



Bulletin from the

EUROPEAN COMMUNITY

BELGIUM, FRANCE, GERMAN FEDERAL REPUBLIC, ITALY, LUXEMBOURG, THE NETHERLANDS

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GREAT BRITAIN SEEKS COMMUNITY MEMBERSHIP

Negotiations to Begin Soon—Denmark and Ireland Also Ask to Join

THE EUROPEAN ECONOMIC COMMUNITY and the British Government will begin formal negotiations in November which are expected to result in membership of the United Kingdom in the Common Market. The British officially submitted the request to join the Community on August 10, following a 313-5 vote in favor of the move in the House of Commons on August 3.

On July 31 Ireland had sent in its application, and on August 10 the Government of Denmark also filed its request for membership in the Common Market. The link-up of these European governments with the Common Market would be effected under Article 237 of the Treaty of Rome, which says:

"Any European State may apply to become a member of the Community. It shall address its application to the Council which, after obtaining the opinion of the Commission, shall act by means of a unanimous vote.

"The conditions of admission and the adaptations to this Treaty necessitated thereby shall be the subject of an Agreement between the Member States and the applicant State. Such agreement shall be submitted to all the contracting States for ratification in accordance with their respective constitutional rules."

Britain's formal application was the subject of review by the EEC Commission at its meeting in Brussels September 7. The Commission passed the proposal on to the Council of Ministers which met on September 25, 26 and 27. After a meeting in Paris on October 10 and 11 between the Six and Britain, the actual negotiations were expected to begin by mid-November.

Prime Minister's Statement

On July 31 Prime Minister Harold Macmillan announced to the House of Commons that the British Government

would seek membership in the European Economic Community. The complete text of the Prime Minister's statement follows:

"With permission, I wish to make a statement on the policy of Her Majesty's Government toward the European Economic Community. The future relations between the European Economic Community, the United Kingdom, the Commonwealth and the rest of Europe are clearly matters of capital importance in the life of our country and indeed of all the countries of the free world.

A Political Issue

"This is a political as well as an economic issue. Although the Treaty of Rome is concerned with economic matters, it has an important political objective, namely to promote unity and stability in Europe which is so essential a factor

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in the struggle for freedom and progress throughout the world. In this modern world the tendency toward larger groups of nations acting together in the common interest leads to greater unity and thus adds to our strength in the struggle for freedom. I believe it is both our duty and our interest to contribute towards that strength by securing the closest possible unity within Europe. At the same time if a closer relationship between the United Kingdom and the countries of the European Economic Community were to disrupt the long-standing and historic ties between the United Kingdom and the other nations of the Commonwealth, the loss would be greater than the gain.

"The Commonwealth is a great source of stability and strength both to Western Europe and to the world as a whole, and I am sure that its value is fully appreciated by the member governments of the European Economic Community. I do not think that Britain's contribution to the Commonwealth will be reduced if Europe unites. On the contrary, I think its value will be enhanced.

The Economic Issue

"On the economic side, a community comprising, as members or in association, the countries of free Europe could have a very rapidly expanding economy supplying, as eventually it would, a single market of approaching 300 million people. This rapidly expanding economy could in turn lead to an increased demand for products from other parts of the world and so help to expand world trade and improve the prospects of the less developed areas of the world.

"No British government could join the European Economic Community without prior negotiation with a view to meeting the needs of the Commonwealth countries, of our European Free Trade Association partners, and of British agriculture consistent with the broad principles and purposes which have inspired the concept of European unity and which are embodied in the Rome Treaty.

The Commonwealth and EFTA

"As the House knows, ministers have recently visited Commonwealth countries to discuss the problems which would arise if the British government decided to negotiate for membership in the European Economic Community. We have explained to Commonwealth governments the broad political and economic considerations which we have taken into account. They for their part told us their views and in some cases their anxieties about their essential interests. We have assured Commonwealth governments that we shall keep in close consultation with them throughout any negotiations which might take place. Secondly, there is the European Free Trade Association. We have treaty and other obligations to our partners in this association and my right honorable friends have just returned from a meeting of the European Free Trade Association Ministerial Council in Geneva where all were agreed that they should work closely together throughout any negotiations. Finally, we are determined to continue to protect the standard of living of our agricultural community.

The Time Has Come

"During the past nine months we have had useful and frank discussions with the European Economic Community governments. We have now reached the stage where we

cannot make further progress without entering into formal negotiations. I believe that the great majority in the House and in the country will feel that they cannot fairly judge whether it is possible for the United Kingdom to join the European Economic Community until there is a clearer picture before them of the conditions on which we could join and the extent to which these could meet our special needs. Article 237 of the Treaty of Rome envisages that the conditions of admission of a new member and the changes in the Treaty necessitated thereby should be the subject of an agreement. Negotiations must therefore be held in order to establish the conditions on which we might join.

"In order to enter into these negotiations it is necessary under the Treaty to make formal application to join the Community, although the ultimate decision whether to join or not must depend on the result of the negotiations. Therefore, after long and earnest consideration, Her Majesty's Government have come to the conclusion that it would be right for Britain to make a formal application under Article 237 of the Treaty for negotiations with a view to joining the Community if satisfactory arrangements can be made to meet the special needs of the United Kingdom, of the Commonwealth and of the European Free Trade Association.

"If, as I earnestly hope, our offer to enter into negotiations with the European Economic Community is accepted, we shall spare no efforts to reach a satisfactory agreement. These negotiations must inevitably be of a detailed and technical character covering a very large number of the most delicate and difficult matters. They may therefore be protracted and there can of course be no guarantee of success. When any negotiations are brought to a conclusion, then it will be the duty of the Government to recommend to the House what course we should pursue. No agreement will be entered into until it has been approved by the House after full consultation with other Commonwealth countries by whatever procedure they may generally agree."



FIFTEEN YEARS AGO . . .

Churchill called for action

"If Europe is to be saved from infinite misery, and indeed from final doom, there must be an act of faith in the European family and an act of oblivion against all the crimes and follies of the past. . . .

"But I must give you a warning. Time may be short. At present there is a breathing-space. . . . The fighting has stopped; but the dangers have not stopped. If we are to form the United States of Europe, or whatever name or form it may take, we must begin now. . . .

"Our constant aim must be to build and fortify the strength of U.N.O. Under and within that world concept we must recreate the European family in a regional structure called, it may be, the United States of Europe."

WINSTON CHURCHILL, at the University of Zurich,
September 19, 1946

WORLD-WIDE REACTION TO THE MACMILLAN DECLARATION

PRIME MINISTER Harold Macmillan's historic statement to the House of Commons on July 31, 1961, announcing that Britain would seek membership in the Common Market, was followed by two days of full-dress debate in the House of Commons. Many speakers from all parties expressed reservations about the implications of British membership in the European Economic Community, but there were few outright opponents of the proposed step. On August 3 the Government motion was approved by 313 votes to 5.

A meeting of the Ministerial Council of the Western European Union in Paris August 1 gave Mr. Edward Heath, British Lord Privy Seal, an opportunity to discuss the matter with the foreign ministers of the six Community countries. At the close of the meeting a communiqué greeted the British announcement "very favorably" as a decision "of the highest importance for the political and economic future of Europe." The Community countries added that they had always desired the adherence to the Communities of European states which were ready to assume in all fields the same responsibilities and obligations.

EFTA Issues Statement on Britain's Move

Meanwhile, representatives of the Outer Seven who had been meeting in Geneva issued an official communiqué July 31 which said in part:

"... EFTA governments consider that the decision of the United Kingdom Government to take the initiative announced by the Prime Minister in the House of Commons this afternoon, which was followed by a similar

statement of the Danish Government, provides an opportunity to find an appropriate solution for all EFTA countries and thus to promote the solidarity and cohesion of Europe. In reaching this conclusion, the members of EFTA reaffirmed the decisions recorded in the London communiqué.

"The members of EFTA consider that it is the duty of all concerned not to miss this new opportunity. EFTA, for its part, will, on the lines set out in the London communiqué, do everything in its power to seize it. All member states of EFTA declare their intention to examine with the European Economic Community the ways and means by which all members of EFTA could take part together in a single market embracing some 300 million people. . . ."



Macmillan made the move

Comment from Europe, U. S. & USSR

On August 1, the day after the British Prime Minister's House of Commons announcement, the Common Market Commission issued an official statement (see below) recognizing the Prime Minister's declaration as "a turning point in postwar European politics."

In the six Community countries the response was favorable: →

EEC COMMUNIQUÉ August 1, 1961

"The Commission of the European Economic Community has taken note with very great interest and lively satisfaction of the declaration made by the Prime Minister, Mr. Harold Macmillan, on the subject of Great Britain's adherence to the European Economic Community. The Commission considers this a turning point in post-war European politics.

"The Commission regards it as a fresh recognition of the economic and political value of the work of European integration undertaken since 1950. It is particularly glad to note the very apt terms in the British declaration, according to which the Treaty of Rome has an important political objective which consists in promoting unity and stability in Europe, essential factors in the struggle for liberty and progress throughout the world.

"It recognizes, no less than the British Government, the extent and the difficulty of the negotiations which are to be begun. For some months, the Commission has been studying the problems raised in the case of membership for Great Britain and for her various partners on the one hand, and for the Community on the other. It is resolved to bring its full support to a positive solution of these problems in order to contribute to the realization of this new step in the economic and political unification of Europe and thereby to tighten the bonds which link the free world on both sides of the Atlantic."

BRITAIN, ECSC AND EURATOM

Britain is prepared to enter the Coal and Steel Community and Euratom as a full member, Mr. Edward Heath, Lord Privy Seal, who will be in charge of negotiations with the Six, told the Council of Western European Union August 1. He said that Britain's applications would be made at the appropriate moment.

High Authority Reaction

The ECSC High Authority, which was informed of the British application at the same time as the six countries' governments, warmly welcomed the historic implications of the British move. Following the various contacts with high British officials in recent weeks, it appeared that the High Authority had had no doubt that the negotiations would also concern British membership in the Coal and Steel Community.

Euratom Concurs

Euratom Commissioner Heinz Krekeler said that he was extremely pleased by Prime Minister Macmillan's declaration and that British membership could only have fruitful results. He stated that he hoped the Euratom Treaty would prove acceptable to Britain without modifications, adding, "It is in the nature of things that the British application should also cover the Atomic Energy Community."

• **Belgium:** "It is a declaration of exceptional importance. Great Britain's request to adhere to the Common Market marks a great date. The negotiation will be fairly difficult, but it must be undertaken with a will to succeed."—Paul Henri Spaak, Belgian Foreign Minister

• **France:** "The policy of the French government was defined very recently by General de Gaulle when he declared: 'It is not inconceivable that certain new members could one day be admitted as soon as they are able and willing to observe all the existing rules and obligations.'"—French Government spokesman

• **Germany:** "I think it should be possible to conclude this treaty with Great Britain; but the principle of the Common Market—equal rights, equal duties—must be respected."—Dr. Heinrich von Brentano, German Foreign Minister

• **Italy:** "The present act of choice on the part of Great Britain is a genuine historical turning-point. The entry of Great Britain into the EEC certainly involves a real commitment. . . . The EEC is not a simple customs union, as some people believe."—*Il Corriere della Sera*

• **Luxembourg:** "The Luxembourg Government vigorously approves Mr. Macmillan's decision."—Pierre Werner, Luxembourg Prime Minister

• **Netherlands:** "The Dutch Government, which has always vigorously supported the political and economic strengthening of all free Europe, warmly welcomes the British decision as a contribution to this strengthening. . . . It hopes that the negotiations for the admission of the United Kingdom will be as short as possible. This is also impor-

tant in order to render possible the progress which should be made in further integration within the European Community."—Dutch Government communiqué

In the United States, State Department Press Officer Lincoln White told journalists: "We shall of course be following developments with close and sympathetic interest." President Kennedy expressed his interest more fully on August 10 (see box). In the Soviet Union, Moscow Radio described the proposed British move as "complete surrender" and the "biggest defeat" the United Kingdom had ever suffered.

What form the negotiations would take, how long they would last, and what would be their precise outcome were matters for speculation on all sides. Jean Monnet, one of the founders of the European Community and President of the Action Committee for the United States of Europe, summed up the feelings of many Europeans when he declared: "We must not be over-impressed by material problems. They are not very hard to resolve. What counts is to make up our minds to see things in the perspective of building the future, not of preserving the past."

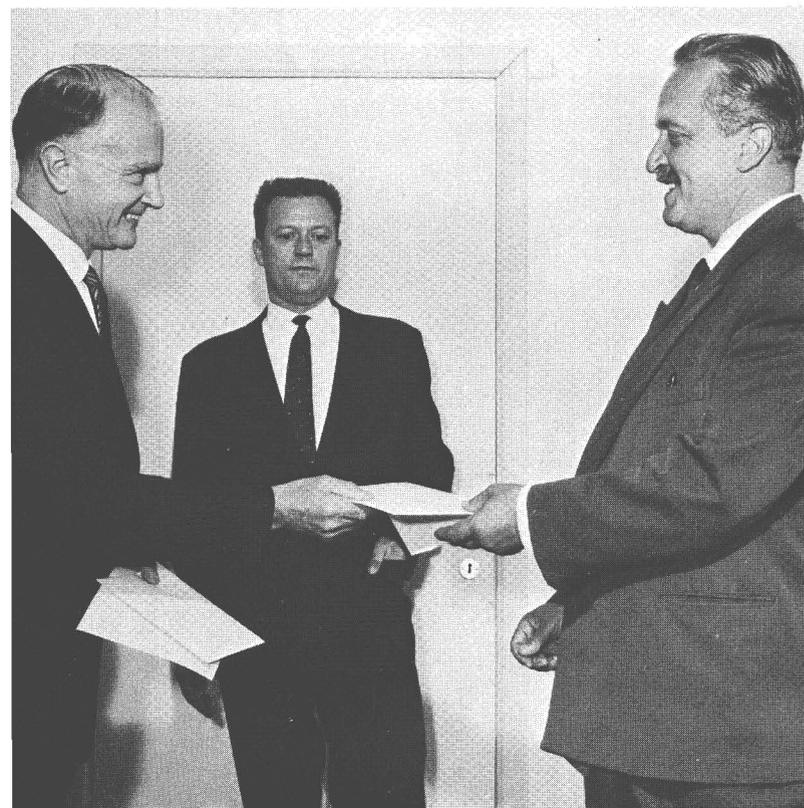
PRESIDENT KENNEDY'S STATEMENT ON BRITAIN'S APPLICATION

"I read last week with great interest the statement by Prime Minister Macmillan, calling for negotiations looking toward Great Britain's entry as a full member in the European Common Market. I am gratified that this statement has been well received by the governments that are already members of the Common Market and by the Commission of the European Economic Community. The United States Government, under the leadership of both parties, has steadfastly supported the political and economic integration of Western Europe. We are convinced that the continuing progress of this movement can bring new vitality to the Atlantic community and mounting strength to the Free World. We welcome the prospect of Britain's participation in the institutions of the Treaty of Rome and in the economic growth that is the achievement and promise of the Common Market.

"During the progress of the negotiations, the United States will of course give close attention to all developments affecting our own economic interest and those of other friendly states in this hemisphere and elsewhere.

"The enlargement of the European community will necessarily result in some changes in the pattern of trade, but the necessary adjustments can be greatly facilitated if the European community builds on the principle of broad and increasing trade relations with all other nations. It is our hope that progress toward this end can be made during the tariff negotiations now under way in Geneva, in which both the European Economic Community and the United Kingdom are participating."

August 10, 1961



Britain's Chief of Mission to the EEC, Ambassador A. H. Tandy, presented the UK's formal request for membership negotiations to Christian Calmes, Secretary General of the Community Council of Ministers, in Brussels August 10.



Heads of state or of government of the six Community countries met around this table where . . .

COMMUNITY GOVERNMENTS REAFFIRM WILL FOR POLITICAL UNION

Second "Summit" Meeting Brings Accord for Future Cooperation

ON JULY 18, 1961, THE HEADS OF STATE OR OF GOVERNMENT of the six Community countries declared their intention of "giving shape to the will for political union already implicit in the treaties establishing the European Communities" (see page 6 for full text).

The July "summit" meeting, held in Bonn, was arranged at the first such meeting of heads of state of the Community countries in Paris February 10 and 11, 1961 (see *Bulletin* No. 44).

In this second meeting at Bonn the heads of state agreed to work toward a common policy and at regular intervals to hold meetings to compare views and "to reach common positions in order to further the political union of Europe, thereby strengthening the Atlantic alliance." They also instructed the Committee to submit to them proposals of means to achieve a statutory character for the union of their peoples.

It was decided to extend the cooperation of the Six beyond the political field to the sphere of education, culture and research, both by means of regular meetings of ministers and by inviting the European Parliament to extend its debates to these new fields, with the cooperation of the six governments. The Bonn meeting underlined the importance of the cultural effort by issuing a separate Declaration on Cultural Cooperation.

Parliamentary Influence

The leaders of the six governments took into special consideration a resolution on political cooperation passed by the European Parliament when it met in Strasbourg June 29. It was decided to make a study of the Resolution of June 29, the full text of which follows:

"The European Parliament, having noted the results of the first conference of heads of government and ministers

of foreign affairs which took place in Paris on 10 and 11 February 1961, considers

1. That periodic meetings of the heads of government or of the ministers responsible for the foreign policy of the member states of the European Community can help to strengthen such cooperation usefully and to the best effect;
2. That such an arrangement would constitute a step forward in the integration of Europe—
 - a) if it provided for participation by the Executives of the Communities in the discussion of any question concerning the fulfillment of their tasks;
 - b) if it does not encroach upon the functioning or the competences of these Communities and their institutions under the Treaties of Rome and Paris, and if it strengthens these Communities;
 - c) if the Governments report to the Parliament at least once a year on the state of political cooperation;
 - d) if it helped to translate into practice the European Parliament's draft convention on direct European elections, the proposal to merge the Executives of the Communities and the proposal for the establishment of the European University.

"Requests the Governments to define the stages by which a close political union can be progressively realized, stating the length of time that the stages, and more particularly the final one, will last, in order to achieve on the Community plane a minimum of political organization in Europe that shall be both functional and active;

"Considers that the objectives set out in the above paragraphs constitute a balanced whole and hopes that decisions to pursue them will be taken simultaneously;

"Instructs its President to bring this resolution to the notice of the next intergovernmental conference."

. . . Decisions were taken to hold regular meetings toward furthering the political union of Europe.



FINAL COMMUNIQUÉ OF THE MEETING OF HEADS OF STATE

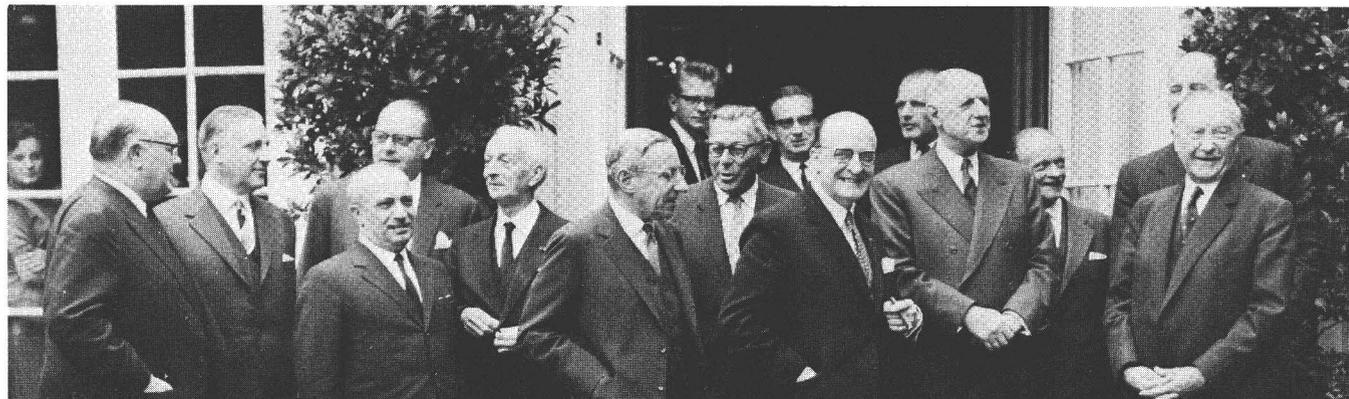
The Heads of State or of Government of the Federal Republic of Germany, Belgium, France, Italy, Luxembourg, as well as the Prime Minister and the Minister for Foreign Affairs of the Netherlands, desirous of affirming the spiritual values and political traditions which form their common heritage, united in the awareness of the great tasks which Europe is called upon to fulfill within the community of free peoples in order to safeguard liberty and peace in the world, anxious to strengthen the political, economic, social and cultural ties which exist between their peoples, especially in the framework of the European Communities, and to advance toward the union of Europe;

Convinced that only a united Europe, allied to the United States of America and to other free peoples, is in a position to face the dangers which menace the existence of Europe and of the whole free world, and that it is important to unite the energies, capabilities and resources of all those for whom liberty is an inalienable possession; resolved to develop their political cooperation with a view to the union of Europe and to continue at the same time the work already undertaken in the European Communities;

Wishing for the adhesion to the European Communities of other European states ready to assume in all spheres the same responsibilities and the same obligations, have decided:

1. To give shape to the will for political union already implicit in the Treaties establishing the European Communities, and for this purpose to organize their cooperation, to provide for its development and to secure for it the regularity which will progressively create the conditions for a common policy and will ultimately make it possible to embody in institutions the work undertaken.
2. To hold, at regular intervals, meetings whose aim will be to compare their views, to concert their policies and to reach common positions in order to further the political union of Europe, thereby strengthening the Atlantic alliance. The necessary practical measures will be taken to prepare these meetings. In addition, the continuation of active cooperation among the Foreign Ministers will contribute to the continuity of the action undertaken in common. The cooperation of the Six must go beyond the political field as such, and will in particular be extended to the sphere of education, of culture and of research, where it will be ensured by periodical meetings of the Ministers concerned.
3. To instruct their Committee to submit to them pro-

Leaders at Bonn: Belgian Foreign Minister Paul-Henri Spaak, Luxembourg Foreign Minister Eugene Schaus, Italian Premier Amintore Fanfani, German Foreign Minister Heinrich von Brentano (behind Fanfani), Italian Foreign Minister Antonio Segni, Netherlands Premier Jan de Quay, Luxembourg Prime Minister Pierre Werner, Belgian Prime Minister Théo Lefèvre, French President Charles de Gaulle, German Chancellor Konrad Adenauer, Netherlands Foreign Minister Joseph Luns (behind Adenauer).



posals on the means which will as soon as possible enable a statutory character to be given to the union of their peoples.

The Heads of State or of Government are convinced that by thus organizing their cooperation, they will thereby further the application of the Rome and Paris Treaties. They also believe that their cooperation will facilitate those reforms which might seem opportune in the interests of the Communities' greater efficiency.

To this end they have decided:

1. To have a study made of the various points of the Resolution of the European Parliament of June 29, 1961, on the subject of political cooperation among the Member States of the European Communities.
2. To associate public opinion more closely with the efforts already undertaken, by inviting the European Parliament to extend the range of its debates to new fields, with the cooperation of the Governments.

Declaration on Cultural Cooperation

The following Declaration on Cultural Cooperation among the Six was adopted in Bonn:

The Conference of Heads of State or of Government, meeting in Bonn on July 18, 1961, has taken note of the report drawn up by the Study Committee on the subject of cooperation in the field of higher education and research.

It has envisaged the establishment of a Council composed of the Ministers of National Education or the ministers whose responsibilities include international cultural relations, assisted by a committee of experts, as well as the negotiation of one or several conventions on the following subjects:

- Cooperation and exchanges between universities of the Member Countries of the European Communities;
- The "European status" (*vocation européenne*) which could be accorded to national university or research institutes;
- The establishment by Italy of a European University in Florence, to the intellectual life and the financing of which the six Governments will contribute;
- The possible establishment of other European institutes devoted to university teaching or to scientific research.

The Study Committee has been given the mandate to work out as quickly as possible the draft of the conventions and acts which are to embody this plan for cultural cooperation.

Bonn, July 18, 1961

COMMUNITY LARGEST EXPORTER OF VEHICLES IN 1960

Production Up 300 Per Cent in 10 Years

THE EUROPEAN COMMUNITY in 1960 was the world's leading exporter of motor vehicles and the second largest producer of vehicles. Net exports (exports minus imports) of all motor vehicles from the Community reached 1,379,300, compared with 656,000 exported by the United Kingdom—the only other area with a comparable export performance. The United States was a net importer of vehicles, with net exports of 192,000 trucks and utility vehicles outweighed by net imports of 300,000 passenger cars and commercial vehicles.

As a producer the United States remained well in the lead in 1960, with a total output of 7,942,000 vehicles of all kinds, including 6,694,000 passenger cars and commercial vehicles and 1,200,000 trucks and utility vehicles. The Community produced 4,065,000 vehicles—3,603,000 passenger cars and commercial vehicles and 462,000 trucks and utility vehicles. Britain came third with a total of 1,811,000 (1,353,000 cars and vans and 458,000 trucks and utility vehicles). The Soviet Union trailed far behind with 524,000 vehicles, of which only 139,000 were passenger cars and 385,000 were trucks and utility vehicles.

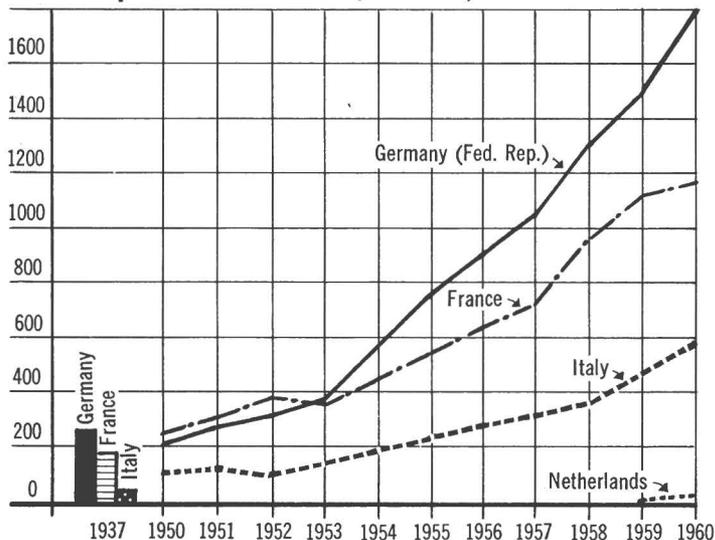
Vast Changes in Community Output

Since 1950 the United States' output of vehicles has changed relatively little: In 1950 the output of all motor vehicles totaled just over seven million, and a 1955 peak of over nine million has never since been reached. Community output, however, has more than quadrupled in the 1950-60 period. In 1950 it was 791,000, in 1955 1,902,000 and in 1960 4,065,000. In the ten years it rose from about one tenth of U. S. production to over one half. British output too has expanded but at about half the Community's rate: 784,000 in 1950, 1,237,000 in 1955 and 1,811,000 in 1960.

Another aspect of the changing situation is that the six Community countries are becoming more highly motorized. While in 1954 there was only one car for every 30 inhabitants, in 1959 there was one for every 15 inhabitants.

Passenger and Commercial Cars

Development of Production (in thousands)



Source: Bulletin Général de Statistiques, 1961, No. 5

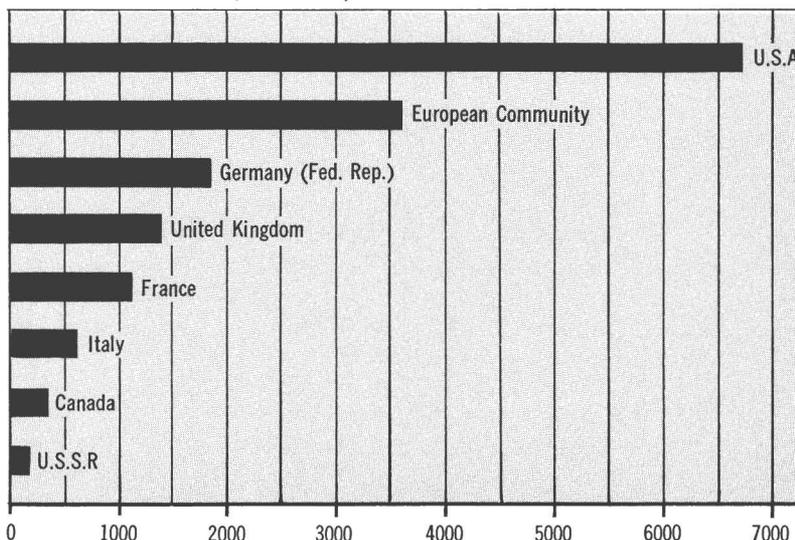


Exports on the rise—More than 3.6 million cars rolled off Community production lines in 1960.

The 1959 figures show one automobile for every 30 inhabitants in Italy, one for every nine in France. In the United States, the world's most motorized country by a wide margin, there was one car for every three persons and in Britain one for every 10.

In the Community the total number of passenger cars and vans in use in 1960 was just over 13 million. The latest available figures for the other major industrial countries are all for 1959: the United States 59,100,000, Britain 4,966,000 and the Soviet Union 575,000.

Production in 1960 (in thousands)



EMPLOYMENT TRENDS IN THE COMMUNITY

Labor Shortage Expected to Continue

A GROWING LABOR SHORTAGE in the six Community countries developing out of the Community's continued economic expansion may require the Community to accelerate its efforts toward common policies in the labor field.

A midyear report submitted by the Commission of the European Economic Community to the Council of Ministers provided a forecast of labor developments for the balance of 1961 and cited difficulties encountered by most member countries in establishing a satisfactory balance between supply and demand in the labor market.

It stated that the labor shortage in the Federal Republic of Germany and the Netherlands is likely to become more acute during the rest of 1961, while chronic shortages in France and Luxembourg will continue. Only Belgium and Italy have adequate reserves to meet their requirements; Italy in particular has more than enough manpower, but in both countries there may be shortages in certain categories of skilled workers.

Coordination of Labor Policy Urged

The Commission's memorandum cited steps taken to improve the labor situation—decentralization of industry,

vocational retraining and accelerated recruitment of foreign labor—and suggested to the member states that they “continue and strengthen the domestic measures” which they have already taken. It recommended that an agreement be reached between the countries concerned, namely the German Federal Republic and the Netherlands on the one hand and Italy on the other, for a program of rapid vocational training for Italian workers intending to go to the two Community countries most affected by the labor shortage. Such a program, the Commission stated, might be supported by the European Social Fund.

In its report the Commission recommended early action by member countries to implement a common policy on vocational training and suggested that, in view of future economic and labor prospects for the Community, the program might be planned to cover several years. The Commission declared its readiness to continue, together with the member states, studies on possible financial cooperation in the construction of housing for migrant workers, and urged the states to coordinate their employment policies, availing themselves of the opportunities offered by the Treaty's articles on the free movement of labor and on the European Social Fund.

ITALY ABANDONS TWO “BUY-ITALIAN” MEASURES

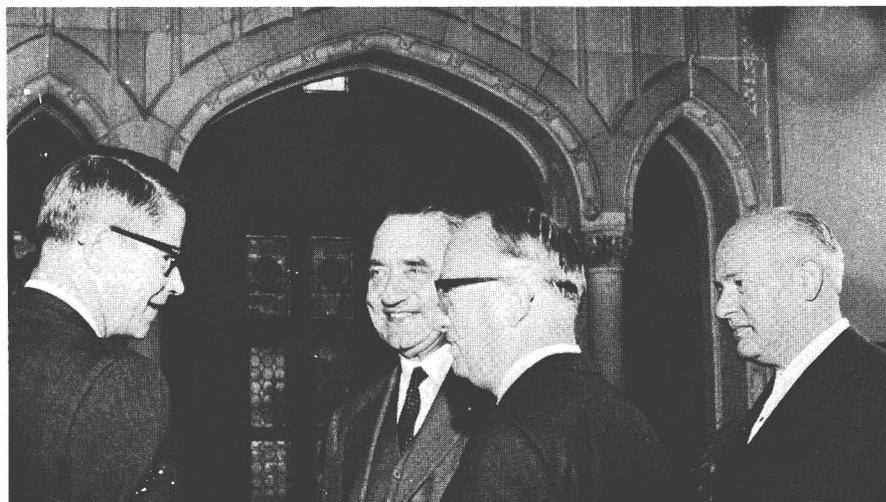
THE ITALIAN GOVERNMENT has removed two “buy-Italian” laws from the statute books this fall in a move to conform with the Common Market's policy of non-discrimination in product origin.

The first measure, passed as part of Italy's “Green Plan” in 1952 to aid Italian farmers, provided low-interest loans to farmers for purchase of agricultural machinery—only if the equipment was of Italian manufacture. Under reform of the law, Italian agrarians are still entitled to the low-rate loans but may buy their agricultural machinery without regard to origin.

The second measure, enacted in 1949, exempted Italian buyers of new cars from payment of the national road tax for a period of six months—again, provided that the vehicles were of Italian manufacture. This law too has been amended to eliminate the buy-Italian provision.

Italy's action was taken in conformance with Article 92 of the European Economic Community Treaty which reads in part:

“. . . any aid, granted by a Member State or granted by means of State resources, in any manner whatsoever, which distorts or threatens to distort competition by favoring a certain enterprise or certain productions shall, to the extent to which it adversely affects trade between Member States, be deemed to be incompatible with the Common Market [except] (a) aids of a social character granted to individual consumers provided that such aids are granted without any discrimination based on the origin of products concerned.”



Secretary of Agriculture Orville Freeman (left) discussed the Community's common agricultural policy with EEC Commissioner Robert Lemaigen, President Walter Hallstein, and Commissioner Lionello Levi Sandri during his September visit to EEC headquarters in Brussels.

EURATOM RESEARCH ACTIVITY FLOURISHING

New Developments to Speed Europe's Nuclear Energy Development

EURATOM'S COUNCIL OF MINISTERS gave a go-ahead signal in July for financial aid to three power reactor projects in the six-nation Atomic Energy Community. Their decision opened the way for a new policy which will enable these and other atomic power stations to benefit from Euratom financial aid to help defray certain high initial expenses of construction and operation. These factors have hitherto been regarded as deterrents to the building of nuclear power reactor stations in Europe.

Projects selected will be those most likely to provide the Community with information of value to Euratom's research program and furnish first-hand experience in the operation of new-type reactors. Initially, \$19 million will be spent under the 1961 research budget on two projects in Italy and a third on the Franco-Belgian border (see *Bulletin* No. 47). A total of \$32 million has been authorized for expenditure on these and other power projects.

U.S.-Euratom Reactor Program

On September 21 the United States Atomic Energy Commission and the Commission of Euratom issued an invitation for bids from private and public utilities in Europe to participate in the second phase of the U.S.-Euratom joint nuclear power reactor program.

The new invitation, characterized as more flexible than the first one (issued April 13, 1959), provides that enterprises undertaking construction of large-scale nuclear power plants within the program framework may either purchase or lease the enriched uranium for fueling reactors. The Euratom Commission and the AEC have agreed to seek amendment of the Agreement for Cooperation in order to make the leasing alternative possible.

Proposals under the second invitation must be submitted to the Joint AEC-Euratom Board no later than June 1, 1962. Benefits to firms participating in the program are the same as those made available under the first invitation. They include: a 10-year financial guaranty of fuel elements; long-term loans to finance a portion of the over-all investment cost; a plutonium buy-back plan; and chemical reprocessing of irradiated fuel. In addition, participants will benefit economically from the reduction in the price of enriched uranium recently announced by the Atomic Energy Commission. The Invitation and Supplemental Fact Sheet, as well as other pertinent information, can be obtained from the European Atomic Energy Community, 51 rue Belliard, Brussels, Belgium, or from the Division of International Affairs, U. S. Atomic Energy Commission, Washington 25, D. C.

Joint Research Projects Total \$13.2 Million

Earlier, the U. S.-Euratom Joint Research and Development Board announced that a total of 56 proposals for research and development work amounting to approximately \$13.2 million had been authorized within the Community and the United States since the initiation of the program on December 23, 1958. A majority of these proposals are now under contract; a few programs have been completed and others will start in the near future.

Twenty-eight Community and eleven United States organizations are represented in the work authorized, much of which involves close collaboration between Community and U. S. industrial groups. United States contractors are funded by the USAEC and Community contractors are funded by Euratom. Further information on the U. S.-Euratom Research and Development Program may be obtained from the U. S.-Euratom Joint Research and Development Board, European Atomic Energy Community, 53 rue Belliard, Brussels, Belgium.

New Research in Nuclear Marine Propulsion

Independent of the U. S.-Euratom Joint Research and Development program, Euratom reported that it would participate in three new research projects in nuclear marine propulsion. The projects will be undertaken by: 1) an Italian group consisting of the Italian atomic energy commission (CNEN), the Fiat Company of Turin and the Ansaldo shipyards of Genoa; 2) the Netherlands Reactor Center (RCN) in conjunction with a number of Dutch industrial concerns; and 3) a general research program of the Gesellschaft fuer Kernenergieverwertung in Schiffbau und Schifffahrt (GKSS), Hamburg.

Euratom will act as coordinator of the research work scheduled for the three projects and will participate financially to the extent of about \$6 million.

The decision to participate in the three programs marks an extension of the Euratom Commission's activities in the field of nuclear propulsion for merchant shipping, a departure first indicated in the contract concluded on January 27, 1961, with GKSS and the Interatom firm for the development of an OMR-type (organic moderated-and-cooled) ship's reactor. Euratom's activities in the marine reactor field now encompass the following types: OMR, PWR (pressurized water) and possibly BWR (boiling water), in addition to a general research program in the technical problems involved in the development of these reactor types.

Quarterly Research Digest

The first issue of the Quarterly Digest of the activities of the United States-Euratom Joint Research and Development Program, for the period ending December 31, 1960, has been made available to American and European readers. The Digest, in English, is issued by the Joint U. S.-Euratom Research and Development Board and provides highlights on the progress of the joint program. Information is based on technical reports submitted by contractors in Europe and the U. S. who are engaged in research projects supporting the United States-Euratom power reactor program.

Subscriptions to the Quarterly Digest are available from Euratom, Direction Diffusion des Connaissances, 51 rue Belliard, Brussels, Belgium.

KREKELER EXPRESSES VIEWS ON ATOMIC AID FOR AFRICA

EURATOM COMMISSIONER HEINZ KREKELER warned at a special meeting of European and African Parliamentarians in Strasbourg June 19-24 that the new African nations should not pin their hopes on the early availability of cheap electricity from nuclear power plants.

Commissioner Krekeler, who is in charge of external relations for the Atomic Energy Community, said that the economic factors of siting atomic power plants are variable and complex and that developing nations should proceed cautiously before embarking upon such projects, which require very heavy capital investment.

He said: ". . . there is a tendency to think immediately of the role of nuclear energy in power production. . . . However . . . there are other fields of application, though less spectacular than power production . . . which can perhaps make an even greater contribution to the development of our technology and hence to the well-being of mankind as a whole."

Mr. Krekeler then went on to cite the importance of radioactive isotopes in their application to the fields of medicine, agriculture, food preservation, geology and water exploration. These areas of activity, he felt, would bring

more direct rewards to the new African nations and the Malagasy Republic.

The Euratom Commissioner, former German Ambassador to the U. S., warned against another popular misapprehension of assuming that only scientists and technicians are necessary for the development of nuclear technology. He stressed the equal importance of having responsible public authorities in office to ensure that populations are protected from misuse of fissionable materials by enactment of legislative and administrative safeguards. Thus, he said, administrative personnel specialized in law, government operations and public administration are essential.

Euratom Willing to Train African Technicians

Commissioner Krekeler closed by recommending that the nations which are associated with the European Economic Community consider sending specialists to Euratom research centers for fixed training periods. To this end, he suggested that the associated countries which have special envoys to the Common Market appoint them to Euratom as well, in order that plans for cooperative efforts in the nuclear field could proceed with dispatch.

COAL-STEEL RESEARCH AND INVESTMENT EXPENDITURE RISING

A SERIES OF DECISIONS by the ECSC High Authority, approved by the Council of Ministers on July 18, will step up sharply the Coal and Steel Community's technical research effort. By June 1962 the total amount disbursed by the High Authority is expected to be \$25.16 million. (This does not include sums allocated to medical and health research, which amount to an additional \$7 million or the \$5 million spent on experimental programs for workers' housing.)

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

The total new credit opened for steel industry research is \$5 million, which will be used to help finance projects for applying automation techniques to the industry.

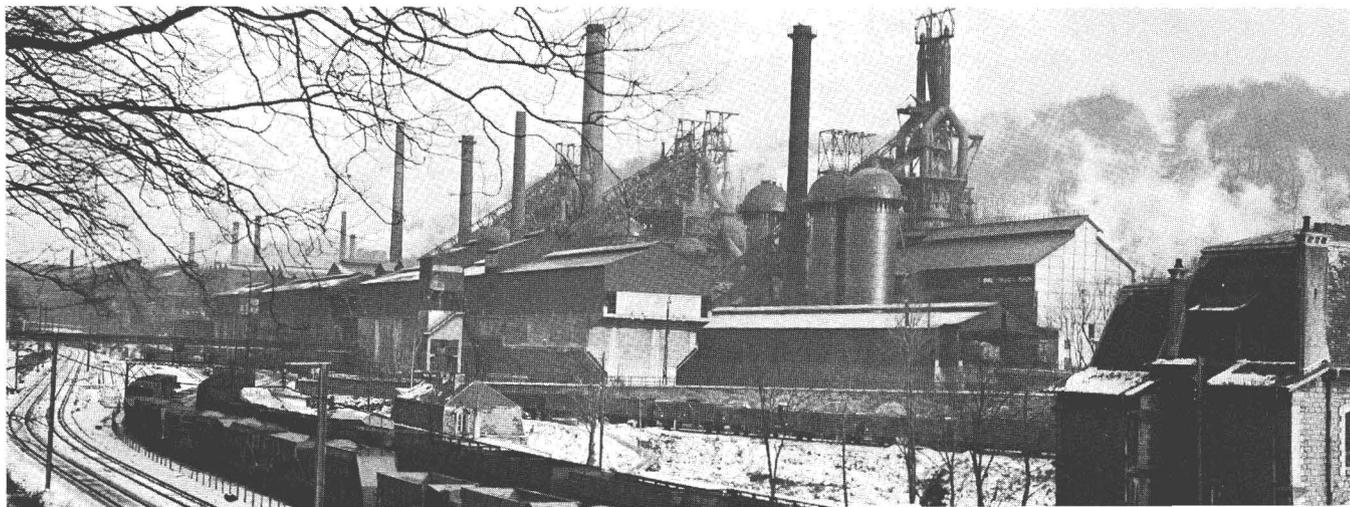
Total investment in the ECSC industries—coal and iron-

ore mining and the steel industry—rose sharply in 1960 and will rise even more steeply in 1961. The High Authority's latest investment survey shows that total investment in these industries reached \$1.2 billion in 1960, compared with \$1.04 billion in 1959 and an average of \$1.08 billion in recent years. Of the 1960 total, \$374 million was spent on the coal industry and \$785 million on the steel industry (including iron-ore mines).

The survey shows that in the subsequent years the rise in investment expenditure will be impressive. This year it is likely to reach \$1.8 billion and in 1962 \$1.6 billion, primarily because of the major expansion plans of the Community's steel industries. Following a 34 per cent increase in investment expenditure last year, the industry this year will register a further rise of 60 per cent over the 1960 level.

By 1964 the steel industry of the six Community countries should be capable of producing over 91 million metric tons of crude steel, compared with 73 million tons in 1960.

Steel plants like this one in France are expected to attract a 60-per-cent rise in investment this year over 1960.



OECD Replaces OEEC

The Organization for Economic Cooperation and Development (OECD) came into existence on September 30, replacing the 13-year-old Organization for European Economic Cooperation. The United States and Canada are full members of the new 20-nation organization. The executive branches of the Common Market, Euratom, and the Coal and Steel Community are also represented in the OECD.

Industrial Design Committee Established

A Liaison Committee for Industrial Design in the Common Market has recently been established in Brussels, bringing together representatives from organizations devoted to the advancement of industrial design in the six countries of the European Economic Community.

Representatives of the Common Market have expressed approval of the newly-organized body and recognized the importance of industrial design in market development and expansion in the European Economic Community.

EEC Takes German Case to Court

The Commission of the European Economic Community has submitted to the Court of Justice its disagreement with the German Federal Republic regarding certain obligations under the Treaty of Rome. Specifically, the Commission charges Germany with failure to open global quotas for calves, veal, sausage and preserved meat.

Earlier this year the Commission submitted its first two complaints to the Court of Justice, both filed against the Italian Government. These concerned pork products and radio tubes.

Parliament Receives Merger Proposal

The Common Market's Council of Ministers has sent to the European Parliament and to the Common Market and Euratom Commissions, for their opinion, a Netherlands Government proposal for merging into a single European executive branch the three Community Executives—the Common Market and Euratom Commissions and the ECSC High Authority. The proposal would also end the present legal separation of the three Communities' Councils of Ministers.

Under the Dutch proposal, the Treaty revision would be made by means of a Convention attached to the existing Community Treaties. Treaty amendments of this nature require unanimous approval by the Community governments and also ratification by the parliaments of the member states.

Euratom Orders Linear Accelerator

The European Atomic Energy Community contracted in September for a high-energy linear accelerator from the

French firm C. S. F. (Compagnie Générale de Télégraphie sans Fil), for use at Euratom's Central Nuclear Measurements Bureau at Geel, Belgium. The Euratom contract with C. S. F. marks France's biggest nuclear equipment export order to date.

Installation of the linear accelerator, which is expected to attain an electron energy output of approximately 100 MeV when operating at full power, will be completed by C. S. F. in November 1963.

Fourth Research Center at Petten

The European Atomic Energy Community and the Netherlands Government have signed an agreement to establish a Euratom research center at Petten, on the North Sea. Under the agreement the high flux reactor plus the plant and land connected with it at Petten are being transferred to Euratom by the Dutch Government, which is also providing approximately 62 acres of land as the site of the Euratom research establishment. The Petten center will deal with general research primarily concerned with maximum use of the test reactor and will represent a Euratom research investment of \$18 million. Euratom's three other research centers are at Ispra (Italy), Mol (Belgium) and Karlsruhe (German Federal Republic).

Frenchman Heads Research in Germany

A 39-year-old French atomic scientist, Jean Celestin Blin, was named director of Euratom's new Joint Research Center in Karlsruhe, Germany, last month. M. Blin formerly served as chief of plutonium research in France's Atomic Energy Commission.

The institute at Karlsruhe will be the center for Euratom plutonium research and also one of several research centers in the European Community to specialize in controlled thermonuclear studies. Some 400 Euratom scientists and technicians will be employed at the center.

European University Under Way

The Declaration on Cultural Cooperation issued by the Community "summit" conference at Bonn July 18 (see page 6 for text) gave new impetus to the European University project in assigning the primary responsibility for its advancement to Italy.

Welcoming the declaration, Euratom Commission President Etienne Hirsch, who presided over the Interim Committee of government experts who drew up the latest plans for the University, stated that the decision to entrust the Italian Government with the task of getting the project under way will not affect the University's program. The Interim Committee's recommendations remain valid (see

New Book

The Duke University School of Law has devoted Volume 26, No. 3, of *LAW AND CONTEMPORARY PROBLEMS* to a study of the European Community. This book-length collection of 15 papers by outstanding authorities is available at \$2.50 per copy (plus 15¢ postage outside the U. S.). Address inquiries to *LAW AND CONTEMPORARY PROBLEMS*, Duke Station, Durham, North Carolina.

Bulletins Nos. 36, 42 and 45). The European University will concentrate on the human sciences (economic, social and legal sciences), mathematics and pure physics, history and the development of civilizations. A doctorate recognized by the Community countries will be granted at the end of a two-year period of study.

The Italian Government has recently made a proposal

to the other Community countries that an ad hoc committee be established to work out practical means for accelerating the project of the European University. The committee would be composed of delegates of the six governments and representatives of the Community. The University, which will be located on the site already acquired in Florence, is expected to open by October 1962.

PUBLICATIONS AVAILABLE

ANNUAIRE-MANUEL DE L'ASSEMBLÉE PARLEMENTAIRE EUROPÉENNE, 1960-1961. Organization of the European Community as of April 1961 and activities of the European Parliament in 1960. 736 pp. \$5.00

RÉPERTOIRE DES ORGANISMES COMMUNS CRÉÉS DAN LE CADRE DE LA COMMUNAUTÉ ÉCONOMIQUE EUROPÉENNE PAR LES ASSOCIATIONS INDUSTRIELLES, ARTISANALES ET COMMERCIALES DES SIX PAYS. September 1960, 513 pp., quadrilingual* \$2.00

RÉPERTOIRE DES ORGANISATIONS AGRICOLES NON GOUVERNEMENTALES GROUPEES DANS LE CADRE DE LA COMMUNAUTÉ ÉCONOMIQUE EUROPÉENNE. Second edition, December 1960, 200 pp. Quadrilingual*, in loose-leaf form; includes periodical supplements. \$3.00

FORGING A UNITED EUROPE—THE STORY OF THE EUROPEAN COMMUNITY, January 1961, 28 pp. free

TARIF DOUANIER DES COMMUNAUTÉS EUROPÉENNES. Proposed common external tariff of the EEC. Also includes common external tariff of Euratom and the harmonized customs tariffs on Coal and Steel Community products, January 1961, 298 pp. \$6.00

THE SIX IN FIGURES. A statistical leaflet free

ECSC. Objectives, organization, and accomplishments of the European Coal and Steel Community, June 1961, 36 pp. free

ÉVOLUTION DES SALAIRES, DES CONDITIONS DE TRAVAIL ET DE LA SÉCURITÉ SOCIALE DANS LES INDUSTRIES DE LA COMMUNAUTÉ EN 1959. A study of changes in salaries and fringe benefits in the coal and steel industries, August 1960, 228 pp. (mimeographed) \$.50

GRÈVE ET LOCK-OUT (Collection du droit du travail dans la Communauté). Fifth in a series of studies on labor law in the countries of the Community, 399 pp. \$5.00

* Dutch, French, German and Italian.

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