



# Bulletin from the EUROPEAN COMMUNITY

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## ATHENS CEREMONY FOR EEC-GREEK ASSOCIATION

### Statesmen Gather for Formal Signing—Details of Agreement Given

THE AGREEMENT FOR ASSOCIATION between Greece and the European Economic Community was signed at a formal ceremony in Athens July 9, thus linking the cradle of European civilization with the nucleus of a united Europe. Greece is the first European nation outside the Six to unite its economic future with that of the Common Market.

The signing took place less than a month after the EEC Council of Ministers, meeting in Brussels June 12, gave its unanimous approval to the Draft Agreement. Negotiations, begun in the autumn of 1959, were concluded on March 30 of this year. (See *Bulletin* No. 45.) The Agreement will now be submitted to the European Parliament for consultation and to the parliaments of the governments concerned for ratification.

Statesmen who signed the Agreement in the Hall of Trophies of the Greek Parliament included Vice President of the Greek Council of Ministers Panayiotis Cannellopoulos, Minister of Coordination A. Protopapadakis and Minister of Foreign Affairs E. Averoff-Tossizza representing the Greek Government; President of the EEC Council of Ministers Ludwig Erhard for the EEC; and representa-

tives of the governments of each of the six Common Market countries. Also participating in the ceremony were Professor Walter Hallstein, President of the EEC Commission, and Jean Rey, EEC Commissioner who represented the Community in the negotiations for the Agreement.

The Agreement is based on a customs union to be established between Greece and the Community over a transition period and intended to enable Greece to become at a later date, when its economic progress allows, a full member of the Community.

The customs union formula has two major advantages. It will facilitate the integration of Greece with the Community, through its effect on trade and thus on the whole of the economy, and also through the strict commitments that it implies. Too, it enables the special conditions of the Greek economy to be considered and allows Greece to maintain and even to step up its drive for modernization and industrialization. →

## UK ANNOUNCEMENT

On the final day of July as this issue went to press, the British Government announced its intention of making application for membership in the EEC under Article 237 of the Treaty of Rome. Negotiations toward this end are expected to begin in September. Further information regarding this decision will be given in subsequent *Bulletins*.

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*Ancient history in Athens: The Parthenon of Greece is now linked with the Community of Europe.*

The Agreement, therefore, allows a longer transition period for certain products and the protection by Greece of her new industries. The Community, for its part, will provide financial aid and will also take special steps to improve markets for Greek products in the member countries.

### ***First Steps to Economic Union***

The Agreement is not limited to a customs union. Following the example of the Rome Treaty, with due allowance for Greek needs, it includes provisions on:

- the free movement of persons, services and capital,

*The Capitoline Hill where the Treaty of Rome was signed by six nations in 1957 to begin a new era in world affairs.*



- transport,
- rules of competition,
- economic policy.

Most of the proposals refer expressly to the rules or principles of the Rome Treaty but leave the details of their application to be decided by the institutions set up under the Association Agreement.

### ***Tariff Reductions***

The first tariff reductions between Greece and the Community will take place when the Agreement enters into force. Those to be made by the Community will follow the pattern established by the Rome Treaty. Greek exports

#### **Greek Imports from the Community 1959**

| Products                    | In Millions of Dollars | Percentage of Total Imports |
|-----------------------------|------------------------|-----------------------------|
| Food, beverages and tobacco | \$10.346               | 13.4%                       |
| Raw materials               | 5.434                  | 10.6                        |
| Mineral fuels               | 6.460                  | 13.1                        |
| Chemicals products          | 29.892                 | 59.0                        |
| Machinery, etc.             | 87.943                 | 41.6                        |
| Miscellaneous               | 75.277                 | 60.2                        |
| Total Imports from EEC      | \$215.352              | 38.2%                       |

#### **Greek Exports to the Community 1959**

| Products             | In Millions of Dollars | Percentage of Total Exports |
|----------------------|------------------------|-----------------------------|
| Fresh fruit and nuts | \$ 4.752               | 38.7%                       |
| Dried fruits         | 11.521                 | 35.1                        |
| Alcoholic beverages  | .946                   | 42.5                        |
| Other food products  | 3.857                  | 23.1                        |
| Tobacco              | 31.612                 | 46.2                        |
| Cotton               | 11.663                 | 44.3                        |
| Other products       | 16.317                 | 35.9                        |
| Total Exports to EEC | \$80.668               | 39.5%                       |

will therefore benefit immediately from the tariff reductions already carried out within the Community. On the Greek side, the transition period will last for 12 years, with tariff reductions beginning at the entry into force of the Agreement and continuing until tariffs are eliminated. For a limited number of products this transition period will be prolonged to 22 years and tariffs cuts spaced out accordingly, in order to meet the needs of Greek development.

### **Quantitative Restrictions**

Both parties accept a standstill for products subject to quantitative restrictions. For their imports from Greece, the Community's member states will guarantee unrestricted entry for all products on which they have already abolished quota restrictions among themselves. Greece will, at the entry into force of the Agreement, guarantee freedom from quantitative restrictions for 60 per cent of her imports from the Community; this proportion will be increased to 75 per cent during the subsequent five-year period. As regards non-liberalized products, one year after the Agreement comes into force, the Community's member states will provide for Greek goods quotas equivalent to those in force under then existing bilateral agreements, or those equivalent to actual imports from Greece during the first year of the association. Greece, in turn, will open for Community products global quotas—available to all member states without discrimination—equivalent to the volume of her imports from the Community during the preceding year. Three years after the entry into force of the Agreement, both parties will enlarge the quotas thus established by a total of 10 per cent of their value over the preceding year. This value will be further increased each year in the same proportions over the previous year. All quotas will be eliminated at the end of the 22 years.

### **The Common External Tariff**

Greece will adopt the Community's common external tariff and will align her own tariff with it at the same rate as she makes her tariff reductions vis-à-vis the Community. This alignment will begin after the third internal tariff reduction for those products subject to the 12-year transition period and after seven and one half years for those subject to the 22-year transition period. However, in order to protect infant industries as well as to maintain certain essential markets in other countries, Greece will be able, within certain limits, to postpone her tariff reductions or to maintain some duties vis-à-vis non-member countries. If she

wishes, she will also be able to align her tariff with the common external tariff more rapidly.

During the transition period only, the prior agreement of the Council of Association will be necessary for any modification, by more than a certain percentage, of the common external tariff on certain products—such as tobacco—which are of essential importance for Greece.

### **External Trade Policy**

Both parties will consult each other to ensure the coordination of their trade policy toward non-member countries, in particular as regards tariff changes, tariff and trade agreements, the adoption of a common export policy, and defensive trade measures to deal with such matters as dumping and export subsidies.

Within well-defined limits, Greece will be allowed to open tariff quotas to non-member countries.

### **Agricultural Policy**

Under a special system for agricultural products, Greece must first harmonize her agricultural policy with that of the Community in order to enjoy tariff and quota advantages.

In working out its common agricultural policy, the Community pledges itself to take effective account of the interests of Greek agriculture. Measures to be taken by both parties in this field will be the subject of consultation in the Council of Association. In the meantime, both parties will abstain from introducing new customs tariffs and quota restrictions.

Harmonization must be achieved by the end of the 22-year transition period. For a number of Greek imports, and in anticipation of the harmonization of agricultural policies, both parties will apply the general rules for tariff reductions and quota enlargements.

Special measures are provided to ease the export of Greek tobacco and raisins to the Community. For tobacco, the Community's member states will apply to imports from Greece a customs duty reduced by 50 per cent and will abolish this duty by December 31, 1967. The common agricultural policy on tobacco will not be established or changed during the first two stages of the Rome Treaty's transition period without the agreement of the Council of Association. For raisins, the customs duties in force on January 1, 1957, between the member states of the Community will be reduced by 50 per cent at the entry into force of the Agreement. These duties will be completely

*continued on page 13*

*Modern history in Athens: The signing of the Association Agreement took place in the Greek Parliament Building July 9.*





# NEW PARTNERSHIP WITH AFRICAN COUNTRIES

## Euro-African Parliamentary Conference on Future Association Held in June

THE FOUNDATIONS OF A NEW PARTNERSHIP between the European Economic Community and its associated countries in Africa and Madagascar have begun to emerge from preliminary discussions held recently. Unanimous approval for the continuation of the association was voiced at a parliamentary conference which brought more than 100 African parliamentarians and the 142-member European Parliament together at Strasbourg June 19-24. At the same time the conference made a series of suggestions for the future form of the association which, it was felt, could make a major contribution to the development of the African continent.

Earlier in the month at Brussels, representatives of the associated countries also had a preliminary exchange of views with the permanent representatives of the six Community countries in preparation for an intergovernmental conference to be held in the autumn.

### *Joint Decisions—Joint Action*

These meetings were the first moves by the Community to meet what Dr. Walter Hallstein, President of the Common Market Commission, termed in a speech at Strasbourg June 20 "one of our great tasks in the coming months. . . . Our relations," he said, "now rest on the new foundation of collaboration on a footing of equal rights."

The alliance between the Community and the associated countries in Africa and Madagascar, originally included in the Treaty of Rome before the African states had attained independence, now has to be recast—before the end of 1962—on the basis of complete equality between all its members. "Joint decisions and joint action," said President Hallstein, "must from now on replace unilateral decisions and action. No matter what the details of its form may be, the future association can only be the outcome of an agreed arrangement freely arrived at between us and our African and Malagasy partners."

### *Parliamentary Symbol*

This new approach was symbolized at the Parliamentary Conference by the presence of the large delegations representing the African countries and by the joint presidency of the meeting under Lamine Gueye, President of the National Assembly of Senegal, and Hans Furler, President of the European Parliament.

The plenary sessions saw the benches of the Parliament crowded for a series of debates which ranged over the whole field of the Community's association with its African partners. For the first time, the Community's Parliament heard from the African parliamentarians themselves—from the newly independent states of Cameroon, Central Africa, Congo (Brazzaville), Congo (Leopoldville), Ivory Coast, Dahomey, Gabon, Upper Volta, Madagascar, Mali, Mauritania, Niger, Senegal, Somalia, Chad and Togo—what their experience of the association had been and what forms they thought it should assume in the future.

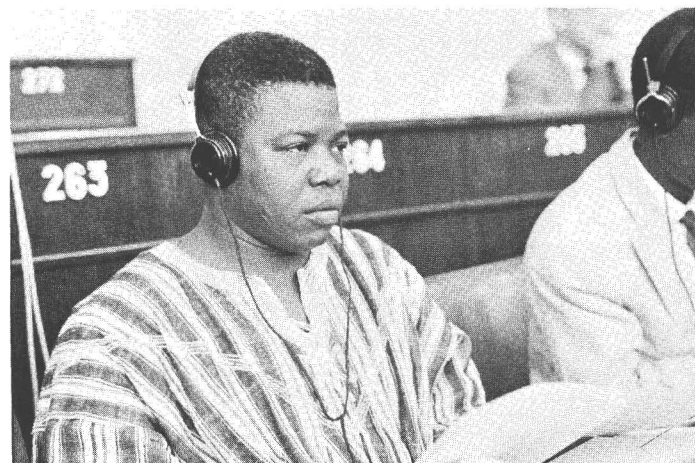
The meeting had been prepared in two joint meetings—in Rome January 24-26 and in Bonn May 3-5. A series of working papers had been drawn up by members of the

European Parliament; these had then been discussed by the African parliamentarians at a meeting at Ouagadougou, Upper Volta, on June 5.

### *Final Recommendations*

The Strasbourg Conference brought unanimous agreement that the association should be continued after the end of

*Marking new strength in cooperation, the first joint session of the 142-member European Parliament with some 100 Parliamentarians from 16 African countries was held in Strasbourg in June. (Top photo) Lamine Gueye, President of the National Assembly of the Republic of Senegal, shared the conference presidency with Hans Furler, President of the European Parliament. (Center) representatives of the delegation of Mali. (Bottom) Senegalese Parliamentarians.*





1962, coupled with a series of suggestions on the form that it should take. At the basis of this agreement, which, it was suggested, should be concluded for an unlimited period of time, was the principle of absolute equality in the future association.

*Aims*—The conference defined the objectives of the new association as “The promotion of the economic and social development of the associated states and the establishment of close economic relations between them and the European Community with a view, primarily, to promoting the interests of the peoples of these states and their prosperity to lead them to that stage of economic, social, and cultural development which they anticipate.”

*Membership*—The new association should be open to all African states on condition that none of them should belong to another economic group whose objectives are incompatible with those of the association itself.

*Method of Negotiation*—Work should begin at once on the preparation of the new association, which should be brought into being by the signature of conventions between the European Community and the associated African countries, either individually or in groups. A model convention should first be worked out and approved jointly.

*Scope*—The possibility should be envisaged of extending the future association to the other two Communities—Euratom and the ECSC.

## ***New Institutions***

The following new institutional structure for the association was suggested:

*A Council of Association*—consisting of a representative of each associated state on the one hand and the Council of Ministers and Common Market Commission on the other. The Council of Association would be empowered to set up any necessary committees.

*A Parliamentary Conference*—composed of representatives meeting at least once a year, alternatively in Europe and Africa. Continuity would be assured by committees of the conference.

*Direct Representation*—of the associated states to the Community and vice versa.

*An Arbitration Court*—to deal with any conflicts arising out of the interpretation or application of the association agreement.

## ***Increased Trade Urged***

A major part of the conference was devoted to discussing future economic collaboration within the association. Agreement was reached on the need, in the first place, to foster trade between the Community and its African partners. Among the suggestions made was the speedy abolition of excise duties levied by Community countries on tropical products; these, it was said, often had the effect of nullifying tariff preferences. The conference also urged that Community countries should maintain the existing level of preferences. Should they wish to alter them, they should first consult with the associated countries and offer them compensation of at least equal value.

Member countries should also see that the benefits of increases in the level of consumption of tropical products should go as a matter of priority to the associated countries: existing tariff-free quotas, open to Community imports from other areas, should not therefore be increased

or new quotas opened. Suggestions were also made for ways of stabilizing prices of tropical products and of guaranteeing minimum sales.

## ***Development Planning***

Among the suggestions made for ways in which the association could contribute to the general economic development of the African countries was the creation of a jointly-financed African and Madagascan institute for research and development. This would contribute to the coordination of development projects in the associated countries. Great interest was also expressed in the possible use of nuclear power to meet increasing energy needs and the contribution that Euratom could make in this direction.

A Joint Development Fund—to which all would contribute—should replace the existing Development Fund and be put under joint control. Its financial resources should be increased and it should make not only outright grants but also loans on favorable terms. In the meantime, the operations of the existing Fund should be speeded up so that all of its \$581 million would be used by the end of 1962. The African countries asked for the Commission's help in providing them with technicians to aid in working out the details of projects to be submitted to the Fund.

## ***Technical Cooperation***

The conference also urged the Community to intensify its action in the spheres of education and vocational training. More help should be given for building schools; more postgraduate fellowships should be made available for African students in the universities of the Community, and more Community technicians should be sent to train young Africans.

## ***Commission's Attitude***

The results of the parliamentary conference are now to be brought to the attention of the member states in the Community and Africa. They will also be considered by the Commission which has itself been working on the same problem. As President Hallstein told the conference, the Commission had not yet settled its formal position, but as far as the legal aspects were concerned it believed that:

- the new implementing agreement would require the unanimous approval of the Council;
- member states have an obligation to bring about a new association;
- the agreement of the associated states for this must be obtained.

He added that, though there was certainly not any question of imposing a particular politico-economic ideology on the economies of the associated countries, the association was a political phenomenon—“not because we wish it to be so, but because this is inherent in its very nature.” The dominating idea for the future association, in his view, “must be to help others to help themselves.” He concluded: “The task before us is, by untiring work, to make something better and better out of what has been handed down to us, to keep what has proved to be lasting and good, to give up what has not proved satisfactory, and to add the new things demanded by the changed conditions of our time. We will succeed in this if we are inspired by the spirit which presides over this whole meeting, the spirit of brotherly cooperation.”

# AN ATLANTIC COMMUNITY

## Jean Monnet Calls for Common Institutions

*Jean Monnet, President of the Action Committee for the United States of Europe and first President of the High Authority of the European Coal and Steel Community, made a strong plea for Western unity, supported by political institutions, in a commencement address at Dartmouth College on June 11. Excerpts from the address, delivered on the occasion of M. Monnet's receiving an honorary Doctor of Laws degree, follow.*

This century has probably changed the manner of life more for every one of us than all the thousands of years of man's progress put together. In the past, men were largely at the mercy of nature. Today, in our industrial countries of the Western world and elsewhere, we are acquiring an unprecedented mastery over nature. Natural resources are no longer a limitation now that we control more and more forms of energy and can use raw materials in more and more ways.

And now on the very eve of creating unprecedented conditions of abundance, we are suddenly faced with the consequences of our extraordinary mastery over the physical forces of nature.

Modern medicine is steadily increasing our prospects of life, so that the population of the world is increasing fantastically fast. Your own country, which had 76 million people in 1900 and has 180 million today, will probably reach 300 million in the year 2,000—a fourfold increase. You can afford this. But we all know what terrible pressures on resources the growth of population is creating in Asia. There, the number of people will have multiplied five times in a century, from 850 million in 1900 to almost four billion in the year 2000. This revolution is creating new explosive pressures of all kinds in the world.

At the same time science is repeatedly creating new powers of destruction: a few hydrogen bombs can wipe out people by the million and wreck the largest nations. This faces us with the greatest threat humanity has ever had.

### ***Civilization in the Balance***

The issue today is no longer peace or war but the triumph or destruction of civilized life. We cannot assume that we shall avoid such destruction. We have only to look back on the last 50 years to see how constant the risk of upheaval has become. No region of the world has escaped violence. One third of mankind has become communist, another third has obtained independence from colonialism, and even among the remaining third, nearly all countries have undergone revolutions or wars.

True, atomic bombs have made nuclear war so catastrophic that I am convinced no country wishes to resort to it. But I am equally convinced that we are at the mercy of an error of judgment or a technical breakdown, the source of which no man may ever know.

In short, if men are beginning to dominate nature, their control over their political relations between themselves has failed to progress with the needs of the times.

Men are gradually freeing themselves from outside controls and in the process learning that, henceforth, their main problem is freely to accept to control themselves. So, my



*Prime Minister Harold Macmillan and Jean Monnet received honorary degrees from Cambridge University on June 8.*

friends, you may either enjoy the extraordinary privilege of having long years before you of a marvelous future in a world that your elders could never have hoped for or the terrible prospect of witnessing the end of civilized society.

### ***Sharing Common Institutions***

The main facts that emerge from what I have just said are that we are in a world of rapid change, in which men and nations must learn to control themselves in their relations with others. To my mind, this can only be done through institutions.

Human nature does not change, but when people accept the same rules and the same institutions to make sure that they are applied, their behavior toward each other changes. This is the process of civilization itself.

You yourselves know the importance of institutions from your own history. The 13 States would not have won the War of Independence had they tried to fight it separately. After the war, the Confederation was only a few years old when you found it necessary to draft a federal constitution to keep the Union together and make it effective.

In recent years, we in Europe have also learned the need of common institutions. But your people created institutions while they were all citizens of one nation. We in Europe are engaged in the process of creating common institutions between states and people which have been opposed to each other for centuries.

### ***The Lesson of History***

What a contrast their history makes with the way you have grown in the last 170 years! Under your federal institutions, you have been able to develop the most industrialized society in the world; and to assimilate people from all the nations of Europe in the society and give them high and constantly growing standards of living. Thus, your continent has become a nation. During the same years, the European nations have developed their highly industrialized societies separately and often against one another, each nation producing deeply rooted national administrations.

Common institutions were the only way to overcome these profound factors of division and give Europe the same chances of harmonious development America had. It is for these reasons that in 1950, when France decided to transform its relations with Germany, it proposed to pool what were then the two countries' basic resources, coal and steel, under common institutions open to any other free European countries willing to join them.

While the Coal and Steel Community in itself was a technical step, its new procedures, under common institutions, created a silent revolution in men's minds. France and Germany, in particular, have been reconciled after three great wars, in 1870, in 1914 and again in 1940. Think of the extraordinary change shown by the fact that, today, at French invitation, German troops train on French soil.

## ***Need for Political Union***

So the progress towards unity is steadily gathering momentum. The Coal and Steel Community has made possible Euratom, the Common Market and economic union; now economic union, in turn, creates the demand for a political union and a common currency.

Today, a uniting Europe can look to the future with renewed confidence. The Common Market, with 170 million people—and if, as I hope and believe, Britain and other countries soon join it, it will number greatly over 200 million—commands resources that are comparable with yours and those of Russia.

Further, the six countries of the Common Market have decided to go beyond the economic union they are creating and to define their foreign and other policies together. Europe today has the prospect of becoming, with the United States, Russia and China, one of the great forces fashioning tomorrow's world.

What is the lesson of these successes? First, your success in building up the United States of America with consequences which have changed world history, and now, Europe's success in wresting a new future from a prospect which, at the end of the war, was as depressing as that of the Greek city states in decline.

The lesson, I think, is the extraordinary transforming power of common institutions.

## ***United They Stand***

Almost every time, since the war, that the countries of the West have tried to settle their problems separately, they have suffered reverses. But when they have moved together, they have opened up new opportunities for themselves.

The reason for this is that, today, all our major problems go beyond national frontiers. The issues raised by nuclear weapons, the underdeveloped areas, the monetary stability of our countries and even their trade policies all require joint action by the West. What is necessary is to move toward a true Atlantic Community in which common institutions will be developed to meet common problems.

We must, naturally, move step by step toward such an immense objective. The pioneer work has already been undertaken by the unification of Europe. It is already creating the necessary ferment of change in the West as a whole.

## ***And Now Great Britain***

Britain is gradually coming to the conclusion that it should join the general movement toward European unity and

the Common Market. As for your country, the prospect of a strong, healthy, united Europe emerging from the traditional divisions of the Continent has convinced it that a partnership between Europe and the United States is necessary and possible. The United States is already using the new Atlantic economic organization—the Organization for Economic Cooperation and Development—of which it is a member along with Canada and the European nations, as the vehicle of its increasing awareness of interdependence with Europe.

That we have begun to cooperate on these affairs at the Atlantic level is a great step forward. It is evident that we must soon go a good deal further toward an Atlantic Community. The creation of a united Europe brings this nearer by making it possible for America and Europe to act as partners on an equal footing. And I am convinced that ultimately the United States too will delegate powers of effective action to common institutions, even on political questions.

Just as the United States in its early days found it necessary to unite, just as Europe is now in the process of uniting, so the West must move toward some kind of union. This is not an end in itself. It is the beginning on the road to the more orderly works we must have if we are to escape destruction.

The partnership of Europe and the United States should create a new force for peace.

It will give the West the opportunity to deal on a new basis with the problems of the developing areas. For, just as our own societies would never have found their spiritual and political equilibrium if the internal problems of poverty had not been tackled, so the liberties which form the best part of the Western tradition could hardly survive a failure to overcome the international divisions between rich and poor and between black, yellow and white.

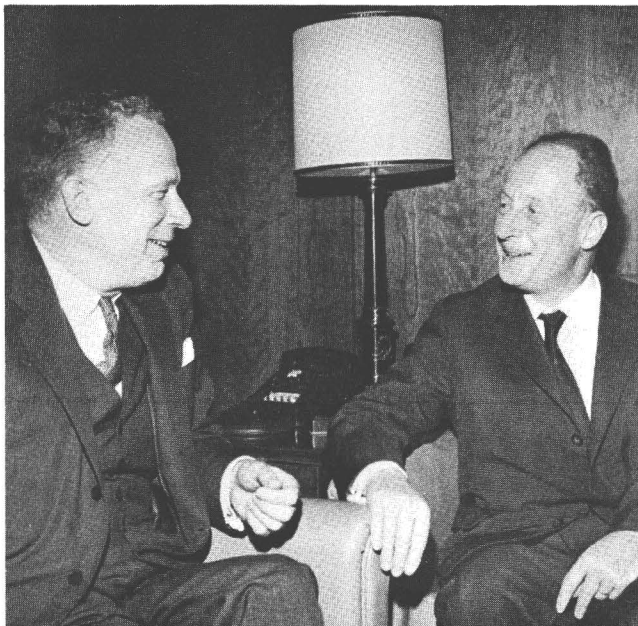
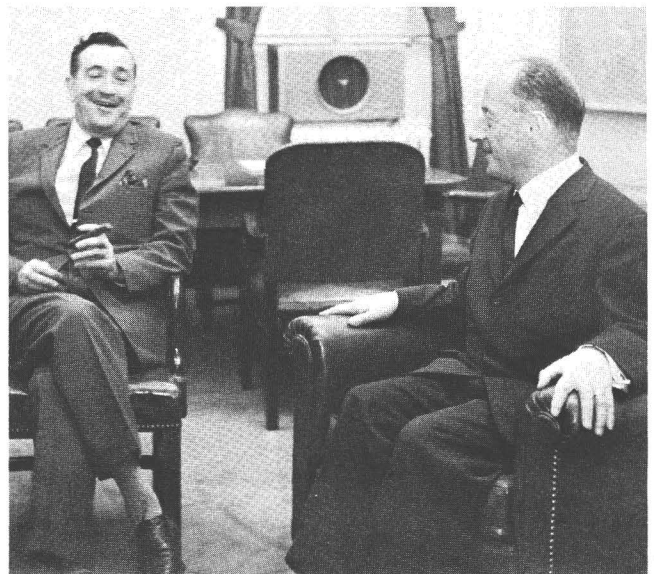
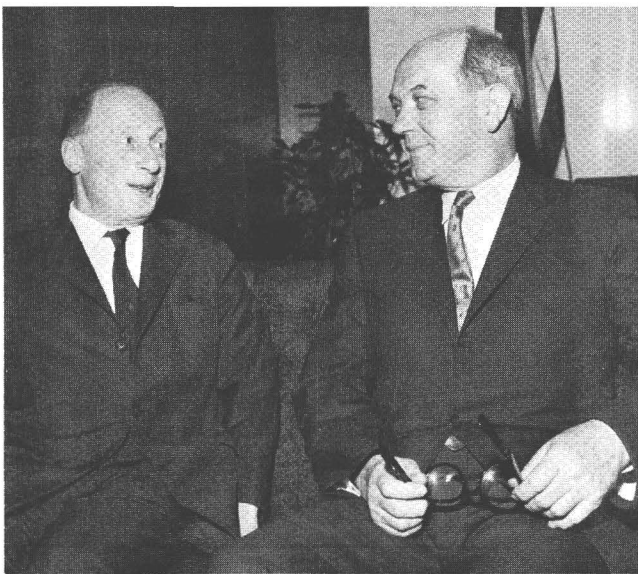
## ***Partners Across the Ocean***

A partnership of Europe and America would also make it possible ultimately to overcome the differences between East and West. For what is the Soviet objective? It is to achieve a communist world, as Mr. Khrushchev has told us many times. When this becomes so obviously impossible that nobody, even within a closed society, can any longer believe it, then Mr. Khrushchev or his successor will accept facts. The conditions will at last exist for turning so-called peaceful coexistence into genuine peace. At that time, real disarmament will become possible.

I believe that the crucial step is to make clear that the West is determined not only to complete the unification process, but also to build firmly the institutional foundations of that unity. As this determination appears clear, then the world will react to the trend. We must, therefore, take the first step quickly.

In the past, there has been no middle ground between the jungle law of nations and the utopia of international concord. Today, the methods of unification developed in Europe show the way. As we can see from American and British reactions to European unity, one change on the road to collective responsibility brings another. The chain reaction has only begun. We are starting a process of continuous reform which can alter tomorrow's world more lastingly than the principles of revolution so widespread outside the West.





*President Hirsch met with several top officials of the U. S. Administration during his one-week stay in Washington in June. He is shown here with (top, left to right) Dean Rusk, Secretary of State; and Jerome Wiesner, Special Assistant to President Kennedy for Science and Technology; (below, left to right) George Ball, Under Secretary of State for Economic Affairs; and Dr. Glenn Seaborg, Chairman of the Atomic Energy Commission. Dr. Seaborg is presenting M. Hirsch with dioxide crystals for use in Euratom's growing research program. The small packages of crystals in the case were gleaned from three tons of uranium.*

## EURATOM TALKS IN WASHINGTON

### President Hirsch and Aides in Discussions with Administration Officials

ETIENNE HIRSCH, President of the Euratom Commission, participated in a week-long round of talks with representatives of the Atomic Energy Commission and other U. S. Government officials in Washington during June. The President arrived in the U. S. on June 11 at the invitation of Glenn T. Seaborg, Chairman of the AEC, and departed for his Brussels headquarters on June 17.

The discussions, held daily in the AEC's Washington headquarters, covered a wide range of subjects including future cooperation in the field of nuclear research, the effect of the AEC's recent price reduction for enriched uranium on the conditions for supply of nuclear fuel to Euratom, and the issuance of the invitation for power reactors to be built in the Community under the 1965 phase of

the U. S.-Euratom joint program.

Besides officials of the AEC, President Hirsch also met with Secretary of State Dean Rusk; Under Secretary of State for Economic Affairs George Ball; Jerome Wiesner, President Kennedy's Special Assistant for Scientific Affairs; Congressman Chet Holifield of California, Chairman of the Joint Congressional Committee on Atomic Energy; Harold Linder, President and Chairman of the Export-Import Bank; and other government officials.

Taking part in the discussions with the President were Federico Consolo, Special Counselor of the Commission; Jules Guéron, Director General of Euratom's Division of Research and Training; and Curt Heidenreich, Counselor for Euratom's Division of Foreign Affairs.

# HIRSCH PREDICTS NUCLEAR POWER BOOM

## Euratom President Sees Striking Advances in Coming Decade

*Etienne Hirsch, President of the Euratom Commission, predicted a European boom in the production of nuclear power by the end of the 1960s. In a speech accompanying the presentation of Euratom's Fourth General Report to the 142-member European Parliament in Strasbourg June 29, President Hirsch covered matters ranging from industry to science to politics. Excerpts from the President's speech follow.*

With regard to the use of nuclear reactors for electricity production, economic conditions constitute a serious difficulty for the immediate future. This difficulty is encountered not only in the Community but also in countries such as Great Britain, which has had to cut back its program, and the United States, where the rate of development in this field has not come up to expectations. In order to prevent this situation from causing delay in the development of nuclear industries in the Community, the Commission has had to submit proposals to the Council which, by means of limited financial contributions, should make it possible for the existing economic handicap and the risks connected with start-up to be diminished, while enabling the practical knowledge resulting from the construction and operation of industrial reactors to be made available to the Community.

The acquisition of this knowledge, both by the constructors and by the electricity producers, and the development of genuine nuclear competence are essential, since the prospects for the development of nuclear energy, as outlined by us last year, have been amply confirmed by all the data which have come to light since. It is safe to say that, although for the moment nuclear electricity production is competitive only in regions where the conventional energy sources are costly, by 1970 or even earlier reductions in production prices—resulting from technological progress and improvements rather than from new discoveries—will insure a position for nuclear power that is competitive with conventional forms of electricity production in the Community.

### ***A Phenomenon to Come***

There is every chance that we shall then witness a phenomenon similar to that which has recently taken place with regard to air transport. As soon as it became clear to the airlines that jet propulsion was more advantageous than the internal combustion engine, orders were transferred on a large scale and concentrated almost exclusively on the new type of machine. Constructors who were unable to supply jet aircraft were suddenly deserted in favor of those who had taken the trouble to familiarize themselves with the new technique. There is every likelihood that a change-over of this kind may occur before the end of the 1960s in the field of electricity production. Those constructors who have not succeeded in acquiring the necessary experience and reputation will be deserted overnight.

Mankind no longer risks being faced with a power shortage. There is no further need, therefore, to be thrifty with natural resources—quite the contrary. Apart from the quantities intended for chemical uses, we should take the

fullest advantage of investments which have already been made by using up the reserves before they lose their value as a result of competition from cheaper nuclear energy.

### ***Research Moving Ahead***

Last year we reported on the delays which had arisen in the setting up of the Joint Research Center. Today the difficulties have been cleared up and the delays have, to a large extent, been made good. If, as we hope, the Council accepts in the near future our supplementary budget proposals for the current year and if it approves our budgetary proposals for 1962, we shall be in a position to make full and—we earnestly believe—effective use of the entire \$215 million provided by the treaty for our first five-year program.

The Ispra (Italy) establishment is fast developing. The Central Nuclear Measurements Bureau at Mol (Belgium) is fulfilling its task, while the Institute for Transuranium Studies at Karlsruhe (Germany) is under construction. With regard to Petten (Netherlands), we believe that an agreement will be reached very shortly, enabling us to embark on our activities there.

The size of our research staff has now passed the 1,100 mark, and we hope to reach the figure of 1,700 between now and the end of the current year.

Our research activity under contracts of association has been continued and extended, both within the Community—in such fields as fusion, marine propulsion studies, the operation of the Mol very high flux reactor and the new field relating to the agricultural uses of ionizing radiations—and outside the Community countries, in the Halden reactor and the Dragon reactor.

More than 100 contracts have been placed with national research centers or with industrial establishments in Community countries, thereby helping them to gain experience in the nuclear field, while at the same time making an appreciable contribution to the implementation of the Community's research program.

The progress attained in the field of research, by making us more effective partners than when we could merely afford a glimpse of future prospects, has enabled us to expand our external relations. Our relations with Latin America have been inaugurated by an agreement with Brazil. We have every reason to derive satisfaction from the collaboration with our Canadian partners and from relations with the new United States administration, which offer prospects of joint activities in a wider field than hitherto.

With regard to Great Britain, our relations are continuing, both in the Dragon project and in round-table discussions and exchanges of information. Naturally, these relations would be radically transformed were Great Britain to decide to join the Communities. We could not but express satisfaction at the prospect of having a partner of such acknowledged authority in the nuclear field, but it goes without saying that it would be at variance with the interests of Europe if a geographical extension of the Community were to be accompanied by a dilution and diminution of reciprocal obligations.

→

## Unification of Europe

By our day-to-day activities in the tasks mapped out for us by the treaty, we not only endeavor to attain that nuclear competence which is indispensable for economic progress and for improving the standard of living of our peoples, but we also seek to bring about the creation of a European spirit, without which all our efforts would be in vain.

The nationals of our six countries are acquiring the habit of working together, of getting to know each other, of overcoming prejudices, and of appreciating and respecting each other's qualities. In this connection, I can bear witness to the fact that in our day-to-day work, despite language problems, no difficulty has arisen to hamper useful cooperation.

We are also insuring the development of this European spirit by means of the European Schools. Our elder sister organization, the European Coal and Steel Community, showed the way by setting up the Luxembourg School which has been an unqualified success. Subsequently, together with the Common Market, we set up and developed the Brussels School. Last autumn, we opened two new schools for our research centers in Ispra-Varese and Mol, and we plan to do likewise at Karlsruhe and Petten once our research centers there are developed.

You are aware of the efforts we have made for the creation of the European University in Florence. I earnestly hope that this undertaking, so eagerly awaited and so vital to the cultural values we prize, will soon become a reality.

A little over a year ago, I had the opportunity to propose officially on this platform, on behalf of the Commission, the merging of the Executives. We were extremely gratified to note that this proposal, apart from receiving the support of this Parliament, was also approved by the High Authority as well as by the Commission of the European Economic Community.

It is a matter for regret that nothing has yet come of the proposals which this Parliament so energetically put forward concerning the election of deputies by universal and direct suffrage. It is our opinion that those who claim to advocate the consolidation of the Communities should lose no opportunity to grasp the advantage which would be placed in their hands by such an electoral mandate.

The time is probably not yet ripe for anticipating the



**NEW SCHOOL:**

*President Hirsch welcomes a student to the fourth European School during the official inauguration ceremonies in March 1961 at Varese-Ispra, Italy.*

extension of the federal practices which are adopted within the Communities to the political sphere, but there is no denying the importance and the urgency of this action.

A great many obstacles still remain to be overcome, and the greatest of them all is distrust. A real Europe can be built only on a basis of complete equality between all the participants. The only pre-eminence, not to speak of hegemony, which can emerge will spring from the acknowledgement of an intellectual and spiritual primacy to which each nation, whatever its size, can lay claim.

## INTERNATIONAL VISITORS TO EURATOM

### Commission Confers with Representatives from U.S. and Japan

THE EURATOM COMMISSION IN BRUSSELS received visits at the end of June from both Dr. Frank Pittman of the U. S. Atomic Energy Commission and Japanese Minister of State Masanosuke Ikeda, who is president of his country's Atomic Energy Commission.

Mr. Ikeda's visit provided an exchange of views on activities and prospects in the field of the peaceful application of nuclear energy in Japan and in the Community. Minister Ikeda formally invited the President and members of the Commission to visit Japan in the near future to obtain a direct impression of his country's nuclear achievements.

Minister Ikeda and his party, accompanied by Ambassador Takeso Shimoda, head of the Japanese Mission to the European Communities, were received by Euratom Com-

mission President Etienne Hirsch, Vice President Enrico Medi and Commissioners Heinz Krekeler and E.M.J.A. Sassen. A Mission was accredited to Euratom last spring.

The visit of the U. S. group, headed by Dr. Pittman, who is director of the Reactor Development Division of AEC, was devoted mainly to a review of the continuing cooperation between Euratom and the U. S. under the agreement signed in 1958. Dr. Pittman was accompanied by U. M. Staebler, Senior Assistant Director of AEC's Reactor Development Division; Richard Godwin, Assistant Director for Maritime Reactors; Allan Labowitz, Assistant to the Director for Foreign Activities; Myron Kratzer, Deputy Director, International Affairs Division; and William Harrop of the State Department.



# EUROPEAN SCHOOL GRADUATES ITS THIRD CLASS

SEVENTEEN SENIORS OF THE EUROPEAN SCHOOL OF LUXEMBOURG were graduated in an official ceremony held at the school on July 7. This was the third class to be graduated at the seven-year-old secondary school, which is administered by a board of directors representing the six member governments of the European Community.

A 19-year-old German girl, Antje Hellwig, daughter of Fritz Hellwig, a member of the High Authority, received the gold medal awarded each year to the graduate with highest marks. In addition to her gold medal, Miss Hellwig also won a traveling scholarship offered by Pan American Airways to the best student of English. Eighteen-year-old Elettra Tavasci, a student from Italy, was awarded a Royal Dutch Airlines (KLM) traveling scholarship offered to the boy or girl with the highest marks in history and geography.

Examinations for the 22 seniors (14 boys and eight girls) began June 26. At the graduation ceremony the results of the examinations were announced by the chairman of the examining board, Professor Paul Thibeau, Counselor of State to the Grand Duchy of Luxembourg. Luxembourg Minister of Education Emile Schaus and Albert van Houtte, representing the High Council of the European Schools, also participated in the ceremony.

The *baccalauréat européen*, the certificate presented to graduates of the Luxembourg School, entitles them to be admitted to all universities in the six member countries of

the Community and in Austria, as well as to certain universities of the United Kingdom, Switzerland and the United States. The Luxembourg School, which began in 1953 as a kindergarten for children whose parents were staff members of the European Coal and Steel Community, recently admitted its 1,000th student—Michael Pabst, a pupil in the first-form grade. To date 66 boys and girls have received the *baccalauréat européen* from the Luxembourg School (in addition to 17 in this year's class, 23 in 1959 and 26 in 1960).

A total of nearly 2,300 pupils now attend the four European Schools in Luxembourg, Varese-Ispra (Italy), and Brussels and Mol in Belgium. These schools provide an education in the contemporary "European" tradition, placing emphasis on increasing the students' knowledge of their fellow-citizens in the Community and on the teaching of modern languages.

## Many Nations, One School

*The following comments were written by a 13-year-old American student, Cheryl Wootton, after her first year of enrollment in the European School of Brussels. Cheryl is the daughter of Mr. and Mrs. Charles G. Wootton, now living in Brussels, where Mr. Wootton is serving with the US Mission*

The European School of Brussels is situated in a lovely forest surrounding a château. On paved paths, one walks from one modern pavilion to the next, and in between the paths are lovely landscaped lawns. Here and there one sees large bowls containing a variety of flowers. Three big bricked areas are the main playgrounds, and in addition there are volleyball and basketball courts. Before these areas were built, the children played in a large fenced-in orchard on the limit of the property.

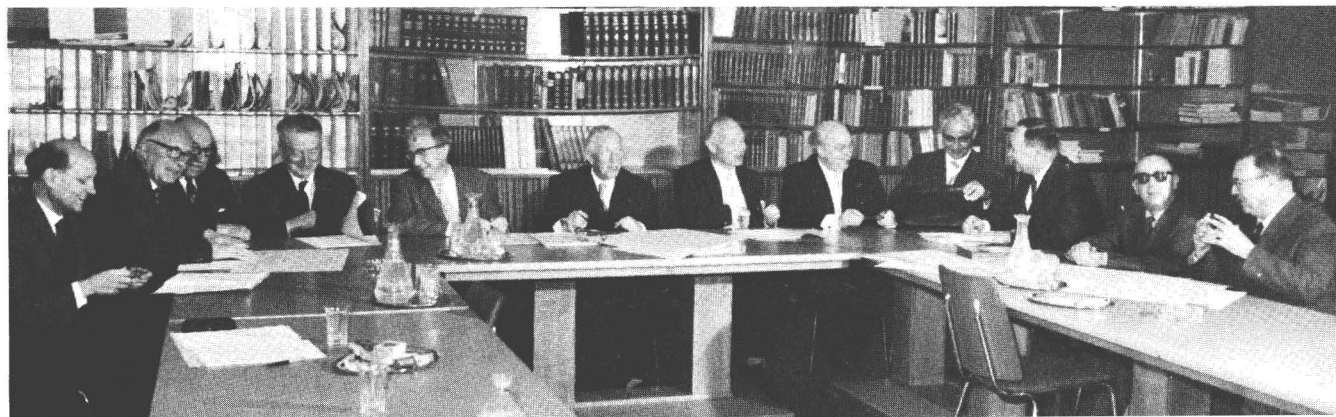
At the head of this setting, on a hill overlooking azalea bushes, is the château, used as the main reception room with the offices of the director and administrative staff being located there along with the lunchroom and some classrooms.

To help the children understand and know each other well, the school often organizes four- or five-day excursions to one of the six member countries. This year, the seventh- and eighth-graders went to Holland where we visited several cities and went into classrooms and talked with the children in Dutch and English. My best friend, Rosana, is Italian and next year I hope to visit her country.



Brigitte Coppé, daughter of the Vice President of the ECSC High Authority, receives her European School diploma from Emile Schaus, Luxembourg's Minister of Education.

The last word on European School graduates comes from this board of examiners, headed by Paul Thibeau (sixth from left), President of the Jury. Seated to his left is Dr. Karl Voss, Director of the School.



# EEC SEES CONTINUED EXPANSION

## Second Quarterly Report for 1961 Highlights Economic Growth

THE SECOND QUARTERLY REPORT for 1961 issued by the Commission of the European Economic Community in June predicted strong economic expansion within the six-member Common Market for 1961. Points of particular interest in the report follow.

### *Growing Internal Demand*

Economic activity during the first half of the year continued at a markedly high level despite sluggishness in demand from abroad and, in certain Community countries and sectors, a lack of production capacity combined with an acute lack of manpower. The beginning of the year showed a slight downturn in exports to non-member countries which was attributed to a considerable falling off of Community sales to North America and the EEC's overseas associates.

Internal demand among the Six continued to grow rapidly. Consumption by households was stimulated by recent wage increases. The rate of investment by Community firms showed no sign of decreasing. In certain member countries investment was principally in greater plant efficiency, stimulated by a long-range threat of manpower shortage. Elsewhere, improved general business prospects led to sizable investment for expansion. Parallel to these developments, investment in the public sector continued to grow.

### *Industrial Output Climbs*

The Community's industrial production in the first quarter was up by 8 per cent over the same period of 1960. Figures indicated no extension of the reduction noted in 1960 in the rates at which output per man-hour was expanding.

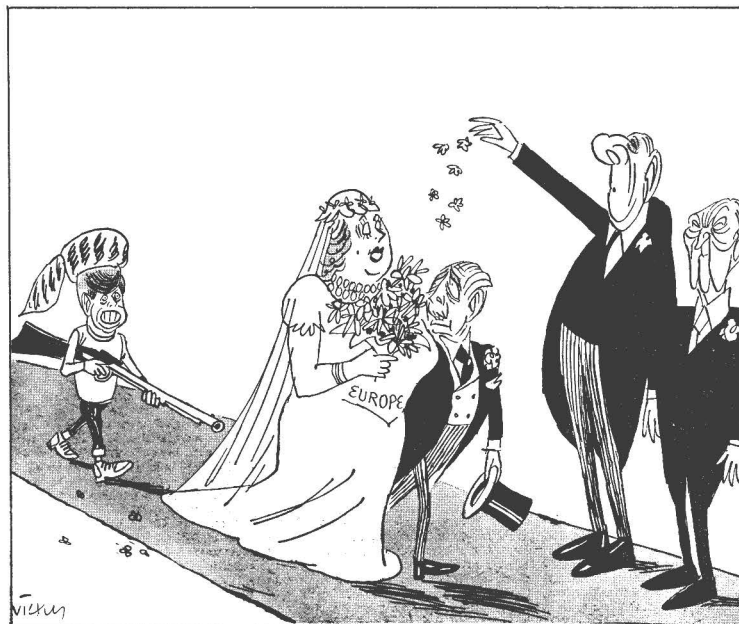
In some nations, particularly the Federal Republic of Germany and, to some extent, in Luxembourg, the industrial output rise was due partly to improved production capacity being brought into operation. In other countries, where the factors of supply do not represent an obstacle to more vigorous expansion (in Italy and France), this increase may be ascribed to a speedier growth of demand particularly for export and investment.

### *Imports from Third Countries*

Despite the fairly rapid expansion of over-all demand and the persistence of cyclical strain in some member countries the expansion of imports from non-member countries showed a further slight loss of momentum early in the year. This trend was attributed largely to the fall in imports of farm products as a result of the bountiful 1960 harvest. The trend of raw materials imports also remained hesitant.

### *Balance of Trade*

The balance of trade in the Community as a whole continued to decline mainly under the influence of seasonal fluctuations. (The Community showed a favorable trade balance of only \$168 million in 1960.) However, the



*London's New Statesman caricatures the new Europe.*

trade-balance situation was not reflected completely in the over-all balance of payments, which continued to show a large surplus. The surplus, due largely to the inflow of short-term capital invited by the revaluation of the Deutsche mark and the Dutch guilder, developed in spite of the large debt repayments to the United States and Britain by the Federal Republic of Germany.

### *Prices Remain Stable*

During the first months of 1961, the increase on Community markets of supplies resulting from internal production, the buoyant trend of intra-Community trade, and the deterioration of the balance of trade with the outside world made it possible to keep prices stable in most member countries. However, in the Federal Republic of Germany, the price push continued to be relatively serious as a result of the development of external trade and of Germany's underlying economic trend in recent years. Monetary revaluation earlier in the year brought partial relief but only in certain sectors.

### *The Outlook for 1961*

In reviewing the first half of 1961, the Commission of the Common Market regarded the prospects for the remainder of the year as favorable. Doubts concerning the maintenance of a lively pace of investment seem to have been dissipated, and production has shown more elasticity than had been expected. In these circumstances and also taking into account the first signs of a general improvement in world economic conditions, the Commission viewed as good the chances for a satisfactory expansion of demand. It was seen as probable that production would increase even slightly more rapidly than indicated in forecasts established at the beginning of the year.

## EEC-GREEK ASSOCIATION

*continued from page 3*

abolished at the end of the sixth year after the Agreement enters into force.

### Free Circulation

The Agreement provides for steps to promote the free circulation of persons, services and capital.

The Rome Treaty's rules on transport will be extended to Greece by the Council of Association, taking into account the geographical position of Greece.

### Rules of Competition

The principles laid down in the Rome Treaty for the rules of competition will be applicable to both parties. The conditions and details of their application will be decided by the Council of Association within two years of the entry into force of the Agreement. Neither party will permit discrimination on grounds of nationality. The Council of Association may recommend steps to bring legislative, administrative and other rules more closely into line.

### Economic Policy

Both parties will consult each other regularly in the Council of Association to coordinate their trade cycle policies and particularly their financial and monetary policy. Exchange rates will be treated by Greece and by the Community's member states as a matter of common interest. Safeguard measures taken in the case of balance-of-payments difficulties must be such as to keep to the minimum any disturbance in the working of the association.

### Common Institutions

The Agreement sets up a Council of Association composed of members of the Greek Government and of the Community's Council of Ministers and Commission; the two parties will have one vote each. The Council of Association will have the power of decision; it can also make recommendations; and it will deal with any legal disputes which may arise. It may submit disputes to an existing body such as the Community Court of Justice, or, failing this, each party will designate an arbiter, and the two arbiters will jointly designate a third.

### Financial Aid

The Agreement of Association grants Greece substantial advantages, but it also imposes on her obligations which demand a real effort from her economy. To aid this effort, financial aid has been provided. Under a special protocol, Greece may obtain loans from the Community up to a total of \$125 million, to be used during the first five years after the entry into force of the Agreement. The loans will be made under the procedures of the European Investment Bank.

At the same time, in view of the Greek economic situation and of the priority given by the Greek investment program to comprehensive and long-term projects, up to two-thirds of the total sum lent by the Community may enjoy the benefit of a rebate on interest of 3 per cent per year, if the nature of the investment project requires it. These rebates will be paid directly by the Community.

## "The New Economic Order"

*In submitting the Fourth General Report of the European Economic Community to the European Parliament, Common Market President Walter Hallstein made some pertinent observations on the broad goals of integration and union. The following paragraphs are excerpted from the President's statement in Strasbourg on June 28.*

In the long run the functioning of the new economic order in the West depends on the fact that a center of attraction is arising in Europe which is capable of bringing together the nations of our continent and of forming them into a whole that will act together and undertake its own share of responsibility in an Atlantic partnership. Responsible Europeans have understood that a simple association with economic aims will not be enough to achieve this, but that a closer bond is necessary. Thanks to its aims, its principles and its procedures our Community provides this center of attraction.

To illustrate what the acquisition of full membership means, we may compare our Community with a ship whose course and speed were fixed when it left port. If anyone wants to join the ship afterward, he must accept these given factors and not expect that the ship shall return to port and perhaps lie at anchor there for some time, or that the course shall be altered or the speed reduced. Accession to the Treaty of Rome cannot be a new fact which could upset the content and balance of the treaty; instead it covers acceptance of the Community in the form it had to assume if it was to fulfill its task and meet its obligations.

In addition to the attraction exercised by our Community in Europe, a still growing interest can be observed on the other side of the Atlantic in the United States of America. It is not confined to official quarters, but broad circles of the population are also evincing an interest in the Europe that is coming into being. This youthful government, whose energy and sense of responsibility impress everybody who has to deal with it and which is subjecting every aspect of the foreign policy of the United States to a fresh investigation, has, in the words of the communiqué published after my conversations with President Kennedy May 16, assured the European Economic Community and the movement toward European unity envisaged in the Treaty of Rome of its "strong support."

This attitude is no longer based on the expectation that our Community will be a success but on the knowledge that it is succeeding. It no longer depends, as in the past, merely on the wish that Europe should recover in its own interest. On the contrary the challenge facing the free world is such that the United States, despite its own vast power, is seeking the collaboration of a strong Europe in a more balanced partnership. Obviously our allies across the Atlantic in adopting this attitude are not looking for the collaboration of some mere association with economic aims which in the long run would hamper their own interests more than they would promote them, but they need the assistance of a bloc of nations organically bound together and able to bear the joint responsibility for the maintenance of international order which rests upon the economically strong nations.



# THE COMMUNITY GROWS STRONGER

## EEC Report Indicates Increasing Political Solidarity

THE EEC COMMISSION said in its Fourth General Report, issued in June, that another year of experience confirms the Community's effectiveness in bringing about the economic and political integration of Europe in the broader framework of Western cooperation.

In the 274-page document, which covers the period from May 16, 1960, to April 30, 1961, the Commission stated: "The possibilities offered by the Treaty of Rome and actions to be undertaken in the Organization for Economic Cooperation and Development and in the GATT are of a nature permitting a constructive solution of European commercial problems." In this connection the Commission reaffirmed its policy of the "open door" for European states wishing to become members of the Community. In the political field, the Commission said another year of experience has proved Community institutions stable, efficient and contributing to greater political solidarity among the

member states.

The executive branch of the Community singled out as important economic events in the past year the continued expansion of intra-Community trade, the accelerated reduction of intra-Community trade barriers, the signing of the agreement that will associate Greece with the Community, and the Community's entry into the GATT as the spokesman for the six member states.

The Commission added that steps have been taken toward establishing Community-wide policy for antitrust matters, transportation, and the uses of various forms of energy. The Executive reiterated the significance of its mid-1960 proposals for a common agricultural policy. However, because of the existing divergent "national" systems of agriculture, the Commission said the increase of intra-Community trade in farm products inevitably will trail the increases of trade in the industrial sector.

## Newsbriefs

Common Market  
Euratom  
Coal & Steel Community

### Anti-Dumping Action Taken

The Commission of the European Economic Community has told Lindenmeyer and Company of Heilbronn, Germany, to stop "dumping" yeast on the French market at prices below those prevailing in that area. The EEC executive body informed the German firm in May that, in its opinion, the company's practices might be harmful to French yeast producers and that the Rome Treaty empowers the Commission to authorize injured member states of the Community to take protective action, its measures to be determined by the Commission.

The Commission has recently completed a comparative study of anti-dumping legislation in effect in the member states. The study includes methods of approach which pertain to the problems that have arisen in investigating individual cases.

### First Meeting on Patents

The first session of the working party on patents was held in Brussels in April under the chairmanship of Herr Haertel of the German Federal Ministry of Justice.

On the basis of decisions taken by the coordinating committee and of the chairman's report, the working party has begun to compile a first draft convention on a European system of patent law.

### New Head for EEC Internal Market

French statesman Xavier Torre was appointed by the EEC Commission in June Director General for the Internal Market of the European Economic Community. M. Torre

succeeds François Ortoli who had held the post since the formation of the Common Market's headquarters in 1958.

The new Director General, 50 years old, has held a number of positions in the French Ministry of Overseas Territories, including that of assistant director of economic affairs. Before his appointment to the EEC, he was technical adviser to French Minister without Portfolio Robert Lecour. He has held similar appointments with several ministers in the French Government.

From 1954 to 1958, he was secretary general to the governor general of the French Cameroons. He left this post in January 1960 when the Cameroon Republic attained its independence.

### Investment Bank's First Public Issue

The European Investment Bank issued at par 50 million florins (\$13.2 million) of 4½ per cent bonds, redeemable in 20 years, on the Netherlands capital market July 7. The issue was made through a group of seven Dutch banks headed by the Amsterdamsche Bank. The funds will be used by the European Investment Bank for its general loan operations.

This is the first public issue by the Common Market's financial institution. A previous loan of 20 million florins, contracted last March in the Netherlands, also under the auspices of the Amsterdamsche Bank, was taken up by banks and not offered to the public.

### Loan for German Rail Project

The European Investment Bank on June 17 approved a loan of \$25 million to the German Federal Railways (Deutsche Bundesbahn) for electrification of the major north-south line, now terminating at Hanau and Gemünden. The line has direct links with Italy, Austria, Switzerland and southern France, and future plans call for it to be linked also with Hamburg and Bremerhaven in the north.

The loan from the European Investment Bank will

enable electrification of the railway to proceed much more rapidly than would otherwise have been possible. The Commission of the Common Market was in favor of aiding the project because it considered that it would benefit the entire southern part of the Community.

## College of Europe

American students may make application to attend the College of Europe at Bruges, Belgium, through the Fulbright program. Application for a fellowship to this graduate institute for the academic year 1962-63 must be filed by November 1, 1961.

Founded by the European Movement in 1949, the College offers a specialized program in the problems of European integration. Courses are given in economics, public administration, European history, sociology, political theory and law. A series of study trips is part of the curriculum.

Enrollment in the one-year program is limited to approximately 40 students, no more than five of whom may come from a single country. Some 20 Americans have attended since the inception of the College. Applicants must have a bachelor degree or equivalent, a knowledge of French and a social science background. Students under 30 who are single are preferred.

Application forms and further information may be obtained from the Institute of International Education, One East 67th Street, New York 21, New York.

## Coal and Steel Tax Cut

The ECSC High Authority's levy on the coal and steel industries of the Community has been reduced to 0.3 per cent from its previous level of 0.35 per cent, where it had stood since July 1, 1957. The new rate is applicable from July 1961 to June 1962.

It is estimated that the levy will yield \$27.9 million in 1961-62, compared with \$32.53 million in the calendar year 1960 and \$27.29 million in 1959. Including other revenue (from interest, fines, etc.), the High Authority's total income in 1961-62 is estimated at \$36.9 million.

## HA Floats First Loan in Netherlands

The High Authority of the European Coal and Steel Community decided in June to accept an offer by a Dutch banking syndicate for an issue of bonds on the Netherlands capital market. The bonds, totaling 50 million florins (\$13.2 million), redeemable in 20 years and bearing interest at 4½ per cent, will be issued at par.

This is the High Authority's first loan on the Netherlands capital market, which until recently had not been open to non-Netherlands borrowers. It is also the ECSC executive body's first bond issue on a Community capital market, and it brings the total amount raised by the High Authority in loans so far to \$270 million. The proceeds of the issues are re-lent to Community coal and steel firms for investments in line with the Community's general objectives.

## ECSC Extends Research Program

A series of recent decisions by the ECSC High Authority will step up sharply the Coal and Steel Community's technical research effort. By June of next year the total

amount disbursed by the High Authority is expected to be \$25.16 million. This is without counting the amount allocated to medical and health research, which amounts to a further \$7 million.

Four of the new research projects, involving a total contribution of approximately \$3 million, involve the coal industry. One of the most important is for improvement of design in solid-fuel heating appliances, particularly by providing automatic fuel feed and regulation, as well as ease of control and maintenance.

The total new credit opened for steel industry research is \$5 million, to be used to aid the financing of a series of projects for applying automation techniques to the industry. The High Authority remarked in its announcement that automation in the steel industry has been studied intensively for some years in the United States, Britain and the Soviet Union.

Finally, the High Authority has approved a contribution of \$1 million toward a project for removing from the atmosphere the fine red dust given off when steel is made by the oxygen process in large converters. This dust produces serious problems of atmosphere pollution in steelworks.

## Euratom's Architectural Competition

The Euratom Commission has announced that the plan for the European Transuranium Institute to be built alongside the Nuclear Research Institute at Karlsruhe, Germany, will be decided by public competition. The Institute, which is to be one of Euratom's joint research installations, will cover a surface area of 23,400 square meters.

The contest will be open to all recognized architects who are nationals of one of the Community countries and will be judged by a jury of well-known Community architects. The winner will be entrusted with the architectural responsibility for the building, and prizes of \$1,200, \$900, \$700 and \$300 respectively will be awarded to the projects ranked second, third, fourth and fifth.

## Nuclear Power Subsidies

Euratom's Council of Ministers approved in July a proposal from the Commission for participation by the Community in the cost of building power reactors. Hitherto, the high initial cost of nuclear power reactor construction has served to deter utilities from entering the atomic power field.

Euratom won approval to use up to \$19 million in 1961 from the present research budget of the Community to help spur construction of commercial power reactors. It also received endorsement for modifying Annex V of the Euratom Treaty (dealing with research), generalizing the terms of Euratom aid participation from "three high-power reactors" to "several power reactors." The \$19 million approved for calendar year 1961 will come from Euratom's \$215 million research budget for the first five years of operation (1958-63).

## Worker Exchange in Community Countries

The Common Market Commission is drafting proposals to encourage exchange of young workers under a common Community program. The Commission disclosed in a reply to G. M. Nederhorst, European Parliament mem-

ber, that it will submit the proposals to the member countries of the Community. They will take into account the views expressed during consultations in Brussels with representatives of national authorities, the International Labor Office (ILO), the Coal and Steel Community, the Council of Europe, the OEEC and also of employers' and workers' organizations.

## The Consumer in the Common Market

More than 100 representatives of consumers' unions, family associations, consumer cooperatives and the Community trade unions took part in a two-day study conference on "The Consumer in the Common Market," held in Brussels on June 12 and 13. Sicco Mansholt, Vice President of the EEC Commission, Belgian Economics Minister A. Spinoy and French Internal Commerce Minister Fontanet participated in the meeting. The conference decided to form an organizing committee to follow up its study of measures to defend consumers' rights in the Common Market.

## Transport Policy Meeting

A first exchange of views on the memorandum submitted by the EEC Commission on a common transport policy was held in June at a meeting of the Community's Council of Ministers. The six transport ministers' initial reactions were favorable to the general lines of the document, although questions were raised in regard to the application of the general rules of the treaty to transport matters and to the proposed elimination of quota arrangements. The ministers agreed to ask their permanent representatives to

prepare and present by October 15 a report on their attitudes to the document.

Meanwhile, the Commission has submitted to the Council a document on the problems arising from the increasing use of pipelines for the transport of liquid fuels, asking it to approve the creation of a committee of experts to help the Commission in further study of the issue.

Proposals on transport quotas and admission of non-resident transport carriers have also been submitted by the Commission to its consultative committee on transport.

## PUBLICATIONS AVAILABLE

LA PROTECTION DES TRAVAILLEURS EN CAS DE PERTE DE L'EMPLOI (Collection du Droit du Travail). Fourth in a series of studies on labor law in the countries of the Community, 489 pp.

EURATOM—A YEAR OF ACTIVITY (April 1960-April 1961). An illustrated brochure based on the Fourth General Report of the Commission of the European Atomic Energy Community, 24 pp. . . . . free

THE EUROPEAN COMMUNITY 1950-1960: Ten Years' Progress Toward Unity. An illustrated brochure on the history of integration of the Six. 21 pp. . . . . free

INVESTMENT IN THE COMMUNITY'S COAL MINING AND IRON AND STEEL INDUSTRIES. Report on the 1961 survey, published July 1961, 86 pp. . . . . \$1.00

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