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COUNCIL MARATHON COMPLETES COMMON FARM POLICY Ministers Approve Kennedy Round Agricultural Offers

APPLAUSE FROM THE PALAIS DES CONGRES IN BRUSSELS at 4:30 a.m. July 24 signaled the end of another EEC Council of Ministers' marathon session as the jubilant ministers hailed the virtual completion of the Community's Common Agricultural Policy.

The meeting was attended both by the foreign ministers and the agriculture ministers of the Six. Agriculture ministers met more than 30 hours in three days to prepare the final decision. The foreign ministers joined their colleagues for the last day of bargaining.

The package covered market organizations for fruits and vegetables, sugar, and fats and oils. Common prices were also set for milk and dairy products, beef and veal, sugar, rice, oilseeds and olive oil.

Commenting on the welter of detail the package involved, Walter Hallstein, EEC Commission President, said that the agreement should not be regarded as "a moment in the life of the EEC," but rather as the one step needed to complete the common agricultural policy. Though composed of detailed and technical points, the decision represented the "first time that a group of states had arrived at a completely common agricultural policy."

Dutch Agriculture Minister B. W. Biesheuvel hailed the agreement, reached after almost five years of debate in the Commission and the Council, as "one of the most important decisions the Council has ever made." The Commission, which had proposed the final package of farm policy decision, was congratulated by the ministers for its role in the agreement.

Chronology of Agricultural Decisions

In 1962, the Council created the market organizations for grain, poultry, eggs, and pork and made preliminary decisions on fruits and vegetables. In February 1964, market organizations for rice, dairy products, and beef and veal were adopted. In December 1964, the first of the common prices, covering grains, were adopted and further progress was made in the market organization for fruits and vegetables. These decisions, together with the July 24 agreement, mean that more than 90 per cent of Community farm production will be under an EEC market organization and a common EEC price system. In its May 11 decision (see *European*

Community, June 1966), the Council agreed on the timetable for putting the market organizations and common prices into effect.

The July 24th Decisions

The fruits and vegetables decision, the most difficult to reach, required important concessions from the Netherlands and Italy. The Italians sought a relatively strict support system, providing certain guarantees to their fruit and vegetable producers. The Netherlands' delegation insisted on limiting overall expenses for the common policy and called for a more flexible system for determining subsidies.

The Commission's final proposal provided a range of support prices for three classes of fruits and vegetables. This approach will not be applied until 1970, thus permitting producers a wider range of support prices to be determined by each member state. A \$60 million ceiling was placed on Community expenditures for fruits and vegetables.

For sugar, the minister adopted a Community-wide quota, divided among the member states. Only production within this quota will be eligible for Community financing. A customs union for oilseeds and olive oil will be established on July 1, 1967. A price levy system, modeled on the grain market organization, was decided for olive oil.

External Relations Discussed

The foreign ministers also discussed the Community's relations with Austria and Spain and Community financial

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The EEC Commission's delegation to the Kennedy Round will negotiate on the basis of offers approved by the Council.

contributions under the proposed world grain agreement within the General Agreement on Tariffs and Trade (GATT).

The Council adopted a key for apportioning food aid under a GATT grain agreement. France and Germany would each pay 32 per cent; Italy 20 per cent, the Netherlands and Belgium, each 7.9 per cent; and Luxembourg, 0.2 per cent. The key may be modified unanimously if more than 500,000 metric tons of grain exports are to be financed.

The ministers agreed to prepare by November a second mandate to allow the Commission to continue the negotiations on an Austrian accord with the Community. The Council will try to decide on a complete mandate covering trade relations, agriculture, harmonization of economic policy and institutions, and Austria's relations with Eastern European countries.

Jean Rey, member of the Commission in charge of external affairs, indicated that a formal report on exploratory talks recently held with Spanish representatives would be sent to the Council in October.

The Special Committee on Trade Negotiations reported to the Council on agricultural offers for the Kennedy Round, supplementary to the grain offer. As proposed by the Commission, the offers would cover a wide range of farm products including many of those for which internal farm policy decisions were made on July 24.

July 26th Marathon Successful

In a meeting on July 26 which lasted until 2 a.m. on July 27, the Council added numerous agricultural offers for the Kennedy Round trade negotiations to the Community's proposals for grain and tropical products already deposited in Geneva.

Offers decided at this meeting include wine, fruits and vegetables, rice, beef and veal and dairy products. Since some of these items are now protected by tariffs and some by levies or other systems, the offers involve a wide range of measures designed to improve the possibilities for increased international trade. Offers for the few remaining commodity groups will be decided in early fall.

The Council also formally adopted the May 11 decisions on financing the common agricultural policy and on creating the customs union on July 1, 1968.

The Council members, meeting as representatives of the member states, also agreed on measures concerning the term of credits for exports to the Soviet Occupation Zone of Germany and decided to hold joint consultations on these exports. Consultation procedures will be strengthened for granting credit guarantees to state-trading countries.

The next meeting of the Council at the level of the foreign ministers is scheduled for October 10-11.

Market Organizations and Prices

"Market organizations" eliminate member states' restrictions on trade in a commodity, allowing it to be bought and sold as freely throughout the Community as within the member states' own domestic markets.

Prices used in administering the common farm policy are defined as follows:

Target (or guide) price: The base price determined in the marketing center of the region of the Community with the least adequate domestic supplies.

Support price: The price at which the Guidance and Guarantee Fund will buy from producers. This price thus constitutes a guaranteed minimum selling price for producers. Support prices are 5 to 10 per cent lower than the target price.

Threshold (or sluice-gate) price: The price used as a basis for calculating the levy on imports from outside the Community. It is fixed at a level that will bring the selling price of the imported product up to the level of the target price in the region of the Community with the least adequate domestic supplies.

Free-at-frontier price: The price of imports delivered with all charges paid, but before payment of customs duties or levies.

Common Prices

At the July 24 meeting, the Council set the following common prices:

Milk	Target price per 100 kg. of milk with 3.7 per cent fat content, ex farm	\$ 9.75
	Delivered dairy	10.30
Beef-veal	Guide price for adult cattle (live) per 100 kg.	66.25
	Guide price for calves (live) per 100 kg.	89.50
Sugar	Minimum price of sugar beets per metric ton (within the basic quotas)	17.00
	Minimum price (outside the basic quotas and up to 135 per cent	10.00
	Target price per 100 kg. of white sugar	22.35
	Support price per 100 kg. of white sugar	21.23
Rice	Basic target price per 100 kg.	18.12
	Support price	
	Italy	12.00
	France	12.30
	Threshold price for the region with the largest deficit (Duisburg)	17.78
Oilseeds	(colza, rapeseed, sunflower seed)	
	Target price per 100 kg.	20.25
	Basic support price per 100 kg.	19.25
	Lowest support price per 100 kg.	17.65
Olive oil	Producers' target price per 100 kg.	115.00

EEC EXPORTS RISE 7.5%

Trade Balance Falls As Imports Outpace Export Gains

THE COMMISSION OF THE EUROPEAN ECONOMIC COMMUNITY has confirmed its earlier forecast of a 4.5 per cent increase in real Community product during 1966 and again called upon the member states to hold the line on price increases.

The Commission, in its quarterly survey of the Economic Situation in the Community, foresaw a steady expansion in internal demand, bolstered by a continued upsurge in activity in France and Italy, and recovery in the Federal Republic of Germany. The Commission considered the outlook for real economic growth to be in line with medium-term forecasts. To stabilize prices and unit costs, it called upon the member states to use short-term policy, preferably through new measures coordinated at Community-level.

Imports Up 13.5%

The Commission reported that the first months of 1966 were marked by fairly vigorous economic growth. Although demand from abroad rose less rapidly than in previous months, the value of goods exported to all non-member countries increased 7.5 per cent over the same period in 1965, largely because of deliveries to the United States.

Imports ran 13.5 per cent higher by value than at the same time last year. The Community's balance of trade with non-member countries again deteriorated. The deficit reached \$772 million in the first quarter, as compared with \$335 million in the same period of 1965.

Net inflows of capital appear to have been smaller than in previous months, the survey reported. From December through April, the member countries' official gold and foreign exchange reserves decreased \$426 million. The Commission attributed this decrease partially to payments made to the International Monetary Fund in connection with quota increases, and partially to the improvement in the net foreign exchange positions of the banks.

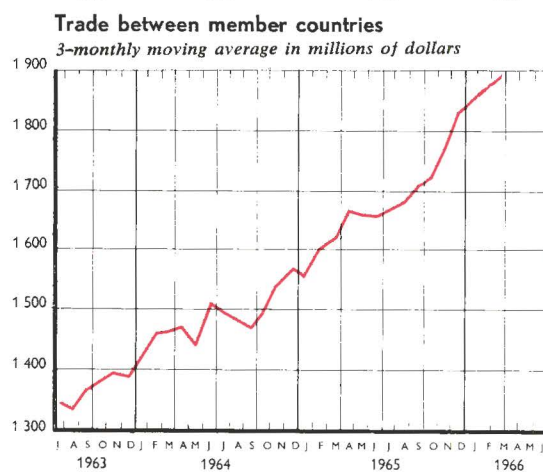
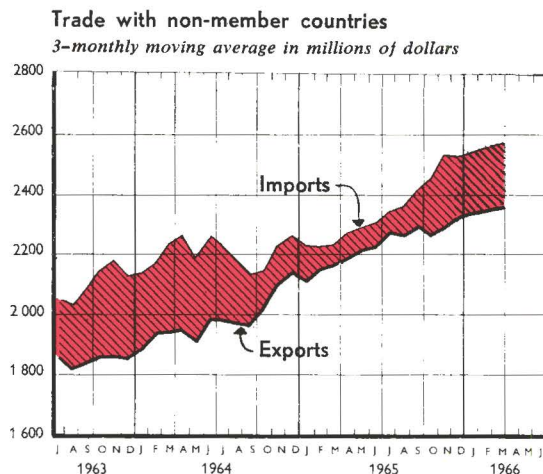
Internal demand expanded briskly over the previous quarter, pushed by increases in gross fixed asset formation, industrial investment in stocks, and increases in consumption expenditures. Declines in public expenditures were at times offset by more vigorous increases in private consumption, accompanied by declines in savings.

Internal supply expanded into the spring at the same rate as at the end of 1965. Intra-Community trade expanded 16.5 per cent over the level of the previous year.

Despite substantial increases in supply, the Commission reported that price rises continued unabated and in some member countries gathered momentum. Price increases were described as moderate only in Italy and France.

Outlook for Remainder of 1966

The Commission forecast that internal demand would rise faster during the second half of the year than in the first six months with expenditure on gross fixed asset formation continuing at least at the same pace. Demand from abroad, primarily from the United States but increasingly from the developing countries should also act as a stimulus. The Commission expected supply to respond to prospects for



internal and external expansion of demand. Imports from non-member countries will accelerate at least as rapidly as in the first half of the year, and the Community's current trade balance will probably continue to deteriorate.

Price controls in Belgium and the Netherlands may slow the upward movement of prices in the next few months.

First Forecast for 1967

On the basis of present trends and economic policies, the survey predicted a 4.5 per cent increase in gross Community product for 1967.

Demand from abroad will rise less rapidly than in 1966, the survey noted, predicated continued economic growth upon more rapid expansion of internal demand. In Germany, demand will continue to recover. The upsurge in activity in France and Italy will also play an important part.

Present cost-price controls may prove inadequate to check upward price movements, particularly in France and Italy. In Belgium, the Netherlands, and perhaps Germany prices may increase less rapidly than in 1966.

The Commission considered the predicted growth rate satisfactory in view of medium-term forecasts. To short-term policy, preferably coordinated at Community-level, it assigned the task of stabilizing prices and unit costs. A judicious mix, the survey concluded, would not interfere with the Community's steady growth.

NIGERIA TO BECOME FIRST ENGLISH-SPEAKING EEC ASSOCIATE

Lagos Agreement Deals Primarily with Trade and Related Issues

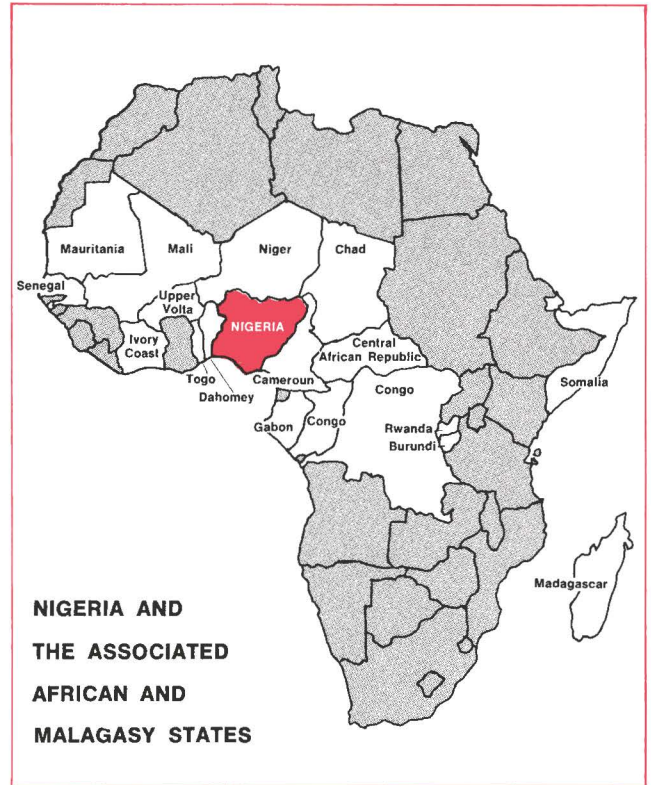
NIGERIA, a member of the British Commonwealth and Africa's most populous nation, has signed the agreement by which it will soon become the first English-speaking associate of the European Economic Community.

The agreement was signed in Lagos on July 16 by Brigadier B. O. Ogundipe on behalf of the Government of Nigeria and by Dutch Foreign Minister Joseph Luns, current president of the EEC Council of Ministers, on behalf of the Council. Henri Rochereau, member of the EEC Commission responsible for overseas development, signed on behalf of the Commission. A representative from each member state also signed the agreement. The agreement will enter into force after exchange of the instruments of ratification and acts of notification in Brussels, probably in 1967. It will run until May 31, 1969, the expiration date of the Yaoundé Convention of Association between the EEC and the 18 African and Malagasy states.

The Lagos Agreement deals primarily with trade and trade related rights and obligations. Unlike the Yaoundé Convention, it provides no development assistance to Nigeria.

Agreement Will Assist Trade Expansion

The Community is Nigeria's most important single trading partner. Nigerian exports to the Six amounted to \$200,-228,000 in 1964, when its imports from the Community totaled \$140,317,000 (see table). To assure future expan-



Trade Offers Outlined

The agreement will allow Nigerian exports, with four exceptions, to enter the Community at the EEC internal rates of duty. The internal tariff now stands at 20 per cent of the original level, with the remaining 20 per cent scheduled to be removed completely by July 1, 1968.

The four exceptions (cocoa beans, peanut oil, palm oil and plywood) represented 25 per cent of Nigeria's exports to the Community in 1964, and are key products in the economies of the Yaoundé associates. Thus, cocoa beans, peanut oil, palm oil and plywood will remain subject to nil tariff quotas, to be increased annually.

In return for these concessions, Nigeria will give customs preferences of between 2 and 10 per cent to 26 products from the Community. Even on these products, however, Nigeria may retain or introduce quantitative restrictions, in the interests of its development needs, revenue requirements or balance of payments position.

Nigeria's export duties, the agreement stipulates, may neither discriminate directly or indirectly against any member state, nor exceed export duties on products sold to most-favored non-member countries.

No Discrimination Against EEC Nationals or Companies

Nigeria is to accord the same rights to engage in and carry on non-wage-earning activities to member states' nationals as it applies to its own nationals and companies, without discrimination. These rights include freedom to establish and manage "undertakings," companies, branches and subsidiaries. Should Nigeria extend more favorable treatment to a non-member state's companies or nationals, Commu-



Brigadier B. O. Ogundipe signs the association agreement for the Government of Nigeria; Dutch Foreign Minister J. M. A. H. Luns, for the EEC Council. Henri Rochereau, member of the EES Commission responsible for overseas development, signed on behalf of the Commission.

sion of its already substantial trade with the EEC, Nigeria requested association with the Community.

Mr. Luns, speaking at the signing ceremony, said that the three years of negotiations which preceded the agreement underlined "the importance which we attach to developing our relations with African countries." The negotiations, Mr. Luns said, had often "bristled with real difficulties," but both sides had persevered, and the result had been a very satisfactory agreement.

FEC TRADE WITH NIGERIA (1964)

(in thousands of dollars)	Imports	Exports
Netherlands	40,367	23,079
Belgium & Luxembourg	15,653	7,943
Germany	89,251	54,265
France	33,534	25,112
Italy	21,423	29,918
EEC	200,228	140,317

nity nationals and companies must receive the same treatment, provided the member states reciprocate. This provision, however, does not apply if the more favorable treatment arises from regional agreements.

The agreement defines "Company of a member state or Nigeria" as meaning "any company constituted in accordance with the law of a member state or of Nigeria and having its registered office, central administration, or main establishment in a member state or in Nigeria." If the company has its only registered office in a member state or in Nigeria, "its business must be actively and continuously linked with the economy of that member state or of Nigeria."

In investments or capital movements, no discrimination against Community nationals or companies is to be permitted. Investment income and payments for goods and services are to be authorized in accordance with the agreement.

Separate Institutions Created

The agreement creates an Association Council and a joint secretariat separate from the Council created by the Yaoundé Convention and unrelated to it. The agreement empowers the Association Council, composed of members of the EEC Council and Commission and members of the Government of Nigeria, to "examine all matters relating to the implementation of the agreement . . . formulate appropriate recommendations . . . periodically review the results of the system of Association . . . (and) lay down its rules of procedure." It may act only by mutual agreement. Such decisions will bind the signatories.

Disputes the Association Council cannot settle in the next meeting after referral to it will be sent to arbitration. Nigeria, the Community and the Association Council will each appoint one arbitrator to a panel which will decide the dispute.

The agreement further specifies that any contacts which may be established between the European Parliament and the Federal Parliament of Nigeria are to be facilitated.

Brigadier Ogundipe, welcoming delegates to the signing ceremony said that the "new relationship" which was being established under the agreement would "bring together those of us in Africa whose political history, trade and economic ties" have in the past "pointed to different directions in Europe."

ECSC FORECASTS 3.7% INCREASE IN STEEL OUTPUT

Slight Rise in Half-Year Output Hides National Changes

THE ECSC STEEL INDUSTRIES produced 30,000 metric tons more from January-June 1966 than in the same six months of 1965.

The High Authority of the European Coal and Steel Community reported in July that the 7.4 million metric tons produced in June had raised total steel output for the first six months of 1966 to 43.4 million metric tons. It noted, however, that the relatively slight increase in total output concealed substantial changes in national productions.

Italian and Dutch Outputs Rise

Italian production ran 8.2 per cent higher during the first six months of 1966 than at the same time in 1965. Dutch output rose 5.3 per cent. Luxembourg and the Federal Republic of Germany each registered declines, 5.1 per cent and 2.4 per cent respectively. Belgium and France both produced about the same tonnage as in January-June 1965.

Projecting figures and trends, the High Authority estimated total steel output would reach 105 million tons in 1966. This figure would represent a 3.7 per cent increase over 1965 when ECSC steel output first topped the 100 million mark.

New Internal Orders Up

New orders booked during the first quarter ran at a relatively satisfactory level, the High Authority said. New domestic orders averaged 4.57 million metric tons per month during the first quarter, as compared with 3.92 million

metric tons in 1965. New export orders dropped, however. During the first quarter of 1966 they averaged 1.07 million metric tons.

Prices Recovered from 1965 Low

The High Authority noted a strengthening in prices during the first quarter of 1966. The prices of Belgian steel producers, usually the lowest in the Community, illustrate this recovery. At the end of 1965, low Belgian prices forced other Community producers to lower theirs to a competitive level. Since then, Belgian prices have risen, 2 to 8 per cent for shapes, sections and wire rod and 6 to 11 per cent for flat products. Price increases for all products averaged 6 per cent.

Price recoveries in Italy averaged from 3 to 4 per cent. Germany withdrew temporary rebates for sections on February 1 and for merchant bars, on May 1. In France and Luxembourg, no significant changes occurred in prices, but the Netherlands reduced prices by 8 per cent on some grades of wire rod.

Export prices, particularly for flat products, also recovered slightly since the low at the end of 1965.

Competitive pressures from non-ECSC imports led Community producers to make more substantial import price alignments than during 1965. Steel sold by price alignments on imports averaged 80 million metric tons during the first four months of 1966, as compared with 42.7 million tons averaged during 1965, and 100.4 million tons averaged during 1964.

HIGH COURT UPHOLDS COMMISSION IN GRUNDIG-CONSTEN

Ban on Exclusive Territorial Agreements Stands

THE EUROPEAN COMMUNITY'S COURT OF JUSTICE has upheld an "anti-trust" ruling by the EEC Commission against an exclusive territorial agreement between a German electronics manufacturer and its French distributor.

The Court ruled on July 13, 1966 that "absolute territorial protection" granted by Grundig Verkaufs GmbH to Ét. Consten s.à.r.L. violated the anti-trust provisions of the Rome Treaty. The Court dismissed all the appellants' arguments supporting the contentions that Article 85 (1) did not prohibit the import monopoly which the agreement created and that no abuse of a dominant position had been proven, as required by Article 86 of the Treaty. However, the Court reversed the Commission's decision of September 23, 1964, insofar as it had declared the entire contract "null and void" under Article 85 (2). The Court limited the nullity provision only to those clauses which directly violated Article 85 (1), rather than to the entire agreement.

Brief History

The Grundig Sales Company of Germany granted the Consten Company of Paris absolute territorial protection and sole sales rights in France for its products by agreement signed April 1, 1957. A supplementary agreement authorized Consten to register the Grundig trademark "GINT" in France, thereby preventing other firms from offering "GINT" branded products in France.

The French firm UNEF imported from a German wholesaler and sold in France Grundig products bearing the trademark "GINT." Consten sued UNEF in a French court for illegal use of the "GINT" trademark. The court found for the plaintiff.

UNEF appealed the decision. The Paris Court of Appeals suspended judgment until the EEC Commission had ruled, in a separate action on complaint brought by UNEF, whether the agreements violated Article 85 (1) of the Rome Treaty.

Article 85 (1) of the Treaty prohibits "any agreement . . . likely to affect trade between the member states and

which (has as its) object or result the prevention, restriction or distortion of competition within the Common Market. . . ."

However, Article 85 (3) of the Treaty allows exemption from Article 85 (1) in the case of agreements which "contribute to the improvement of the . . . distribution of goods or to the promotion of . . . economic progress while reserving to users an equitable share in the profit resulting therefrom . . ." provided the restrictions are necessary and do not eliminate competition in "a substantial proportion of the goods concerned."

On September 23, 1964, the Commission ruled the contracts illegal under Article 85 (1), null and void as provided in Article 85 (2), and unable to qualify for exemption under Article 85 (3).

Grundig and Consten appealed the Commission's decision to the Court of Justice in Luxembourg. The Italian and German governments intervened on the side of the appellants. UNEF and W. Leissner (another French retailer) intervened on the side of the Commission.

The High Court replied to the following main arguments against the Commission's decision:

- Article 85 (1) applies only to horizontal agreements, contracts between non-competing firms performing different economic functions. Article 86 regulates vertical agreements and forbids only the abuse of a dominant position.
- The Commission, misconstruing "agreement likely to affect trade between the member states," failed to prove that, without the agreement, trade would have been more intense.
- The Commission could not properly evaluate the impact of the agreement on competition without investigating trade in all products competing with the "GINT" brand.
- Article 85 (2) of the Treaty did not intend entire agreements containing restrictive clauses to be declared null and void, but only those clauses which violated Article 85 (1).

The European Court of Justice upheld every major point of the Commission's ruling on the Grundig-Consten agreement.



The High Court found no cause to distinguish between horizontal and vertical agreements in the wording of either Article 85 or Article 86. Both articles apply to all agreements which restrict competition in the Common Market, whether between the contracting parties or between the contracting parties and third parties, whether intended by the agreement or resulting indirectly from it.

The Court held that when an agreement distorts competition, it is irrelevant whether the contracting parties are of the same size or perform the same economic functions when they exclude third parties from competing, to the detriment of the consumer. An agreement which reconstructs national boundaries isolates national markets, and affects trade between the member states.

Article 86 forbids the abuse of a dominant position acquired by vertical agreement or otherwise, the Court said.

Concerning the Commission's alleged failure to prove that, without the agreement, trade would have been more intense, the Court held that, when the purpose of an agreement was obviously to restrict, restrain or distort trade between the member states, examination of its effects was unnecessary. The only question possible was whether the Commission had correctly ruled that the agreement violated Article 85 by restricting trade in Grundig products and whether, if so, the violation resulted from the territorial limits set by the contract.

Even if the agreement increased trade between the member states, it could still violate Article 85, the Court said. The agreement prevented Consten from exporting Grundig products to other member states. Consten's registration of

the Grundig trademark in France prevented third parties from importing and selling Grundig products in France. Both limitations, the Court held, restricted and distorted trade between the member states, even if they increased it. Both limitations fall directly within the scope of Article 85.

To the appellants' contention that had the Commission investigated trade in all products similar to the "GINT" branded goods, it would have discovered that the agreement had strengthened competition, the Court replied that heightened competition between manufacturers did not excuse the elimination of competition between retailers of the same product line. Grundig prohibited all its exclusive distributors, not only Consten, from selling outside their territories. The Commission had properly assessed the overall effects on competition of Grundig's restraints on its exclusive distributors. The resulting market isolation had allowed the distributors to set prices unrelated to competition, as the Commission had ascertained, in France and Germany.

On the last point, the Court held that Article 85 (2) invalidates an entire agreement only if the clauses violating Article 85 (1) cannot be stricken from the contract. Competition was not distorted by the interaction of all clauses in the Grundig-Consten agreement. Only the clauses which granted Consten absolute territorial protection and the supplementary agreement on the trademark "GINT" violated Article 85 (1).

The Commission had not explained why the whole agreement should be declared null and void. Therefore, the Court of Justice ruled that only the offending clauses should have been declared invalid.

Euratom Light-Water-Reactor-Fuel Assured

The Euratom Supply Agency signed two contracts July 8 completing arrangements to assure enriched uranium fuel supplies for all seven Community light water reactors.

The first contract, between the U.S. Atomic Energy Commission and the Euratom Supply Agency, covered the purchase of 1,160 kilograms of slightly enriched uranium valued at \$9.6 million. By the second contract, the Supply Agency authorized the German firm Kernkraftwerk Obrigheim GmbH (KWO) to use the fuel in the 300 MWe pressurized water reactor it is now constructing at Obrigheim. The KWO plant, the largest so far, is scheduled to go critical in April 1968 and to enter into service in November 1968.

With the signing of these two contracts, Euratom has now arranged supplies of U.S. enriched uranium for all seven light water power reactors in operation or under construction in the Community. Altogether, more than 24,000 kg. of enriched uranium, valued at \$213 million, will be delivered to the seven power plants. Three are located in the Federal Republic of Germany, two in Italy, one in the Netherlands, and one in France, owned by the Franco-Belgian utility, Sté d'Énergie Nucléaire Atomique (SENA).

Deliveries are being made within the framework of the U.S.-Euratom Cooperation Agreements, under the Euratom Cooperation Act as amended. The Act permits the sale of up to 70,000 kg. of enriched uranium and 500 kg. of plutonium to the Community for use in research projects and power reactors. The Euratom safeguards and control system assures the peaceful use of fuel supplied under these contracts.

Divergent Electrical Norms Discussed

An EEC light bulb manufacturer produces three different types of 60 watt incandescent light bulbs to operate from supply voltages ranging from 110 to 250 volts.

A small electric razor sold in the Six member states bears six different seals of safety-approval.

These cases typify production complexities the EEC manufacturer of electrical products accepts as part of his daily existence. They explain why intra-state trade may languish despite abolition of tariffs.

Such widely divergent standards for electrical products and their disruptive effects on intra-Community trade prompted the EEC Commission to organize an exploratory conference on alternatives. Participants met in Brussels June 27-30.

The summary report mentioned the harmonization work being done at the national level by public authorities and standardization institutes. The report recommended the extension of Community-level cooperation between the Committee for the Coordination of Electrical Engineering Standards and the institutes and called upon the state authorities to cooperate.

It also stressed the necessity of keeping standards sufficiently flexible to allow adaptation for technical improvements.

Guido Colonna di Paliano, the member of the EEC Commission responsible for internal market affairs, indicated that cooperation already demonstrated at the Community level among the national electrical standardization committees merited the commitment of adequate resources to sustain their efforts.

EDUCATION IN EEC MUST ENTER TECHNOLOGICAL ERA

Report Urges "Secondary Education for All"

A TARDY AND INADEQUATE ADJUSTMENT to new economic and social conditions threatens Western Europe's traditional excellence in the field of education.

The Six do not now, and will not in the next decade graduate enough qualified personnel to meet the Community's economic needs. Accelerated educational reforms, particularly at the secondary level, must curtail brainpower waste by putting higher education within the reach of the working class.

The French educator, Raymond Poignant, rapporteur for a study prepared by an international committee of educators, has thus evaluated the state of education in the EEC countries. The question first arose in February 1960 at a meeting of the Action Committee for the United States of Europe whose president, Jean Monnet, asked the Institute for University Studies to look into it. The Institute referred the question to the independent committee. The experts examined the six educational systems in the light of a technological society's needs, and in comparison with educational patterns in the United States, the Union of Soviet Socialist Republics, and the United Kingdom.

Few of College Age Are Students in EEC

In the Community, 100,000 out of a population of 180 million were working towards their first degrees at universities or other institutes of higher learning when the study was made. These figures compared with 450,000 out of 180 million in the U.S. and 345,000 out of 223 million in the U.S.S.R.

The comparative percentages of college-aged population graduated each year also showed the Community countries falling behind (Table 2). Four per cent of the EEC's college-aged population attended universities, as compared with 19.6 per cent in the U.S., and 8.2 per cent in the U.S.S.R.

Greater Gap Appears in Science and Technology

Out of 25,000 EEC graduates, 1.1 per cent had specialized in science and technology (Table 1). This figure represented roughly one-third the American and Russian graduates in science and technology and two-fifths of the United Kingdom's. Furthermore, the Poignant report noted, the gap is wider than it would at first appear. Because statistics for Community countries include secondary school teachers, Russian and American science teachers listed under "Education" in Table 1.C would have to be added to make the figures comparable.

Adding to Community figures graduates of specialized German, Belgian and French technical schools, the percentage of successful candidates in science and technology would rise from 1.1 per cent to 1.8 per cent. This figure compares with 3.9 per cent in the U.S., 4 per cent in the U.S.S.R., and 2.7 per cent in the United Kingdom. To add EEC graduates of long technical courses (producing technical assistants or technicians) would not substantially improve the Community's showing, according to the study. The Community produces no more technicians than engineers. Russian industry already employs more than two



The member states separate children into academic courses and vocational courses too early, according to the Poignant report.



technicians for every engineer and plans to triple or quadruple this figure by 1970.

EEC Produces Fewer Graduates in Arts and Humanities

The Community graduates 38,000 per year in arts and humanities (1.5 per cent of the relevant age groups) as compared with 50,600 Russians (1.2 per cent of the relevant age groups), and 203,000 Americans (8.9 per cent of the relevant age groups). Because colleges in the U.S., unlike European universities, confer bachelor's degrees in subjects such as home economic and social sciences, the study committee did not believe the U.S. figures were truly comparable.

Fewer EEC Candidates in Research Subjects

Each country produces advanced students for research in different ways, so totals are somewhat misleading, the study

pointed out. With the exception of France, Community countries do not report separately the number of candidates for post-graduate degrees in preparation for scientific research. Nevertheless, because France (together with Germany) is acknowledged to have the most advanced educational system in Europe, the Poignant report attached significance to the disparity which emerged from comparison of these figures. In the U.S., 0.55 per cent of the relevant age groups received advanced degrees; 0.30 per cent in the U.S.S.R.; and 0.15 per cent in France.

Social Inequality in Access to Higher Education

The committee found that most children attending higher institutes of learning in all countries came from professional families. This class constitutes 4 to 5 per cent of the total active population, and its attitudes and motivations are exceptional by comparison with society as a whole. Students from this class represent 32 to 45 per cent of the total EEC student population. Lower classes in the U.S. send three to five times as many students to institutes of higher learning, according to the report.

Scant Progress Foreseen in Next Decade

Secondary education in the EEC countries is not changing rapidly enough to achieve a substantial increase in

the relatively small percentage of college-aged population receiving higher education, the report stated. Brainpower waste will increase in coming years, it predicted, on the basis of present patterns of pre-university education.

The study recognized that averaging Community statistics would blur considerable differences in the six educational systems. It nevertheless considered the overall picture relevant in comparison with the state of education in other advanced societies. With the exception of France where the situation will improve and Belgium, which will maintain the status quo, the relative position of EEC education will further deteriorate in the next decade, the committee said. Its forecast took account of recent improvements in secondary education.

France, the best example of dynamic evolution in the Community, will more than double its 1962 university population (280,000) by 1972, the committee predicted. The ratio of graduates in college-aged groups will increase to between 8 and 9 per cent, benefiting primarily children of middle-range white-collar and manual workers.

The 1964-65 admissions to the German nine-year college preparatory courses led the committee to conclude there would be little change in the percentage of German youths receiving higher education in the 1970's. The Committee said this figure would remain at between 8 and 9 per cent.

TABLE 1 NUMBERS OF FIRST DEGREES AND DIPLOMAS

These tables, drawn from the Poignant Report, attempt to compare the higher educational output in the Community, the USA, the USSR and the UK. Owing to problems of definition, they should not be considered as absolute.

Subjects	Germany (1963)	Belg (1963)	France (1964)	Italy (1963)	Nether- lands (1962)	Com- munity total (approx)	USA (1963)	USSR (1963)	UK (1962)
A. ART									
Law, economics, commerce	6,172	1,449* 393†	5,200	7,834	595	21,250* 393†	68,328	24,800	5,573* 4,215†
Language and literature, social sciences, theology	5,798	1,285	5,800	4,436	641	17,960	135,514	25,500 ²	9,386* 447†
Total	11,970	2,734* 393†	11,000	12,270	1,236	39,210* 393†	203,842	50,300	14,959* 4,662†
B. SCIENCES									
Exact and natural sciences	2,518	853	5,650	2,297	385	11,703	51,615	21,000 ²	7,702* 1,313†
Technology	3,081	560* 1,421†	5,930	2,405	687	12,663* 1,421†	37,535	121,100	9,389* 8,771†
Agronomy, veterinary, surgery	692	182* 109†	580	533	149	2,136* 109†	6,063	31,400	653* 24†
Medicine	3,940	907* 250†	4,150	3,546	538	13,081* 250†	25,914	31,500	2,547* 445†
Architecture, fine arts	1,184	4* 305†	440	379		2,007* 305†	16,555	3,100	1,157* 547†
Total	11,415	2,506* 2,085†	16,750	9,160	1,759	41,590* 2,085†	137,693	208,100	21,468* 11,500†
C. EDUCATION									
	14,514	4,030* 602†	127	729	21* 1,961† ⁵	19,421* 2,563†	102,796	86,500 ⁶	4,595†
D. MISCELLANEOUS									
				100		100	6,263		1,087† 1,322†
Grand total	37,899	9,225* 3,080†	27,877	23,019	3,016* 1,961†	100,321* 5,041†	450,594 ⁷	344,900	37,514* 21,880†
Average pop. of age 22-24	923,000 ⁸	115,000	550,000	802,000	169,000	2,559,000	2,300,000	3,860,000 ⁹	660,000

* University or equivalent education (first degree or diploma).

† Short courses.

¹ U.S. figures not truly comparable. ² 1959.

³ Biology, mathematics and physics; more than a quarter of graduates become "high school" teachers.

⁴ This line does not include the training of primary teachers in Belgium,

France, Italy, the Netherlands and the USSR.

⁵ Certificates of secondary education (M.O. Aktest A.) and certificate of technical education.

⁶ Including about 40,000 science teachers. ⁷ For 1964, the number of degrees is estimated at 487,800.

⁸ Population in age group 26-27.

⁹ Average for age-group 20-24.

University attendance in the Netherlands, with a similar educational system, will also remain static at the low rate of 1.8 per cent of the relevant age groups.

Rapid development of Italian middle-school education in recent years will enable Italy to improve its level of university attendance only modestly in the next decade. Its present rate is 2.86 per cent of the relevant age groups.

Belgium was described as the Community country with the highest graduation ratio (10.9 per cent of the relevant age group). Its solid lower and upper secondary school system will facilitate the rapid expansion of higher education, according to the report.

In the U.S. and the U.S.S.R., on the other hand, the percentages of university age population attending universities are expected to rise to 25 per cent and between 12 and 15 per cent respectively.

The Community would still be backward in comparison with the U.S. or the U.S.S.R., the Poignant Report stated, were it possible to compare quality of education, particularly in science and technology. The report acknowledged that "economic development does not depend solely on the 'human assets' factor," but said that the qualifications of the active population "play a decisive role in the most advanced countries' continuous progress."

Concerning the magnitude of the investment the Community countries must make in education, the report stressed that the member states must rely upon scientific research to enable it to attain economic independence, to develop backward sectors of its own economy and to assist developing countries. On-the-job training cannot produce researchers of the caliber required for these goals, the report submitted. The investment must be directly proportionate to the goals.

Human, Social, and Democratic Needs Impel Reform

Raising educational standards is not just an economic problem, the report maintained. In an age preoccupied with improving living standards, working class children in the EEC have far less chance of receiving secondary or higher education than they would in the U.S., the U.S.S.R., or the United Kingdom.

The committee suggested that the first step to rectify this situation should be to raise the statutory age at which a child may leave school. "Secondary education for all," the committee recognized, would require extensive investments in teacher recruiting and training. "Only an active teacher recruiting and training policy . . . will permit the necessary quantitative expansion while retaining the traditional quality of education in the 'old' Common Market countries."

The report criticized traditional European systems of separating students into pre-university and commercial or vocational schools. An examination taken on reaching secondary-level age (10 to 12) decides the child's fate when it is too early to properly judge his aptitude. The report praised reforms now under way in the Community countries. These reforms fall between two extremes: organizing a general course of study for all children of secondary-school age; and retaining different types of secondary schools, but facilitating transfer from one school to another.

In all Community countries since 1950, expenditure on education and training has risen more rapidly than gross national product, and will continue to do so in the future. Educational reform is expensive, the report concluded, but its economic, social, and human contributions justify the investment.



Students at the Collège d'Europe at Bruges, the first "European" post-graduate institution, study economics, law or political science in a European context.

TABLE 2 PERCENTAGE OF FIRST DEGREES AND DIPLOMAS IN RELEVANT AGE GROUPS

	Graduate teacher-training diplomas	Science and Technology	Arts	Medicine	Fine Arts	Total	Grand Total	Primary teacher-training certificates
Germany (1963)	1.4 ¹	0.68	1.3	0.43	0.13	2.54	3.94	—
Belgium (1963)	* 3.5	1.3	2.4	0.8	0.6	4.5	8.0	—
	† 4.0 ²	2.7	2.7	1.0	0.2	6.9	10.9	2.0 ¹
France (1964)	0.02 ³	2.2	2.0	0.76	0.08	5.04	5.06	1.2
Italy (1963)	0.09 ³	0.65	1.53	0.44	0.04	2.7	2.86	1.2 ¹
Neth (1962)	* 0.01	0.7	0.7	0.3	—	1.8	1.8	2.5 ²
	† 1.2							
USA (1963)	4.6 ⁴	3.9 ⁶	8.9	1.1	0.7	15.0	19.6	—
USSR (1959)	2.2 ⁵	4.0 ⁷	1.2	0.7	0.06	5.96	8.2	1.2 ³
UK	* 0.7 ¹⁸	2.68	2.26	0.38	0.17	5.68	5.68	—
	† 0.7 ¹⁸	4.22	2.93	0.45	0.32	8.3	9	—

* University education or equivalent.

† Short courses.

¹ This figure includes training of primary and *Realschuler* teachers; it is based on the age group 23-24.

² This figure includes training in "intermediate teacher-training colleges" and "intermediate technical teacher-training colleges".

³ Diplomas of physical-training colleges and special teachers' diplomas.

⁴ This figure includes primary-school teachers (2/3) and secondary-school teachers (1/3).

⁵ This figure includes teachers of classes 5 to 10, but not elementary classes.

⁶ Of which 2% in pure science and 1.9% in applied science.

⁷ Of which 3.5% in applied science.

⁸ In 1962 the number of diplomas from training colleges was in some cases reduced when study courses were extended from 2 to 3 years.



EEC FISH-EATERS COST COMMUNITY MORE EACH YEAR

Fish Imports Rise Steadily to Appease Sea Food Appetites

THE COMMUNITY'S FISH-EATERS consumed 432.8 thousand tons more fish than EEC fleets caught in 1963.

Their appetites cost the Community \$194.7 million that year to import the fish EEC fleets could not provide. EEC fishermen's share in the world catch has, in fact, steadily declined since 1956. The Community's catch has remained constant since 1956 at two million tons per year, while world output has nearly doubled. As the table on page 12 indicates, only the Netherlands exports more fish than it imports. Each year the EEC has imported more fish to meet its needs.

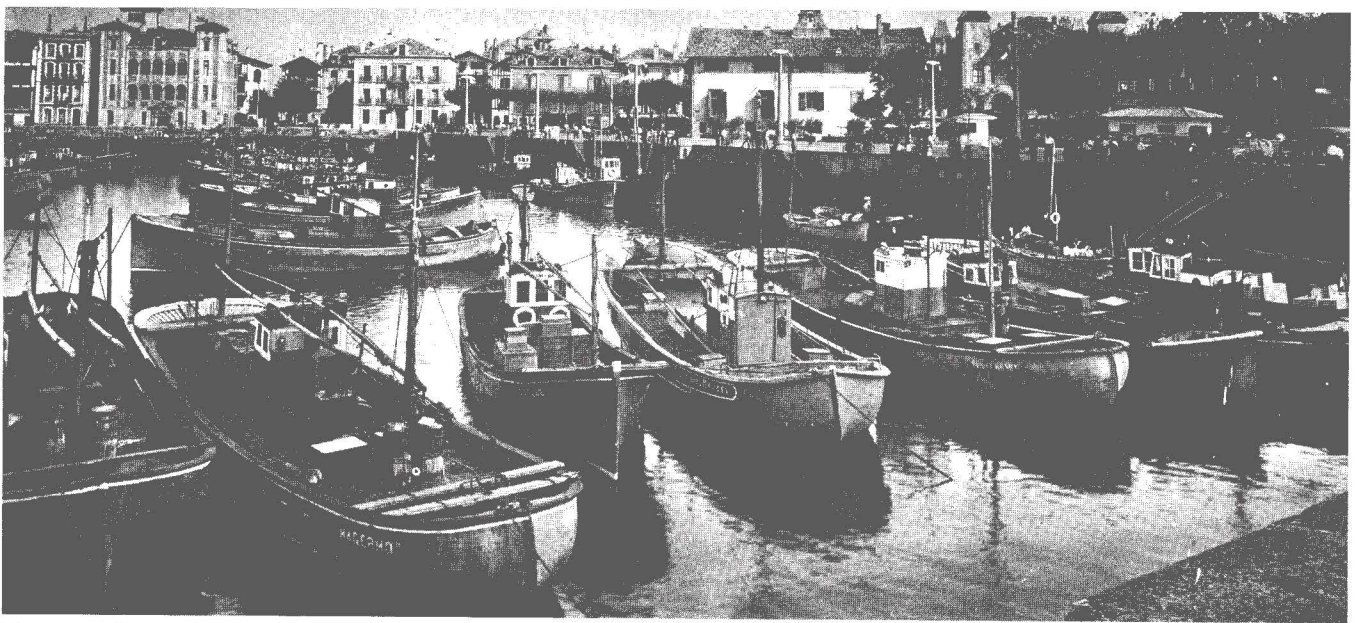
Shortly before the August recess, the EEC Commission drafted a common fisheries policy designed to rectify this situation, and asked the Economic and Social Committee for its opinion. The draft proposal would harmonize the member states' support systems for their fishing industries, minimize fluctuations in fishermen's incomes, establish marketing regulations and quality standards, and create a framework conducive to the modernization the Community's fishing fleets need to compete. It would also facilitate social adaptations, by retraining fishermen displaced by automation.

Traditional Fishing Grounds Depleted

Depletion of traditional fishing grounds and the extension of offshore fishing limits by non-member maritime countries have forced EEC fishermen to seek new and more distant fishing grounds. Fishing farther from home ports necessitates more sophisticated preserving methods and heavy investments in equipment. Although the member states have improved financing arrangements for such investments, Community fishermen remain at a competitive disadvantage compared with the rest of the world, as their steadily declining share of the world catch indicates.

The Commission's draft proposal seeks to put Community fishermen and fishing industries on equal footing with other world industries. It attempts to channel long-term production to meet demand, so the Community will not have to continue importing as it did in 1963, for example, 60 per cent more tuna fish than its fleets caught.

By establishing common quality standards for different types of fish and harmonizing government support of the fishing industries in the Community, the draft market policy attempts to eliminate fluctuations in fishermen's incomes.



These tuna boats, anchored in the French port of Saint-Jean-de-Luz, need more modern equipment to fish new grounds farther from their home port. Photo Editions Jove courtesy France Actuelle, Washington, D.C.

Overall policy resembles policies in the agricultural sector. It attempts to create a competitive framework in which fish can be landed, bought and sold freely everywhere in the Community. It attempts to eliminate discrimination between EEC producers and consumers and to stabilize prices and, hence, income. Price stabilization would create a base upon which structural improvements could be made.

The support arrangements would hinge on a support (or withdrawal) price and harmonization of the authorities' interventions to support the market when catches outrun demand. The withdrawal price would be calculated in relation to a guide price.

The Commission's draft proposal recognizes that during the transitional period, support measures might have to operate at different price levels, depending on conditions in the member states. A system of intra-Community levies would assist producers until prices had been realigned. Gradually, these levies would be reduced, in a way similar to the reductions effected in levies on more strictly "agricultural" products.

GATT Rules to Govern Imports

The draft policy specifies that the common customs tariff be applied in accordance with the General Agreement on Tariffs and Trade to ensure fair market protection wherever normal competition determines outside prices. To allow the natural maritime tendencies of some member states full play the Commission proposed to minimize the disruptive effects of external factors on the EEC market. It suggested the application of quality standards to imports and the temporary limitation of any imports which have been the object of support buying.

Community Funds Would Support Social Policy

The social policy, indispensable to a common fisheries policy, would concentrate on elaborating criteria for working and living conditions on board ship, vocational training, social assistance and welfare. These measures would facilitate technical adaptations required by the economic and social principles of the Rome Treaty.

Community funds would be provided, depending on the use, by the European Agricultural Guidance and Guarantee Fund (EAGGF), the European Investment Bank, and the Social Fund.

EXTERNAL TRADE IN FISH, CRUSTACEANS AND MOLLUSKS

(Includes catches landed directly in foreign ports by member states' fishing vessels) Net imports (—) (1000 tons) Net exports (+)

		World	Member States	Non-member States	Per cent of Total
Germany	1961	—166.4	— 5.8	—160.6	97
	1962	—164.8	— 7.1	—157.7	96
	1963	—181.1	— 3.2	—177.9	98
Belgium	1961	— 67.6	— 55.1	— 12.5	18
	1962	— 65.7	— 53.9	— 11.8	18
	1963	— 67.6	— 46.6	— 21.0	31
France	1961	— 91.0	— 47.3	— 43.7	48
	1962	—115.7	— 62.3	— 53.4	46
	1963	—148.3	— 67.1	— 81.2	55
Italy	1961	—151.3	— 27.3	—123.7	82
	1962	—163.3	— 19.3	—144.0	88
	1963	—174.7	— 17.0	—157.1	90
Netherlands	1961	+152.0	+134.2	+ 17.8	12
	1962	+145.9	+138.8	+ 7.1	5
	1963	+136.5	+132.1	+ 4.4	3

TOTAL NET EEC IMPORTS:

1961—322.7 thousand tons, \$128.5 million
 1962—359.8 thousand tons, \$159.0 millions
 1963—432.8 thousand tons, \$194.7 million

More French Tourists Discover Spain

Six out of ten Dutchmen, five out of ten Frenchmen, and four out of ten Germans leave their homes on vacation, according to recent Gallup International polls.

Of those Germans taking vacations away from home, one out of two leaves the country, compared to four out of ten Dutchmen who depart from Holland. Up to 1963, only one French vacationer out of ten left France. Since then, however, the number of Frenchmen going to Spain has increased remarkably and contributed in 1965 to give France a small adverse balance of tourist payments for the first time.

COMMUNITY IMPORTS 77 % OF TOBACCO NEEDS

Production Has Not Expanded with Demand

HIGHER LIVING STANDARDS IN THE EUROPEAN COMMUNITY have quickened smoker demand.

Member states' annual tobacco harvests, however, have remained relatively constant since 1964, at 130,000 to 140,000 metric tons. By 1964, the Six produced only 23 per cent of their tobacco requirements, according to a study published by the French bank, Société Générale. Tobacco processors alone imported 267,000 tons of unprocessed leaf that year.

From 1954 to 1964, increasing harvest yields offset declines in the number of tobacco planters and acres under cultivation, but as cigarette smoking becomes more popular, the member states must rely more and more heavily upon unprocessed tobacco imports.

The study indicates that high costs of wages, fertilizers and intensive cultivation methods make tobacco growing expensive in the EEC countries. Dark tobacco, for example, can be cleared through customs at \$0.37 to \$0.42 per pound, as compared with local production costs of \$0.65 to \$0.74 per pound. Other factors the study mentioned as mitigating against local production were the uncertainties of the weather and mildew blights and the wide variety of tobaccos required for increasingly complex blends.

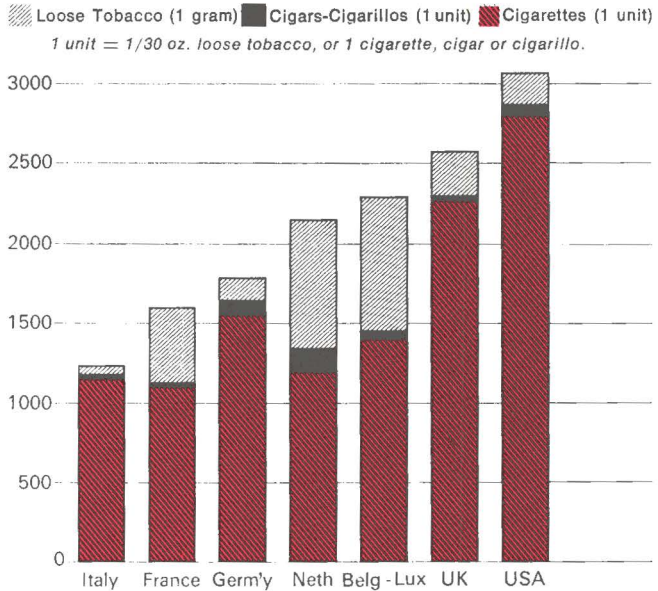
Highly Refined Tobacco Preferred

As living standards rise and more women acquire the smoking habit, consumer tastes evolve towards more highly refined and expensive products. The study found proof of this trend in the popularity of "American" cigarettes containing Virginia and aromatic tobaccos, the sharp increase in cigar smoking, and falling demand for packet tobacco smoked in

An employee of the Van der Elst factories, Anvers, Belgium sorts filter-tip cigarettes, which are becoming more and more popular in the Community. Photo: Willy FRANCOIS, Brussels



Per capita tobacco consumption 1964



pipes and rolled cigarettes. Despite this evolution, however, as the graph above indicates, tobacco tastes remain widely divergent throughout the Community.

The tobacco industries too have adapted to demand. Cigarette manufacture, with a 5.3 per cent growth rate from 1954 to 1964, led the tobacco industries. Cigars and cigarillos followed, with an average growth rate of 1.7 per cent. All other tobacco manufactures declined slightly.

Promotion of filter-tipped cigarettes arrested the drop in cigarette consumption which followed publication of reports on the harmful effects of smoking. Filter-tipped cigarettes captured 48 per cent of the EEC cigarette market in 1964. (Filter cigarettes, by contrast, hold 62 per cent of the United States market.)

The average EEC inhabitant consumes far fewer than the 3000 cigarettes Americans and Swiss smoke each year, the study pointed out. This relatively unsaturated market and the increase in popularity of the filter-tipped cigarettes, seem to assure continued growth in the EEC tobacco industry, the report said.

Responding to increased demand, the European industry has modernized and consolidated. The cutting and shredding processes and the manufacture and packaging of cigarettes and pipe tobacco have been mechanized, as has, to a lesser extent, the manufacture of cigars.

Monopolies Restricted EEC Tobacco Trade

Tobacco, as a non-essential but widely-consumed commodity, has historically borne heavy taxes. The French and Italian state monopolies resulted from this burden, according to the study. Although excise taxes on tobacco no longer contribute substantially to member states' revenues, the study indicated that the governments still collect 55-60 per cent of the German and Belgian manufacturers' turnover taxes and more than 75 per cent of the French and Italian monopolies' sales receipts.

French and Italian monopoly authorities supervise all

phases of tobacco cultivation, manufacture and sale. They buy the whole crop at a fixed price, process in their own plants, license tobacconists and set retail prices. In the Federal Republic of Germany and the Benelux countries, on the other hand, the governments exercise little control over the tobacco industries, and prices are competitive.

National tariff policies and government monopoly policies in the past hindered trade in tobacco among the EEC countries. Since the Treaty of Rome, however, import quotas at reduced tariff rates have represented a growing proportion of national production. Member states' external trade in tobacco rose 53 per cent between 1961 and 1964. Intra-Community trade constituted 65 per cent of that increase. The study noted that the greatest increases in imports from other member states occurred in France (140 per cent) and Italy (127 per cent). These increases did not substantially increase other EEC countries' share in those national markets. In France, for example, cigarettes produced in other member states then represented only 0.6 per cent of total cigarette sales.

The Commission has expressed its intention of proposing a common policy on tobacco by the end of 1966, modifying state monopolies and eliminating discriminatory taxes. The bank study concluded, however, that differences in consumer tastes between the member states would remain, constituting barriers to trade for some time to come.

German Workers Wages Highest in EEC

German workers still receive the highest wages in the Community, but the Dutch and Italians, at the bottom of the pay-scale, are slowly catching up.

A recent EEC Statistical Office survey of wages and salaries (from 1961 to 1964) in 13 leading Community industries also reveals a more stubborn disparity in salaries than in wages paid in the different member states.

Belgium and Luxembourg, at a relative index of 94, rank second to the Federal Republic of Germany in the wages paid to their blue-collar workers. France follows, at an index level of 91. The Dutch and the Italians came last, with wage levels respectively 18 per cent and 12 per cent lower than in Germany.

Since 1961, Italian wages have improved 57 per cent. Dutch wages registered the next largest gain, 42 per cent. A 36 per cent rise occurred in Belgium, 32 per cent in Germany, and 25 per cent in France. Luxembourg had the lowest rate of increase, 19 per cent.

The same survey disclosed that the French white-collar worker earns the highest salary in the Community. His German counterpart, receiving 25 per cent less, fares only 3 per cent better than the Dutch white-collar worker who receives the lowest salary in the Community. Luxembourg and Italy follow France, with relative indices of 97 and 91 respectively. Salaries of the Belgian white-collar worker were 19 per cent below the French average.

As in the case of average wage increases since 1961, salaries in Italy registered the highest gain, 42 per cent. Increases in Belgium and Luxembourg averaged slightly more than 21 per cent. The 29 per cent average increase in French salaries almost matched the 32 per cent rise in Dutch salaries.

Recent Books on Community Topics

EUROPEAN COMMUNITY will periodically list books dealing with Community and Atlantic topics. This presentation does not indicate approval or recommendation of the publications.

van Oudenhove, Guy, *The Political Parties in the European Parliament*, A.W. Sijthoff, Leyden, Holland, 1965, pp. 268.

Although selected by their national parliaments, the members of the European Parliament are organized in political parties which transcend national borders in the Community. This book reviews the development of the political parties, first in the Common Assembly of the European Coal and Steel Community and then in the European Parliament of the three Communities up to September 1962. After a general discussion of the formation of the political groups in the Assembly and the Parliament, the author discusses the parties' attitudes toward major issues of the Community. He concludes that as a result of the political groups' development, European party politics are a clearly discernable force.

Lecerf, Jean, *Histoire de l'unité européenne*, Gallimard, Paris, 1965, pp. 384.

A comprehensive history of the development of European unity with concentration on the role of the European Communities. The first part is devoted to a study of Europe of the Six from the Schuman Plan to the Fouchet Plan. A second part discusses the concept of a larger European unity including Great Britain and other EFTA countries, the African associates, Greece and Turkey. In a concluding part the author outlines the progress of the Community since January 1963 and the perspectives for the future. He concludes that a united Europe will not remain limited to the Six.

Reuter, Paul, *Organisations Européennes*, Presses Universitaires de France, Paris, 1965, pp. 451.

The author, who has written extensively in the past about European organizations, reviews all major aspects of European integration and cooperation since the war. In an introduction he presents the problems and development of European organizations. He then treats those organizations which are based on cooperation as opposed to unification including the OECD, EFTA, the Council of Europe and NATO as well as institutions existing in Eastern Europe. The major part of the book is devoted to the European Communities, their general characteristics, the common economic policy, specialized areas of competence, and external relations.

Lord Gladwyn, *The European Idea*, Frederick A. Praeger, New York, 1966, pp. 159.

Lord Gladwyn argues in this essay that the European countries must unite to play a major role in a world of two great powers. He traces the development of the "European Idea" and claims that it has failed in the past because the concept has not been fully understood.

Political Community Campaign Launched

A Campaign for a European Political Community was launched in Great Britain on June 28. More than 200 Members of Parliament and the House of Lords and an equal number of leaders in the industrial, financial and academic communities signed the campaign's policy declaration.

"The time has come for Britain to define her policy towards the European Common Market," the declaration stated. It called on Britain to accept all principles of the Rome Treaty and urged British support for a community in which "economic decisions in carefully defined areas are taken by a Council of Ministers by weighted majority voting on the proposals of an independent Commission, similar techniques being gradually adopted in the political sphere as well."

Each step towards an economic and political community, the declaration said, should be "guided by the paramount need to create a united Western Europe within the framework of the Atlantic Alliance." A democratic and united Western Europe "would be in a strong position to establish close and friendly relations with Eastern Europe and to give effective support to the developing world."

European Road Deaths Top U.S.

Twenty-three European countries reported a total of 68,510 highway deaths and 1,840,910 injured on the roads in 1964. The comparable figures for the United States were 47,700 deaths and 1,700,000 injured.

At the beginning of 1965 there were 72 million passenger cars and 14 million commercial vehicles in the U.S. compared with only 40 million cars and 7 million commercial vehicles in Europe. In addition, U.S. drivers average greater distances per annum than their European counterparts.

Of the more than 68,000 people killed on European roads in 1964, 38 per cent were occupants of cars, 31 per cent were pedestrians, 20 per cent were riders of motorcycles, scooters or powered bicycles, and 10 per cent were riders of ordinary bicycles. There are about 10 times as many motorcycles (about 7 million) in Europe than in the U.S., and bicycles are much more common there than in this country.

Other statistics show that 57 per cent of the highway dead in Europe were under 15 and over 65 years of age.

HA Steel Congress Focuses on Agriculture

The third International Steel Congress, sponsored by the High Authority of the European Coal and Steel Community, will bring to Luxembourg industrial and agricultural experts to discuss steel's potential contribution to agricultural progress.

Meeting October 25-27 in Luxembourg, researchers and technologists will pool theory and experience in using steel in farm buildings, installations and machinery and in stor-

ing and marketing agricultural products. The place of steel in developing countries' agriculture will also be examined, with special attention given to tropical countries.

The Congress will meet in general sessions and in committees devoted to particular applications of steel in agriculture. Dutch, English, French, German and Italian will be the working languages. Simultaneous interpretation will be provided.

Participants must register no later than October 1, 1966. Applications may be obtained by writing: Steel Congress, ECSC, Luxembourg.

Jury Awards 98 European Baccalaureats

The 1966 European Baccalaureat Jury has chosen 98 of the 120 candidates prepared by the four European Schools to receive the European Baccalaureat degree.

This degree assures admission to any university in the EEC and Austria as well as to certain British, Swiss and American schools. Since 1958 when the first European School was founded in Luxembourg, 319 students have earned European Baccalaureats. The jury, composed of academic authorities from each EEC country, made the awards on the basis of written and oral examinations. Chairman of the 1966 Jury was Professor Luigi Campedelli of the University of Florence.

This year, all 11 candidates from the European School in Varese received European Baccalaureats. Mol, the newest European School which had just completed its first session, had five of its six students accepted. Fifty-seven of the 67 students from the European School in Brussels and 25 of the 36 students from the European School in Luxembourg passed the examination.

Where To Study In Europe—V

Luxembourg Center Offers Spring and Fall Sessions

The International Center for European Studies and Research in Luxembourg offers spring and fall post-graduate sessions in law, economics and political science. Each session lasts three to four weeks, and consists of courses on the juridical, political and economic problems involved in European integration.

Under the direction of R. Bayens, chief adviser, Legal Service of the European Executives, the Center also:

- Sponsors individual and group research on problems posed by European unification.
- Organizes conferences.
- Plans lectures open to the public. Past speakers have included such authorities as Dino del Bo, President, High Authority, ECSC and Michel Debré, present French Minister of Finance.

Further information about the program and applications for admission may be obtained from the University Secretariat, 13 rue du Rost, Luxembourg, Luxembourg.

PUBLICATIONS AVAILABLE

13 ANNÉES D'ACTIONS SOCIALES DE LA HAUTE AUTORITÉ DE LA C.É.C.A., High Authority, Luxembourg, 1966, 39 pages, (mimeographed) free

A summary of the High Authority's activities in the areas of health, education, and welfare from 1953-1966.

L'INFLUENCE ÉCONOMIQUE DU PRIX DE L'ÉNERGIE, *Série Économie et Finances*, No. 4, EEC Commission, Brussels, 1966, 144 pages \$2.40

Study prepared for the EEC Commission by a group of experts. The study deals with:

- The share of energy costs in total production costs in various industrial sectors.
- The role of energy prices among the various factors that affect economic growth.
- The influence of energy prices on the localization of industries and on regional economic development.

STATISTICAL INFORMATION, 1966, No. 2, Statistical Office of the European Communities, Brussels, 177 pages \$2.00

This issue contains the following articles in the languages indicated. English summaries follow each article.

- IMPORT DUTIES INSIDE AND OUTSIDE THE EUROPEAN ECONOMIC COMMUNITY (English)
- ASCERTAINMENT OF RESPONSE ERRORS IN LIVESTOCK CENSUSES BY SAMPLING METHODS—RESULTS OF THE PIG CENSUS IN THE AGRICULTURAL AND HORTICULTURAL CENSUS OF MAY 15, 1965 IN BELGIUM (German)
- FIRST RESULTS OF THE 1963-1964 HOUSEHOLD BUDGET SURVEY IN BELGIUM, LUXEMBOURG, AND THE NETHERLANDS (Dutch)
- SOME COMMENTS ON BASIC AGRICULTURAL STATISTICS IN THE ASSOCIATED AFRICAN STATES AND MADAGASCAR AND THE EEC COUNTRIES (French)
- COST ESTIMATES FOR AGRICULTURAL STATISTICS (Dutch)
- OILS AND FATS POLICY IN THE COMMON MARKET (Dutch)

MAIN OUTLINES OF A COMMON FISHERIES POLICY FOR EEC, EEC Commission, Brussels, July 1966, 6 pages, (mimeographed) free

OPTIONS IN TRANSPORT TARIFF POLICY was incorrectly listed in the July issue of *European Community* as OPINIONS IN TRANSPORT POLICY. The publication may be purchased as otherwise announced.

U.S. postal regulations require that the mailing list of European Community subscribers include zip codes by January 1, 1967. Readers, whose zip codes are not included with their addresses on this bulletin, are requested to inform the European Community Information Service, 900 17th Street N.W., Washington, D.C. 20006 of their zip codes immediately. Requests for new subscriptions, publications, or other information should also include the zip code in the return address. Thank you.



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