

There were substantial movements in the rates of exchange between the currencies of member countries from 1969 onward. Though the European Monetary System, set up by the Community in 1978, succeeded in bringing about somewhat greater stability, there were still seven realignments of central rates up to 1984, four of them being quite significant.

What is seen as the loss of momentum in the Community has led to a certain "Europessimism" and more recently to initiatives for "relaunching Europe". Foremost among these is the proposal, considered at the EEC summit in Milan last June, to hold an inter-governmental conference to amend the Treaty of Rome, so that unanimity would no longer be required on such matters as harmonization of technical standards. Though the majority favoured this, Britain, Denmark and Greece bitterly opposed any changes in the Treaty. Unless they change their minds, the proposed conference will be of questionable value. On a more practical level, the EEC Commission has produced a program for creating a frontier-free internal market for goods and services by 1992. It also has action plans in such fields as public purchasing, competition policy, industrial development and science and technology, but most of these represent an extension of existing activities and their effectiveness will depend in some cases on cooperation of the member states and in others on adequate financial resources.

In the case of science and technology, progress will also depend on breaking down the monopolies of national firms in public procurement of hi-tech goods such as telecommunications equipment, on fiscal incentives to encourage innovation, on improved training and on a better correlation of research to the requirements of the market. Most of these are areas where a good deal of the responsibility lies with the private sector and the member states.

With some justice European businessmen have, among other things, been accused of lacking entrepreneurship, clinging to antiquated structures, being weak on management and marketing and preferring associations with, or take-overs by, U.S. and Japanese firms because of intra-European jealousies. The positive side is the significant number of success stories - the firms which have made good use of the opportunities provided by European integration and indeed by markets in other parts of the world. They include Daimler-Benz (trucks), Bosch (high-technology automobile components), BSN - Gervais Danone (yoghurt and other fresh dairy products), Heineken (brewing), Tetra Pak (packaging), L'Oreal (cosmetics) and Ciba-Geigy (pharmaceuticals).

Most of the world leaders are centered in Germany and France, few in the smaller countries of the Community. On the other hand, Sweden has produced such winners as Volvo, Electrolux (electrical appliances) SKF (bearings) and Perstorp