

# research and technology

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Extract from the  
Address given by Mr Franco Maria Malfatti,  
President of the Commission of the European  
Communities,  
before the European Parliament  
on 15 September 1970

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.... The common policies which are already in being, and the new ones still to be proposed, must be seen in the context of an economic and monetary union.

It is more and more vital to establish a blueprint for Europe in which clear-cut qualitative aims will guide the drive for growth. The Commission is determined to push ahead and complete the ideas already being worked out in this connection. But sustained growth is undoubtedly the sine qua non for this broadening of our horizon. And such growth requires meticulous identification of the sectors of Community activities of special strategic importance in the growth process.

In this connection, I would stress the importance attached by the Commission to the scrutiny and implementation of the industrial policy proposals it submitted last spring. They are intended - it is worth recalling - to round off the single market, to unify the legal, fiscal and financial

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framework in which enterprises operate, to promote the restructuring of enterprises, to organize the changes and adaptations on which industrial progress depends and to reinforce the Community's solidarity in its relations with non-member countries.

But the dynamism of the market, in industrial matters, cannot be the result of a laissez-faire approach. It must be supported by measures ensuring that its structure can be adapted to meet any changes in private and public demand; promotion of new technologies through scientific and technical policy, supervision of production structures through competition policy, adjustment and improvement of trading conditions through commercial policy, improvement of infrastructure via transport and energy policy, and a far-sighted town and country planning policy.

I shall not spend time going into all the proposals already submitted on these various points. They have already been referred to the Parliament, and the Commission will not fail to elaborate them and to add fresh ones in the next few years. But allow me to make a few points in this connection.

The first is of a general nature. An effective industrial policy can be implemented at Community level in the seventies only if it is dovetailed into the advance towards a real economic and financial union which has all the practical advantages of an economic and financial area of continental dimensions. Unification of the legal, fiscal and financial framework in which firms operate is of fundamental importance - as I have already said - in this connection. Establishment of a European capital market, furthermore, is basic to an industrial policy that will encourage firms to attain a size consistent with new market and technological requirements, and to strengthen their financial structure. Interpenetration of the capital markets would make it possible not merely to combine their respective resources but even to multiply them. By acting as an incentive to monetary saving, it would cause capital now invested in non-member countries to flow back into the Community economy, and could also attract foreign capital. As regards industrial policy, the Commission intends to sponsor a meeting in 1971 of all the parties concerned.

My second point concerns a key aspect of industrial policy - scientific and technological development.

Community work in this sector has been in very low gear since the Hague communiqué and the Council decisions adopted a few days after, despite the hopes aroused by these two developments. At the moment it is still impossible to say with sufficient confidence that this work will be successful or that adequate decisions will be adopted.

The Commission therefore intends to map out in the next few months, on the basis of all the preparatory work done by the relevant committees and working parties and by its own staff, an overall scheme for technological and scientific research and development policy as a guideline for the next few years. Concurrently the Commission plans to propose a first set of practical measures for action in specific sectors of Community interest.

The function of the Joint Research Centre and its activities will therefore be fitted into this master plan, where they will find their most authentic *raison d'être*. In the meantime the Commission is determined to complete the restructuring of the Centre so that it can operate with maximum technical efficiency and enjoy the necessary autonomy.