projects which are being planned to rejuvenate the city and improve its image abroad.



Chris Garrett, chief executive, with a scale model of the project. Opposite, how it will change the face of Glasgow's city centre.



Opposite the SECC, on the south bank of the Clyde, is a 113-acre site of vacant and derelict land, formerly the Princes Dock. Recently, the excavators moved in to start work on a dramatic transformation which will turn the area into a massive garden festival, similar to the successful Liverpool venture last year which received an EEC grant.

Originally, Glasgow hoped it would be selected to stage the UK's third garden festival in 1989 - Stoke-on-Trent will have the second, emulating Liverpool's next year. But the date has been brought forward to 1988 to coincide with the centenary of the Jubilee Exhibition and with the 50th anniversary of the great exhibition of 1938. Glasgow also expects that the garden festival will generate around £100 million of investment as well as creating 1,000 jobs over a five-year period.

The cost of the venture to its hosts, the SDA, will be some £12 million; but as much as £60 million could be injected into the city's economy from visitors.

An important part of the festival blue-print is a bridge link across the Clyde to the exhibition centre, as well as a walkway on the south bank. These developments would transform the river entrance to the city. Announcing the decision to stage a garden festival in Glasgow, Scottish Office Minister Allan Stewart referred to the benefits:

'A garden festival brings public interest and public benefit to the otherwise dull job of recovering derelict land, and the revenue it generates I think fully justified the effort involved. Instead of Princes Dock being redeveloped slowly, and in isolation from neighbouring land, the whole surrounding area will be transformed. The river front will be opened up, unsightly land and buildings removed, and a substantial new population will be brought back to the in-

## 'Glasgow expects the garden festival will create 1,000 jobs over a period of five years'

ner city.' Laing Homes own the bulk of the Princes Dock site, and they agreed to a deal whereby seven other sites in the city will be released to them, to carry on their planned house building programme, in order to leave the dock land free for the festival.

When the festival finishes, 45 acres of improved land in the Govan area will be retained in public ownership, and the rest will be returned to Laing or further private housing development.

The value of that private housing, at Princes Dock and the other sites, is likely to be huge - in the region of £75 million.

Glasgow's garden festival will be staged over a five-month period, from April to September 1988. The River Clyde will form an integral part of the activities, with visiting ships and craft of many types, as well as water-based sports events. The festival site itself will also contain 17 acres of water.

Horticulture, of course, will be the major theme of the festival; but it will also introduce a range of major and permanent attractions for the people of Glasgow and their visitors, includ-

## 'The whole project is geared towards giving Glasgow a new identity'

ing a planetarium and amusement parks. It is expected, based on Liverpool's experience, that over 4 million people will visit the festival. Across the river the SECC, will stage a five-month programme of conferences, exhibitions, sporting events and concerts, as well as horticultural exhibitions and a variety of entertainments.

These two major projects will transform the city centre area of Glasgow by 1988. But I discovered there are other plans which aim to make an even greater and long-term contribution to Glasgow's regeneration: a City Centre Project. It will be led by Sir Norman Macfarlane, a leading Scots businessman. The plan is to have a number of task-forces, each with considerable representation from the private sector, which is being asked to provide funding of between £100 and £200 million.

It is too soon for these grandiose plans to be discussed publicly; but they have been put to 200 businessmen, bankers and industrialists in Scotland and received a positive response.

If the City Centre Project achieves all it sets out to, it will be an enormous undertaking. A highlight I was told, is the transporting of a Victorian 'Greek' church by Alexander Thomson to Buchanan Street, to act as a focal point, creating something of neo-classical Fifth Avenue for the city.

The whole project is geared towards giving Glasgow a new identity. Together with the exhibition centre and garden festival, it will surely confirm its catchy slogan: 'Glasgow's Miles Better'.

As well as the £11.2 million of EEC money that has gone into the SECC, it is inevitable that Glasgow's other imaginative projects will also benefit from European grant aid in the years to come.

**COMMUNITY REPORTS**

## Soccer law is on the ball

Following advice from the Commission, European football clubs have offered to relax the restrictions on the number of foreign players allowed to play in a league team.

According to the Commission, the restrictions do not square with Community laws, which stipulate that citizens of one member state should not suffer from discrimination if they seek work in another.

The football association previously argued that abolition of the restrictions would threaten the quality of national teams. The Commission rejected that argument, because players can be recalled at any time to play in a national side, even when they are playing professionally for a club in another country.

As a result, the national football associations have agreed to finalise plans which will relax the restrictions on foreign players for the 1986-87 season, with a view of phasing them out altogether at a later date.

It is to be hoped that the football associations will also be able to introduce new measures or seek tougher legal instruments to counter football violence.

## Falling foul of the Arab boycott

The special relations which the Community has established with some Arab countries forbid the latter to discriminate against Jewish citizens of the Community, or against EEC companies which trade with Israel. Where other Arab countries are concerned, however, the Treaty of Rome stipulates that the Commission may only take action if any such discrimination has 'substantial' effects in the Community.

The Commission gave this summary of the situation in a recent reply

to a written question from a Dutch MEP, Gijsbert de Vries, who had expressed concern about continued pressure from Arab countries to discourage European traders from trading with Israel.

He also voiced misgivings about the absence of any clause forbidding discrimination in the recent agreement between the Community and the Republic of Yemen.

Most Arab countries operate three types of boycott against Israel, says the Commission. Firstly, they have severed all economic ties with Israel. Secondly, they operate an indirect boycott by outlawing all trade with foreign companies suspected of supporting Israel. And any company, Arab or foreign, which falls foul of the terms of the second kind of boycott will not be allowed to trade with the Arab country in question.

In addition, several Arab countries consistently require employees of foreign companies working there to produce a certificate to prove they are not Jewish.



## Fair play for 'au pair' girls

Of the ten member states, only three have introduced legislation to comply with an international agreement designed to protect 'au pair' girls from exploitation and unfair working or living conditions.

The seven other governments have now been asked to fall into line, it has been revealed in a reply to a question from a Dutch MEP.

Any 'au pair' girl working in France, Italy or Denmark can bring a legal case against her hosts if they fail to feed her, make her work seven days a week or every Sunday, or if they deny her pocket-money or enough free time to follow a language course.

Those are the main provisions of the international agreement on conditions for au pair employment, set up within the framework of the Council of Europe, which embraces all the non-communist countries in Europe.

However, the agreement only has

to be respected by those countries which have put the necessary legislation through their national parliaments. So far Britain, Ireland and the Netherlands have neither signed nor ratified the agreement. Belgium, Germany, Luxembourg and Greece have signed, but so far have failed to ratify it.

## High-tech education to bridge the gap

Social Affairs Commissioner Peter Sutherland insists that a re-think on higher education and training policies is vital if Europe is to keep pace with the USA and Japan in industrial innovation.

In a further attempt to bridge the technological gap, the Commission is working on the launch of its own Community Programme for Education and Training for Technologies (COMETT), which Sutherland sees as an essential complement to the numerous Communities-sponsored industrial R&D policy initiatives.

The Programme's essential aim, he told the European Parliament's Youth and Education Committee, will be to 'respond to the perceived lack of skilled human resources required by European industry to improve its technological base'.

Although the Community depends for its survival on the production of quality goods and services with a high added-value, the Commissioner said, it was disturbing that the Ten's educational participation rates were only about the same as those of newly-industrialising countries.

On the other hand, as many as 60 per cent of young Americans and 30 per cent of young Japanese, are in higher education, he said.

## Court rules against the Ten

The member states of the European Community were condemned on 22 May by the European Court of Justice for failing to make adequate progress towards a common transport policy, as called for under the Treaty of Rome.

It was the first time in the history of the Community that the Court had ruled against the Council of Minis-

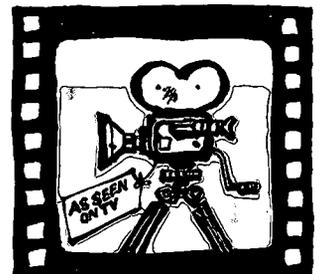
ters on the basis of a complaint brought by the European Parliament with the backing of the European Commission.

Transport Commissioner Stanley Clinton Davis welcomed the ruling, saying it would be a powerful weapon in creating the conditions for faster progress in the transport sector, where the Council of Ministers had clearly failed to meet its Treaty obligations.

The ruling, though a moral victory for the Parliament, does not go as far as the assembly would have liked. In particular, the Court rejected a Dutch proposal that the obligations laid down in the Treaty should be translated into a Community directive forcing member states to allow complete freedom to provide services in the road transport sector immediately.

That would, in effect, have transferred the power to pass legislation from the Council of Ministers to the Parliament.

Instead, as a Commission legal official explained, the Court called for the ministers to settle the details to allow road hauliers to operate freely throughout the Community within 'a reasonable period'. Transport Ministers of the member states have now agreed new working hours for lorry drivers.



## Who's to pay for Euro-TV?

Arts and culture ministers in all ten member states are agreed that more needs to be done to encourage their TV stations and film industries to cooperate on productions of new material, particularly documentaries. So far, however, they have not been able to agree on how it could be done.

Although there is a good deal of support for Commission proposal to provide initial finance for a loan fund for transitional TV co-productions, television stations in three member states - Channel 4 in Britain, Antenne 2 in France and RAI in Italy - have already put forward alternative

plans, which would obviate the need for Community funding: TV stations would simply be required to earmark for co-productions a minimum percentage of their collective 8 billion ECUs annual budget for new productions.

At the same time the German government put forward a complementary plan to establish a clearing house to help coordinate different companies' co-production ideas.

The substantial interest in the overall aims means that the debate is certain to continue. There is growing concern that without co-productions, European television may be unable to supply enough quality material for planned satellite and cable TV networks. If they could save funds on documentaries, it was argued, they would be able to spend more on drama productions.

## After the cyclone: aid to Bangladesh

**In an immediate move to alleviate the suffering in Bangladesh caused by the recent cyclone which swept tidal waves over the highly populated low-lying islands of the Ganges delta, the Commission agreed an initial emergency aid package worth 500,000\* ECUs (£300,000).**

The emergency aid provided by the Community was earmarked chiefly for medical supplies, blankets and survival rations. It will be distributed through the Red Cross and 'Medecins sans Frontières'. More aid should be forthcoming when the longer-term needs of the survivors have been established.

\*1 ECU = E 0.58/EIR 0.71

## Spain and Portugal are welcome

**According to the latest Eurobarometer and average of 61 per cent of the persons interviewed in the European Community are in favour of Spain and Portugal joining the Community. Less than two out of ten are against, and the remaining two have not formed an opinion.**

The countries most strongly in favour are Italy, Belgium, Luxembourg and the Netherlands. Those least in favour – where, nevertheless, the positive replies largely predominate – are Denmark and France.



Pope John-Paul with Commission President Delors on his visit to Brussels on 20 May.



## Trade with China is looking up

**A new five-year cooperation agreement between China and the European Community could significantly boost trade in both directions, and pave the way for more European companies to participate in China's economic expansion plans.**

Signed in the tenth anniversary year of relations between the two partners, the trade and economic cooperation agreement was heralded by External Relations Commissioner Willy De Clercq as 'an instrument which will provide a broader and more solid base for the development and diversification of our cooperation, and will give it a new impulse.'

He said in Brussels that he hoped the new agreement would boost trade volume, which although now expanding rapidly still only account for about 1 per cent of the Community's total external trade volume.

However, both the Commissioner and visiting Chinese Economic Relations and Foreign Trade Minister Zheng Tuobin stressed that the pattern of future relations would be determined largely by private initiatives.

Thirty agreements already exist between China and EEC companies, worth about \$800 million. The Chinese minister added that European businesses had recently chalked up some 'considerable victories' in competitive tenders.

## 'Save it' says paper on paper

**Although the member countries of the European Community (excluding Greece and Ireland) already recycle nearly half of the 22.2 million tonnes of paper they use, a further 3.8 million tonnes could be reclaimed, according to a recent enquiry carried out for the European Commission by outside specialists.**

The authors of the report estimate that 22.2 million tonnes of suitable paper is available for recycling each year in the eight countries covered by the study (certain types of paper, such as photographic paper, aluminium foil, adhesive strips and parchment, cannot be re-cycled).

At present 4 per cent of that amount is recycled. However, rates of success in retrieving recyclable

**COMMUNITY REPORTS**

# Keeping death off the roads of Europe

paper vary considerably from one country to another. The Netherlands heads the league, with a 71 per cent recycling rate. The report claims that the renowned thrift of the Dutch is to a large degree responsible for this achievement.

In other European countries the recycling performance has been less spectacular, reaching 53 per cent in Germany, 49 per cent in France, 47 per cent in Belgium and Luxembourg, 46 per cent in the United Kingdom, 41 per cent in Denmark and 39 per cent in Italy.



Most recycling concentrates on writing paper, newsprint and other printed material, and packaging paper, since these present the least technical problems. Although there is an element of ecological concern in trying to preserve Europe's forests, most recycling is carried out by industry in order to cut costs.

The study claims that around 15 per cent of recyclable paper in Europe is not reclaimed, simply because the operation would not be cost-effective. Nonetheless, that still leaves around 3.8 million tonnes of recyclable material which so far has not been touched. The bulk of this is accounted for by households and offices.

At industrial level, including the printing, processing and distribution sectors, the rate of recycling is very high. The report says that 75 per cent of packaging paper used in the commercial sector is recycled, while in manufacturing industry the level is 56 per cent. However, on average only 18 per cent of household waste paper is recycled, except in the Netherlands where the level reaches 59 per cent.

The report concludes that there is still a wealth of economic potential to be had from all the newspapers and magazines which we read and then throw away.

**More than 40,000 people die each year in road accidents in the Community. But measures taken to tackle this serious problem differ widely from one member state to another, according to the latest Commission figures.**

Eurostat, the Community's statistical office, reckons that road accidents were responsible for 45,700 deaths in the EEC countries in 1982, the last year for which complete figures are available.

The study points out that the member states do not even agree on what constitutes a fatal road accident. In most of them, this would cover any death caused by injuries from a road accident within the preceding thirty days. However, Greece allows a mere three days, France six and Italy just one week.

Looking on the brighter side, the figures show that there has been a constant reduction from year to year in the number of serious accidents in the Community as a whole. In 1977, 1.67 million people were killed or seriously injured in road accidents; but by 1982 that figure had fallen to 1.56 million.

In Greece, however, serious accidents have risen steadily, even though the number of road deaths has declined and the same trend has also been apparent to a lesser extent in Italy.

There are striking disparities between the number of accidents and the population of the individual member states. For example, less serious accidents occur in the Netherlands than in neighbouring Belgium, even though the population is one-and-a-half times larger. Likewise, France stands above Italy in the accident league, even though Italy has a considerably larger population. The incidence of serious accidents in Germany is also much higher than it is in the United Kingdom.

The gradual decline in serious accidents has been helped by the introduction and enforcement of speed limits, according to the Commission. However, no uniform maximum speed has yet been introduced for the Community as a whole. The motorway limit in Ireland is set at 55 mph, while at the opposite end of the scale Germany imposes no limit whatsoever. On ordinary roads, the highest speed allowed is 50 mph in the Netherlands and Denmark (and also in Italy for small cars). In Germany,

Britain or Greece, drivers can get away with speeds up to 62.5 mph.

A public information campaign throughout the Ten, and other moves to increase greater awareness of the road accident problem, is planned for 1986, promoted as part of European Road Safety Year.

The main aim is to focus public opinion on the main problems, and to reduce the number of accidents immediately if possible. The Commission's latest estimates point to 50,000 road deaths in the EEC countries in 1984, while the number of injuries was probably in the region of 1.5 million – a serious deterioration compared with previous years.

If the Commission's plans are followed, there would be coordinated information campaigns in all the member states distinguished by a common logo: Among the main themes of the campaign would be the safety of children on the road, the dangers of drunken driving, the use of seat belts, speed limits, and the problems faced by cyclists and

motorcyclists. Public interest could also be stimulated by offering competitions designed specially for children or drivers, and by advertising at exhibitions, particularly car and motorcycle shows.

The Commission has already established contact with companies and public bodies which would be prepared to sponsor this part of the campaign.

At legislative level the Commission also plans to mark the 1986 campaign by a special effort to bring in new rules on technical and safety Community-wide standards (MoT tests) for tourist coaches, common standards for driving tests, and the introduction of tougher safety standards for lorries.

Other ideas under consideration for 1986 include research and training programmes and the establishment of a data bank of road safety statistics. Two special conferences – one in Paris in June, and one in Amsterdam in September – and seminars have also been lined up for next year.

## Famine: still a need for massive aid

**Food aid donated by the European Community and other countries now seems likely to be adequate to cover immediate needs in the drought-stricken areas of Africa, Development Commissioner Lorenzo Natali said after returning from recent visits to Niger, Mali, Mauritania and Sudan.**

In Sudan, 1.245 million tonnes of aid, including 291,000 tonnes from the Community, has already been pledged, compared with forecast requirements of 1.2-1.42 million tonnes. In Mauritania and the two landlocked Sahel countries, the supply situation is similar, but the Commissioner warned that many problems have persisted.

In particular, these countries' transport networks are often unable to deal with the quantities of food now being delivered, and in Sudan the sheer size of the country is a further obstacle to distribution. As a result, M. Natali stressed the Commission's plans to modernise the country's railway, and the important role which aircraft can play, particularly during the wet season.

He also pointed out that the need for some diversification of food aid is now becoming apparent – enough cereals are now available, but other essential foods are still in severely short supply, as are medical supplies also in some areas.

The Commissioner underlined the

need to implement longer-term measures to ensure more stable local food supplies in future. This would mean providing farmers with seed, since most of their supplies have been consumed as food during the current shortage. Moreover, Commission officials say there have been difficulties in finding enough of the right variety of seeds in the areas concerned. The situation is still being watched very closely, despite some apparent improvements in the short term.

## Could we get closer to East Europe?

**The European Community should boost its efforts to establish closer links with the countries of Eastern Europe, it was proposed in a recent report drawn up for the European Parliament.**

Such ties would help overcome psychological and ideological obstacles which still persist forty years on from Yalta, the report claims, and could thus be an important step towards reconciliation at a time when the two superpowers are embarking on a new stage of their disarmament negotiations.

Among the main candidate countries would be Romania, which already has an agreement with the Community on trade in industrial products; and Hungary, which has already proposed a trade agreement with the Community, and which has a more liberal economy than many other East bloc countries.



## Studies in flesh and blood

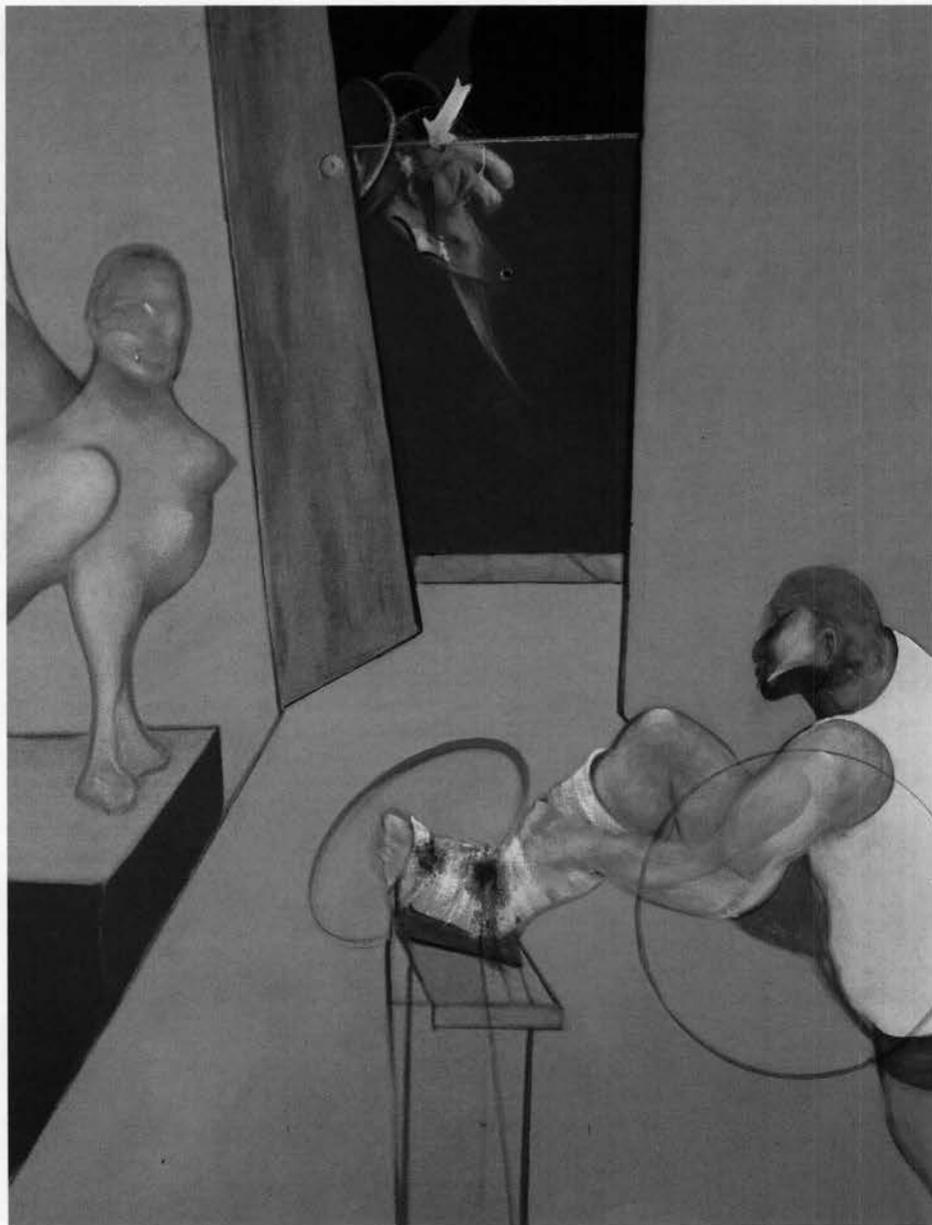
Is Francis Bacon the greatest living painter, as Alan Bowness, director of the Tate Gallery, believes? The rare distinction of a second retrospective exhibition at the Tate—his first was in 1962—gives the public a chance to judge for themselves.

'Greatness' is not a term to use lightly of artists. We are too used to hearing it applied to ephemeral performers such as comedians, sportsmen or pop stars. Where true creativity is concerned, it implies more than bigness, more than impact, and much more than the random novelty of success. Bacon is a big painter: his pictures rely heavily on their scale. He *does* make an impact: his main purpose, he declares, is to create shock. And as for success, he is among the most eagerly collected painters of today, commanding undreamed-of prices.

But there are qualities in Bacon's work that lift it above these mundane levels of achievement. One is the nature of his imagery: it shakes us into a recognition of our own organic humanity, our flesh and blood. The other is the means by which Bacon conveys these images straight from the canvas into the recesses of our minds: his paint, the medium, seems to address us in its own right. The effect can be disconcerting. It is as if the artist were not so much a creator as the agent of some half-buried, involuntary force.

This is not as fanciful as it may sound. For Bacon deliberately sets out to make his paint do the work, following his—and perhaps its—unconscious will.

He does not like the story talking louder than the paint, as he puts it: even in his portraits, the pigment overrides the likeness while somehow revealing it amid livid contortions and knots of colour. He looks at his work with a harsh, unforgiving eye: some paintings, now hanging in

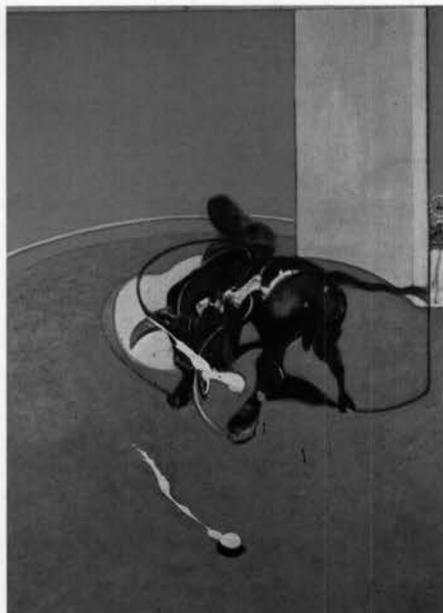


Above, left: Self-portrait. Above: Oedipus and the Sphinx, after Ingres, 1983. Right: Study for Bullfight, 1969. All are from private collections.

famous collections, he declares, did not 'work'. Grudgingly, as in his appearance on ITV's *South Bank Show* last month, he will find merit in some marginal passage, while rejecting the rest of the picture. Equally, some paintings, started with one idea in mind, have somehow ended up as completely different ones—much to the satisfaction of the artist, who is then able to view them with the detachment of a stranger dropping in to his own gallery.

He has created, or uncovered, a world in which we can identify, in a startling way, unwelcome aspects of the human condition. It is not comfortable, or reassuring, or ennobling, or remotely beautiful. Bacon likes to say he is optimistic, but optimistic about nothing. So, if we are honest with ourselves, are many of us. Major artists have always forced us to face uncomfortable truths. Does that include Bacon? I think it must.

DENIS THOMAS



## QUESTIONS IN THE HOUSE

**Andrew Pearce, United Kingdom:** Does it serve the interests of the Community for Spanish-owned fishing boats to be registered in Britain and Ireland, thereby enabling them to fish in Community waters, and should not this practice be curtailed?

**Answer by Frans Andriessen on behalf of the Commission:**

The laws relating to the registration of fishing vessels have not been harmonised at Community level; it is up to each member state to determine the conditions governing the registration of vessels from non-member countries.

Under the national legislation currently in force in the United Kingdom, no British fishing vessel may operate within British fishing limits unless at least three-quarters of its crew members are British citizens or nationals of another member state. A similar Irish law bars from Irish waters any British vessels that are not authorized under British law to operate in British waters and places similar restrictions on vessels registered in Ireland.

**Hans-Gert Poettering, Germany:**

A German and a French family, when visiting each other, have found that the reduced rail fares for large families offered in both West Germany and France are not always conceded on a reciprocal basis. When he wished to return home, a boy from a 'large' German family, despite holding the relevant card, was refused the reduced fare by a French ticket office. According to a German travel agency these reductions can only be guaranteed if tickets for both outward and return travel are purchased in Germany.

Could the Commission state what efforts it is making to ensure that mutually recognised reduced rail fares are available even when tickets are purchased in the other country concerned?

**Answer by Stanley Clinton Davis on behalf of the Commission:**

The fare reductions given by the railways to children from large families are what are known as 'social' reductions; they are required of the railways, which are financially compensated for them by the government of the state where the family resides. They apply only to the portion of the journey falling within the national territory. As a result, a child from a large family residing in the Federal Republic of Germany gets a reduction only in German territory and a child from a large family living in France only in French territory.

The Commission and the member states' governments have, since 1982, been examining possible ways of harmonising the various forms of social reduction for large families with a view to extending them to in-

ternational journeys within the Community.

It may be pointed out in this connection that a number of railways in Europe are planning, for commercial reasons, to institute 'family' fares. Where members of the same family are travelling together (at least three persons, including one adult, and not more than eight persons) the first person would pay the full fare and the remainder would travel at half fare.

**Horst Seefeld, Germany:**

Will the Commission state from what date, and in which member states of the Community, ECU-denominated European travellers' cheques are to be issued and accepted?

**Answer by Jacques Delors on behalf of the Commission:**

According to the Commission's information, two organisations are currently planning to issue ECU-denominated travellers cheques. The first is a group of French banks, which, in association with American Express, have set up the Société du Chèque de Voyage en ECU. The second is a group of banks from nine European countries, known as the Euro Travellers Cheque International

real needs which the development of the private ECU is meeting, and it hopes that this initiative will be favourably received in all member states.

**Jacques Vernier, France:**

Under the French finance laws for 1985, VAT is to be levied at the rate of 18.6 per cent on income from automatic machines and games (pinball, video games, table football, juke boxes, pool, etc). It seems that this decision was taken in compliance with Community measures for tax harmonisation. These VAT payments will now come on top of existing taxes, i.e. commercial tax, state tax and business tax, which already place a heavy burden on the operators' income.

Can the Commission say whether the retention of the state tax and the communal tax is in conformity with the Community measures for tax harmonisation?

**Answer by Lord Cockfield on behalf of the Commission:**

The maintenance by France of entertainments tax and state tax on automatic amusement machines after the introduction of VAT has been the

Schools but including pensions (for all institutions). These figures are provisional.

More detailed and definitive figures will shortly appear in the revenue and expenditure account.

**Hemmo Muntingh, Netherlands:**

Is the Commission aware of the large-scale slaughter of birds during their spring migration in Greece? Is it prepared to draw the attention of the Greek government to its obligations under the Directive on the Conservation of Birds? And is it prepared to ascertain what measures the Greek Government has in fact taken to bring its national legislation into line with the Directive on the Conservation of Birds?

**Answer by Stanley Clinton Davis on behalf of the Commission:**

The Commission is aware of the situation described by the Honourable Member. It has delivered a reasoned opinion under Article 169 of the Treaty, as Greece has not brought its legislation into line with Directive 79/409 on Bird Conservation.

**Dieter Rogalla, Germany:**

Does the Commission have sufficient staff? And has it ensured that all Community institutions use a uniform recruitment policy and selection procedure? Is this an economical method?

**Answer by Henning**

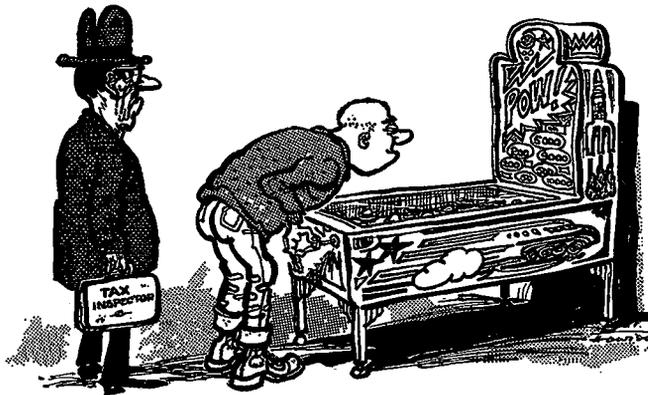
**Christophersen on behalf of the Commission:**

The Commission is short of staff. This is because new tasks are constantly being added to its existing responsibilities and workload under the Treaties and Community legislation, as a result of new priorities and Community decisions. It tries to put its present resources to the best possible use; and, to this end, it is encouraging various internal management measures.

However, the overall increase in the Community's workload, and attempts to solve the Community's present problems at Community level, mean that internal redeployment is not enough.

On recruitment policy, the Commission had held joint competitions (entrance examinations) with Parliament, the Court of Auditors and the Economic and Social Committee. They were for typists speaking various languages. Others are being prepared, ahead of Spanish and Portuguese accession, for posts where specific staff requirements are the same.

Since no appropriate provisions exist under the Staff Regulations, the administrative management of these events is relatively complex. However, this arrangement is still less expensive than when each institution holds a separate examination.



al group, which is planning to issue ECU travellers' cheques in association with Thomas Cook.

This should mean that ECU travellers cheques will actually be available before the end of 1985.

It is planned to sell ECU travellers' cheques in all the member states, and also in many other European countries. However, it should normally be possible for them to be used in a much larger number of countries.

Although the increasing use of credit cards and Eurocheques has reduced the importance of travellers' cheques as a means of payment, the Commission regards the issue of ECU-denominated travellers' cheques as a further illustration of the

subject of a complaint, which is now being looked at in accordance with the established procedures.

**George Cryer, United Kingdom:**

What was the cost in 1984 of running the Commission, including all salaries, rents, office equipment purchase and hire, heating, entertainment, travel and other related costs?

**Answer by Henning**

**Christophersen on behalf of the Commission:**

The total of running costs amounted in 1984 to 698.9 million ECUs (£419.4 million), which represents the totality of part III A of the 1984 budget without studies, publications, subventions and European



HRH the Princess of Wales visits 336 Brixton Road, a new centre for the disabled part-funded by the European Commission, on 12 June.



West Bowling open workshop, a pilot training scheme in Bradford which was set up with help from EEC grants, has been assured of funds from Bradford Council, owing to its success in helping to place jobless young people. In the picture: Shanaz Shah, Derek Worth and Mark Cornwell, with instructor Ray Whetlock, on the printing course.

# letters

## Coming to terms

I particularly enjoyed the May issue of EUROPE 85, and I was interested in the letter from Vivian Thomas of Bristol, with which I had considerable sympathy. I did find when I was in Brussels, that the vocabulary was a real barrier to understanding.

This subject is of special interest to my organisation, ERICA (European Research Into Consumer Affairs), and I wonder if you would consider publishing a very brief glossary, for the less informed reader, of the most used terms (such as those mentioned by your correspondent), which ERICA would be very happy to prepare.

Your readers could cut it out and keep it for reference, using it when the terms occur, either in Europe 85 or elsewhere. I think they might well be grateful.

Eirlys Roberts  
ERICA, Lloyds Square, London WCI

We have taken up Eirlys Roberts' offer, and look forward to publishing the glossary in a future issue.

## 'Outdated' language

I was interested to read Sarah Foot's article (May issue) on the subject of 'high-tech in the classroom'. Articles that look at development in education on a Community-wide basis are most welcome. I was, however, surprised and disturbed by the references to the computer languages BASIC (stodgy and esoteric) and LOGO (often daunting).

The reason BASIC is not used by informed teachers is that it is inaccessible to children: an intellectual point of view to many children, can lead to the development of poor, unstructured programming techniques, and hence sloppy thinking, and that it is very outdated.

Far from being daunting, LOGO is actually designed to be accessible to children: they need to know very little about the language to make interesting things happen. The nature of the language also encourages structured thought. Furthermore, LOGO is extensible, a child can add his own new commands to the language, using his own words (in whatever language he likes). Indeed, it would be possible to redefine all the commands for a LOGO implementation written in English in any other language desired. This would be easy even for a novice.

Persons interested in LOGO as a computer language for learning should contact: BLUG (British LOGO User Group), London New Technology Network, 86-100 St Pancras Way, London NW1 9ES.

Ken Brown  
Editor, 'LOGOS', Litchfield, Staffs

Government negligence and incompetence is directly responsible for the imminent destruction of an internationally-recognised wildlife site on the island of Islay, in the Inner Hebrides, the Royal Society for the Protection of Birds said yesterday.

Duich Moss, famous for its winter flock of the declining Greenland white-fronted goose, could be destroyed at any time because the Scottish Secretary, Mr George Younger, has granted permission for a local distillery, Scottish Malt Distillers, to dig peat, in spite of strong objections from its own adviser, the Nature Conservancy Council (NCC), the RSPB, and other conservation bodies.

The European Commission has written at least twice to the Government asking it to safeguard the site, which should be specially protected under the EEC directive on the conservation of wild birds.

- Guardian

Slough College has won a £100,000 contract to train 19 teachers from Zimbabwe.

The six months' training and development programme is being funded by the EEC and is the largest single contract undertaken by the college.

Euro-MP Baroness Elles attended a reception at Slough College on Friday to see how the Training Technology Division was running the course.

Mr Francis Burley, a senior lecturer, said that he was able to win the contract by designing a course to suit the needs of the students

- Slough Observer

Britain is not going to withdraw from Europe. Labour is not going to withdraw from Europe. Labour is not going to fight the next election by campaigning to withdraw from Europe.

- Daily Mirror

The Rome Treaty already requires majority voting for most normal council business, so it would not need to go to national parliaments for approval. But because no EEC government is yet ready to let itself be outvoted on even relatively trivial matters, the Treaty is ignored and a unanimity rule prevails.

Convinced that you cannot legislate good behaviour, another group of Europeans is proposing a series of practical small steps. This group is led by the British, who reach for the cold tap when they hear talk of building a united Europe.

- Economist

President François Mitterrand of France and Bettino Craxi, Italy's Prime Minister, yesterday announced four bilateral agreements including a relaxation of border controls between the two countries.

At the end of two days of talks in Florence which Sig Craxi described as 'extremely conclusive,' the two leaders agreed on the liberalisation by October of frontier crossing procedures between France and Italy.

This is to be achieved by adopting measures which guarantee freer passage and at the same time increase checks on those attempting to enter France through Italy for illegal purposes.

- The Times

British farmers are to share in a multi-billion pounds Common Market aid programme designed to increase efficiency and create a younger farming community.

The programme is worth about £3.2 billion in the next five years, and represents a massive boost for the poorer farming areas, in Wales, Northern Ireland, Scotland and the North East.

Among the measures is one for encouraging young farmers to set up in business, with the EEC contributing towards grants made by national governments.

But perhaps the most significant aspect is that it will focus on improving efficiency and quality, instead of building food mountains.

- Reading Evening Post

BEUC and the European Environmental Bureau (EEB) have urged the Council to insist that all cars, without distinction between the categories, should run 'clean' by 1990 at the latest, and this is not at all unrealistic.

Failing catalytic converters, which are expensive, certain European manufacturers are in fact capable of marketing a lean burn engine with a two-way catalytic converter for cars of low and average cylinder capacity within four to five years. As for the Japanese, it seems that they are ready and waiting.

- BEUC News

The collapse of the De Lorean car plant and the closure of a Courtauld's factory has meant that £13.6 million in Common Market grants earmarked for Northern Ireland has been lost to mainland Britain.

The amount in EEC Regional Fund grants was split more or less evenly between the two projects at Belfast and Londonderry - but when they failed it was recovered in mid-1983 by the Brussels Commission.

Britain did not lose the money, but Northern Ireland did, the Rev Ian Paisley, Ulster Democratic Unionist leader, said last night.

- Belfast Telegraph

Essex has had a pat on the back from a top EEC official for the way it has pursued contacts in Brussels.

The praise came from Lord Cockfield, the newly appointed British Commissioner to the European Economic Community, during a visit by Essex County Council chairman Cllr Ron Williams.

Mr Williams was in Brussels with county Chief Executive Mr Robert Adcock to press for more EEC money for Essex projects. He said: 'The delegation went to build on contacts we have already established and to press the case for applications under consideration.'

- Essex Chronicle

A stockpile of tobacco amassed by EEC farmers in Greece and Italy weighs more than 12.375 tonnes and cost £17 million to store last year alone, angry Euro-MPs revealed yesterday. Sheffield's Bob Cryer stormed: 'This money is going to support one of the most dangerous products known to mankind. It is another reason for ending the common agricultural policy.' An EEC official insisted: 'Tobacco stocks are not a problem.'

- Star

# WHAT'S IN THE PAPERS

The European Commission's proposals to reduce the noise made by motor-cycles is welcomed in a House of Lords report today.

Pointing out that noise from motor-cycle engines causes widespread annoyance and numerous complaints, the Lords' European Communities Committee said standards for new machines would take more than 10 years to affect all motor-cycles.

The committee believes the single most effective measure would be to control the sale of replacement exhaust systems, and recommends investigating the possibility of establishing noise traps, on the lines of radar traps.

- Daily Telegraph

Gwent looks set to benefit from massive Common Market loans which could bring 3,500 new jobs to the steel and coal producing areas of South Wales.

The EEC have announced £70 million worth of loans for Britain under their European Coal and Steel Communities scheme.

And EEC officials in Cardiff are confident that about half this cash could end up supporting industries in Wales.

The loans will go to new or existing small and medium-sized businesses, but as the scales of these are worked out on international levels, no Welsh company is too large to take advantage of them.

- South Wales Argus