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The American model

It is uncommon for politicians in the European Union to commend United States practice. Too often there is a feeling, wonderfully expressed by former Commissioner Bangemann, when asked to consider the adoption by the European Community of a law similar to that of the United States in the field of copyright protection, that there was no need for Europe to imitate America, as Europe could think for itself. This may be true; but the draftsmen of the original EEC Treaty certainly looked at United States experience in anti-trust matters when they drafted Articles 85 and 86 (now 81 and 82). Nor is the present Commissioner for Competition Policy afraid to give credit where it is due. Speaking in Madrid in February, he said: "I should like to emphasise that the Commission is in no way pursuing an anti-industry policy. On the contrary, top industry management has repeatedly and explicitly invited politicians to open up markets and to move closer towards the United States economic model. The greater dynamism which exists in the United States is correctly seen as a result of a more consumer oriented policy which stimulates efficiency, and finally advantages, for the production sector."

State aid decisions

It really is difficult sometimes to know which way the cat will jump in state aid cases. The Commission has approved the Irish Government's €12.7m equity injection in An Post. It has ordered the recovery of more incompatible aid from German textile manufacturer Neue Erba Lautex GmbH. It has closed a state aid investigation into Poste Italiana with a positive decision. It has started an investigation into the British Government's aid to Ford for its plant in Bridgend, Wales, because the aid does not appear to meet the criteria for the motor vehicle industry.

However, at least the Commission seems to have resolved the vexed question of state aid, in the form of special guarantees, to German savings and mortgage banks. An agreement has been reached between the Commission and the German authorities, to take effect from 15th March 2002, subject to subsequent implementation in legislative form. Essentially the two forms of guarantee (AL and GW for short) disappear, AL being replaced and GW abolished. The new regime follows far more closely the rules applying to other banks and to similar banks in other countries. If the parties who originally complained about the German system are satisfied, and the new system works to the satisfaction of owners, provincial governments and consumers, the Commission will have pulled off a notable success in a sector which has always been particularly sensitive in Germany. ■