

## Special Feature on EC

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## EC on the Move



Robert Schuman (R) and Jean Monnet (L)

served? What degree of union is desirable, and possible, in order to derive optimum benefit from unity while preserving national identity and the individuality which constitutes the richness of our countries, our regions and our cultures? Can we advance in step, relying on the natural harmony that makes for consensus between the Twelve, or must we bow to conflicting approaches and differentiate the pace of integration? Where are the Community's ultimate boundaries to be set, now that so many nations — Turkey, the countries of Central and Eastern Europe and the Balkans — are asking to join in the process of unification? How can the ordinary citizen be made to feel part of the Community enterprise, how can an attachment to Europe be fostered to complement and transcend traditional allegiances? These issues of principle must be confronted if Europeans are to avoid running into blind alleys. The answers to these basic questions will

determine the precise, technical choices faced day by day by those responsible for running the Community enterprise.

In 1992 the European Community is in good shape. It has lived up to the expectations of those who brought it into being, and has proved worthy of the efforts of those who, over four decades, shielded it from assault from without and helped it to survive innumerable crises. Today, Europeans settle their differences peacefully, having recourse to the law and conciliation. Discrimination and feelings of superiority have been banished from relations between the Member States, which have given the four Community institutions — the Council, Parliament, the Commission and the Court of Justice — the task of arbitrating and managing their gains as well as their clashes. The standard of living of the ordinary citizen has been substantially raised and is now much higher than it would have been

had individual economies not been able to take advantage of economies of scale and higher growth resulting from the common market and the development of trade. The European Community has become a pole of attraction, the focus of the expectations of countries, near or far, that are taking a keen interest in the dynamic of union and want to consolidate their renaissance democracies or rebuild their devastated economies. Will the Community be the victim of its own success? Is that success so firmly established that the Community can open its doors to others in the foreseeable future, without risking implosion or loosening the essential ties that ensure a minimum of cohesion?

At 40 the European Community is maturing. It is on the brink of key decisions that will determine its fate. It is well placed to measure how far it has travelled, to reflect on its origins, to draw conclusions for the way ahead.

Will Europe be a political entity? Will the single European market be rounded off by monetary union? What policies need a common framework and pooled resources if they are to find material and effective expression?

Adoption of the Single European Act in 1986 marked the beginning of a period of frenetic activity. In February 1988, by adopting the Delors plan, the Twelve swept away the remains of the past which had poisoned the early 1980s. The ordering of financial resources up to 1992 has created 'budgetary peace' between the institutions and is providing the necessary solidarity to enable the less prosperous countries to withstand the impact of the large market. Ongoing reform of the common agricultural policy is helping to diversify the range of common policies, releasing additional resources for forward-looking policies such as technological research, environmental protection and vocational training.



Jacques Delors, President of the Commission of the European Communities

The directives needed to complete the single market are following the timetable programmed by the Commission. The point of no return has already passed, giving all concerned the firm conviction that it is better to prepare for change than to bow to it. The Madrid European Council in June 1989 approved the main features of an ambitious programme that is to lead to the attainment of economic and monetary union, on the lines of a phased masterplan proposed by the Commission. In July the Western Economic Summit in Paris gave the European Commission the task of coordinating Western aid to Poland and Hungary, thereby consolidating the Community's role as a committed partner in a world-scale operation and recognizing the existence in Eastern Europe of a situation without precedent since the war, an omen of hope and major developments.

And in June again voters exercised the franchise in the third direct elections to the European Parliament, establishing the vital democratic link between popular legitimacy and European integration. Backed by a mandate designating them as intermediaries between the electorate and the institutions, the 518 MEPs are preparing to give fresh impetus to the advance towards European union as

Parliament did in 1984 when it adopted the draft Treaty fathered by Altiero Spinelli.

There will be further developments on the institutional front because of the positive results achieved at the Maastricht summit in December 1991.

Europe at 40 is flying high. Hopes are commensurate with the ambitions and challenges, but the danger of failure cannot be excluded. At the crossroads of great decisions, options are critical. Those who hold Europe's future in their hands must find this inspiration in the basic method and principles which led to the European Coal and Steel Community, the very first European venture since supplemented by the European Economic Community and Eurodam. A 'leaven of change' has been injected into intra-European relations and new effects are being produced every day.

Forty two years after it was first put to the test, the Community method, the outcome of the organized dialogue between the Member States and the common institutions, wielding a delegated sovereignty, is a shining reality. It is making the optimum contribution to solving the major problems confronting Europeans. It, and it alone, is capable of advancing the cause of European integration.



European Parliament

## EC Help for Bangladesh Cyclone

**D**URING the night of 29-30 April 1991 a cyclone of exceptional force struck the densely populated low-lying off-shore islands and south-eastern coast of Bangladesh.

Winds of over 200 km per hour and torrential rains lashed the area all night; far worse, mountainous seas, piled up by the gales into a tidal surge 6-7 metres high in places, swamped the islands, raced inland and burst over the coastal embankments, submerging parts of the mainland from Noakhali to Cox's Bazar — a distance of 150 km. An estimated 140,000 people died, mostly by drowning. Thousands more were injured and countless survivors lost relatives, homes and their livelihood. 840,000 houses were destroyed, 6,700 schools destroyed or damaged. Livestock losses — cattle, sheep, goats, poultry — ran into millions. Damage to fisheries, forests and infrastructure was extensive. Altogether at least 12 million people were seriously and directly affected.

## Emergency relief

Rescue and relief operations were launched immediately by the Bangladesh authorities and local volunteer organisations. A military task force and 200 medical teams were dispatched to the disaster area. Deliveries of food, water and medicines began on 1 May, but continuing bad weather — high winds, heavy rain, rough seas — hampered civilian and military efforts. The adverse conditions and the scale of the disaster made outside help necessary.

The international community was quick to respond to the government's appeal. Air — and sea-borne operations were reinforced with helicopters, planes and vessels from the United States, India, Pakistan, Egypt, Thailand, Japan and the United Kingdom. Many donors, including several EC member states, made prompt and substantial cash contributions to NGO relief activities. The Commission decided an emergency aid of 2 million ECU for immediate relief supplies — food, clothing, shelter and medicines — to be bought and distributed by the Bangladesh

Red Crescent, two local and two European NGOs. At the same time EC emergency food aid was approved: 45,000 tons of wheat and 1,500 tons of vegetable oil, to be drawn from existing food stocks in the country which the Community would replenish in the following months. These quantities were for distribution to especially vulnerable cyclone victims and, as food for work, to people employed on temporary repairs to embankments.

On 22 May the Commission granted a second emergency aid of 500,000 ECU, to finance temporary housing for another 1500 families (its initial aid had included shelter for over 5000 households), the decontamination of contaminated ponds and the removal of debris.

## Post-cyclone assistance

By early June the emer-

gency relief phase was drawing to a close and the government was seeking help for rehabilitation. The tidal surge had washed away one third of the 1200 km of coastal embankments, leaving agricultural land exposed to salt water flooding. More than 2000 km of roads had been damaged. Houses, schools, factories, power lines, rice fields, shrimp farms... Faced with multi-million dollar damage, the government could only indicate the most pressing needs:

- food aid for the destitute
- housing, water, sanitation
- schools
- flood control works
- Cyclone shelters (the 300 existing ones had protected 230,000 people — the early warning system had functioned well but many more lives

could have been saved if there had been more shelters).

The representatives of the Member States in the EC council of Ministers had already agreed that part of the Member States' combined minimum contribution of 60 MECU would include funds for rehabilitation, and that at least an extra 20 MECU would be provided from the Community budget for post-cyclone aid. To propose a coherent overall response, the Commission dispatched a mission to Bangladesh in June. Armed with first hand knowledge of the situation, and after discussions with the local authorities and other donors, the mission recommended, for the Community contribution, a mixture of food aid financial aid and technical assistance: the first to help the most vulnerable families — those left with virtually nothing after the cyclone — and to support repairs to embankments and roads; the second to finance the construction of primary schools that would also serve as cyclone shelters, and the rehabilitation of damaged food storage depots; and the third to design and supervise the construction of new embankments (to be financed by the World Bank).

The mission also suggested opportunities for Member States bilateral aid.

Community projects based on these proposals were approved in the autumn. Work on the new shelters-cum-schools was due to start in early 1992.

## The EC's overall response to the cyclone

Emergency relief	EC	8 MECU	shelter, medical care, food (46,500 tons)
	Member States	29 MECU	logistic support, aid for NGO relief work, food (20,000 tons)
Rehabilitation	EC	23 MECU	food aid (60,000 tons)
			- for destitute families
			- for work (embankment and road repairs)
			financial aid:
			- for repairs to food storage depots technical assistance for construction of new embankments
	Member States	33 MECU	schools-cum-cyclone shelters
			road repairs
			flood control rehabilitation
			drinking water supplies
			fishing boats
			general infrastructure repairs (Chittagong port, radio tower etc.)

## AN ENCOURAGING RECORD

IN OPTING FOR GRANTS, FINANCIAL AND TECHNICAL COOPERATION HAS SATISFIED REAL NEEDS FOR WHICH OTHER INTERNATIONAL AID OFFERS LITTLE COVERAGE.

## THREE AIMS ACHIEVED

After 14 years of development cooperation, the Community has enough information to evaluate its action in the light of the needs of the ALA developing countries and of its own aims.

The record, overall, is a positive one and there are three reasons for this.

• The Community has been able to go beyond its privileged relations with the ACP and Mediterranean countries and extend its cooperation to all the developing countries of the world.

So the "European presence" is now a fact accomplished in almost all the developing nations — which was what the Member States of the Community were aiming at.

• The operational targets — better agricultural production and development of the rural sector in the broadest meaning of the term, a higher standard of living for the poorest and practical encouragement for regional integration — have all been attained.

Financial and technical cooperation, supplemented by the food aid which the Commission provides direct, has met the obvious needs of the developing countries of Latin America and Asia, particularly the poorest of them.

• Community aid has been implemented efficiently overall, in spite of the teething troubles which were partly due to the Commission's initial lack of experience in these countries themselves, by definition unfamiliar with Community aid.

## FOUR POSSIBLE IMPROVEMENTS

In this publication, we have seen how the Community's political will has been put into practical effect. It would also have been extremely instructive to see how this developed over the period, as the living story would have shown how this policy managed to keep aid to the poorest people firmly in its sights, show flexibility and improve its methods of action and listen to the recipients more from year to year.

But there is still room for improvement, as the needs are still immense.

Schematically, there are four possible improvements. • Although there is no point in expecting spectacular change in development, the Community has realized that aid payments could and should be speeded up. On average, projects and programmes run over the period 1978-89 finished six to eight years after the funds were committed.

So only half the available funds have in fact been spent so far and the balance is still at the disposal of projects.

This is partly due to a desire to leave an indelible imprint, to have an effect on the quality of the recipients' everyday life, which means defining and carrying out rural development projects which take a number of years.

And it has to be admitted that it is also due to unavoidable administrative slowness, in both the recipient countries and the Community.

In some cases, a sluggish rate of payment may interfere with the effectiveness of a project, because inevitable fluctuations in the world economy can then well reduce the economic effect.

So, as there can be no question of abandoning the projects and programmes of which the Community now has positive (and sometimes original) experience, quick disbursing schemes have to be developed more and run as often as possible.

• The various components of financial and technical cooperation have to be integrated better, rather as other cooperation policies (the Lome Convention, the renewed Mediterranean policy and so on) use a combination of different instruments to achieve the same aim.

Structural food aid, for example, has to be provided in harmony with the financial and technical cooperation

agricultural production support projects. And if these are to do with export crops, say, then they have to take the Stabex system of compensation for developing countries into account.

Advanced integration of the different instruments can only increase efficiency when it comes to meeting clearly identified needs, particularly since maximum impact has to be sought from what it still a relatively small volume of finance.

• This integration of existing means obviously has to be achieved outside the Community framework and particularly with the Member States, whose national cooperation policies are in harmony with those described in this publication. So the complementarity and coordination of efforts, amounting to far more than the sum of the financial means, will help increase the European presence throughout the developing world.

• Although food aid as a percentage of resources allocated should decrease in some countries (particularly in Asia) which are making rapid progress towards self sufficiency in food, the needs of the ALA developing countries are far from being satisfied.

Cooperation between the EEC and the ALA developing countries should therefore be improved, particularly since there will be demographic growth to cater for in the future and more countries will find the way to democracy and want to benefit from financial and technical.

## MAASTRICHT PROPOSALS - EUROPEAN PARLIAMENT

CO-LEGISLATE WITH COUNCIL OF MINISTERS 65% 15%

APPROVE EC COMMISSIONERS 59% 17%

PUT FORWARD DRAFT LAWS 58% 24%

RATIFY INTERNATIONAL AGREEMENTS 52% 24%

CONTROL EMU VIA EURO CENTRAL BANK 52% 24%

EUROBAROMETER FIGURE 4.7

Courtesy: EC Publications