

# EUROPEAN STUDIES

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# Aristide Briand, Gustav Stresemann and the unity of Europe

*Aristide Briand and Gustav Stresemann formulated proposals for a united federal Europe as early as the late 1920's and early 1930's at a time when Europe was threatened by fascism and the world economic depression. They served as an inspiration to resistance leaders and as an intellectual point of departure for the post-war fathers of Europe.*

Aristide Briand, born at Nantes in 1862, and Gustav Stresemann, born in Berlin in 1878, had one thing in common from the beginning, they were both sons of innkeepers. Their early careers were, however, very different. Briand studied law in Paris, where he very much identified himself with socialist politics. Together with Jean Jaurès he founded "L'Humanité." At this time he was very far to the Left and at the Nantes conference of the socialist party in 1894 he secured the adoption of the idea of the General Strike. His acceptance of a ministry in 1906 brought about his inevitable exclusion from the socialist party still wedded to the idea of no co-operation with the bourgeois state. In the classic French tradition he then moved steadily to the right. In 1909 Clemenceau fell from power and Briand became Prime Minister for the first time. He was to hold the office ten times in all.

Stresemann's rise though meteoric by the standards of Imperial Germany was much slower. After three and a half years at the Universities of Berlin and Leipzig, he completed his Doctorate in 1900 with a dissertation on the Berlin beer industry. Having decided upon a career in business he then accepted a post as assistant to the chairman of the German chocolate makers' union in Dresden. Within a few years he had made an outstanding success of this venture. In 1903 he joined the National Liberal Party

and in 1907 at the age of twenty-nine he was elected to the Reichstag for the first time.

## **The war of 1914-1918**

Both men supported the war, Stresemann more enthusiastically than Briand. Stresemann at that time was one of the National Liberals of whom it could truly be said that they were more national than liberal. His support of the "annexationist" claims of the High Command was very popular within his own party and in 1917 Stresemann became Chairman of the Parliamentary Party though not of the national party organisation.

## **The post-war world**

The careers of both men suffered a temporary eclipse in the immediate post-war period. Briand had been displaced by Clemenceau in 1917 and he took little part in French public life again until 1921. Stresemann's fall, identified as he had been with the goals of the militarists, was more far-reaching. He was excluded from the Democratic Party, the first successor party to the National Liberals. He then promptly set up a party of his own, the German

Peoples Party, the D.V.P. Between 1918 and 1923 he remained a monarchist and carried on an essentially nationalist opposition to the Weimar Republic, especially after the signature of the Versailles Treaty. In 1920, for instance, he was prepared to support the Kapp Putsch which overthrew the legitimate government. Gradually he came to realise that the Republic was a necessity, mainly through his experience as Chairman of the Foreign Affairs Committee of the Reichstag. He became what was often called a "Vernunftrepublikaner"—a republican in mind if not in heart.

Immediately after taking office as Chancellor in October 1923 Stresemann was faced with a grave crisis in Franco-German relations, due to the continued French occupation of the Ruhr. Stresemann, despite the nationalist nature of his past and much of his support, decided to abandon the policy of passive resistance to the French. While this step cost him the Chancellorship he was retained as Foreign Minister and the decision proved to be the beginning of the end of the Ruhr crisis. New elections brought men of the moderate Left, Herriot in France and MacDonald in Britain, to office. In the new climate the Locarno agreement was signed in October 1925.

### **Locarno**

The Locarno agreement was a high point in the history of interwar Europe and was felt at the time to have ushered in a new era. The essence of the agreement was to provide a solution to the Franco-German problem. It was an ingenious solution that reconciled the French desire for security with the German wish for the recovery of a place in the community of Europe; Britain and Italy were to act as guarantors not of France, of Belgium or of Germany, but of the frontiers between the first two and the last. While the treaty thus guaranteed Germany's western frontier, it did not do so in the East where Stresemann refused to enter into any engagements. It did, however, usher in a new era of Franco-German unity, the more especially since one of the preconditions for France had been German renunciation of her claims on Alsace-Lorraine. Stresemann, like Adenauer later in relation to the Saar, accepted this without demur since the territories were lost in any case. In the new climate of friendship, Briand was one of the prime movers of the German candidacy of the League of Nations,

which was accepted in 1926. In the same year Briand, Stresemann and Chamberlain were jointly awarded the Nobel Prize for Peace.

### **Briand's proposals for a "federal bond"**

The background to the Briand proposals was provided by the cordial nature of Franco-German relations and the ideas of Count Coudenhove-Calergi. Coudenhove-Calergi published his book "Pan-Europa" in 1923 and very quickly became intimate with Herriot and Briand. Herriot espoused the idea of a United States of Europe as early as 1925.

Briand became converted more slowly but at the meeting of the League Council in Madrid—in June 1929—he talked over the idea of an initiative in this direction with Stresemann. Briand announced his project on 5 September 1929 at the 10th session of the League of Nations assembly. Briand spoke with the two-fold authority of his personal prestige and of his position as French foreign minister when he said:

"I think that among peoples constituting geographical groups like the peoples of Europe, there should be some kind of federal bond; it should be possible for them to get in touch at any time, to confer about their interests, to agree on joint resolutions and to establish amongst themselves a bond of solidarity which will enable them, if need be, to meet any grave emergency that might arise. This is the link I want to forge. Obviously, this association will be primarily economic, for that is the most urgent aspect of the question, and I think we may look for success in that direction. Still, I am convinced that, politically and socially also, this federal link might without affecting the sovereignty of any of the nations belonging to such an association do useful work; and I propose during this session to ask those of my colleagues who here represent European nations to be good enough to consider this question unofficially and to submit it to their governments for examination, so that these possibilities which I see in the suggestion may be translated into realities later."

Briand's proposal was supported by Stresemann

who characteristically supported Briand's speech while attacking the Versailles settlement.

"Why should the idea of uniting all the elements that can bring the countries of Europe together be impossible? . . . I absolutely reject any political ideas directed against other continents and anything that could be interpreted as an economic autarchy of Europe, but it does seem to me that a great deal has not been done that could still be done. . . How many things there are that appear so extraordinarily arbitrary about Europe and its construction from the economic point of view. . . The Treaty of Versailles has created a large number of new states. I do not propose to discuss the political aspects of the Treaty of Versailles; I assume that my views on it are known. But I should like to emphasize the economic aspect and say that this treaty, while creating a large number of new states, entirely ignores the question of their incorporation in the general economic system of Europe. . . Are not the subdivisions born of national prestige long since out of date and do they not do our continent an immense amount of harm, not only in the relations between various countries but also in those between Europe and other continents?"

Briand, after a private discussion with the delegates of the European member states, undertook to prepare a memorandum. The fates were against him however. The world economic crisis deepened and Stresemann died in October 1929.

### The Briand Memorandum

Briand's memorandum, "**Sur l'organisation d'un régime d'union fédérale européenne**" was published on 1st May 1930. This provided for the establishment of a "European conference" composed of the representatives of all the European states belonging to the League of Nations. This conference was to be founded upon three principles:

1. "*The general subordination of the economic problem to the political problem.*"

2. "*The principle that European political cooperation should be directed towards . . . a federation based on the idea of union and not of unity, that is to say,*

*a federation elastic enough to respect the independence and national sovereignty of each while guaranteeing to all the benefits of collective solidarity.*"

3. "*The principle that the economic organisation of Europe should be directed towards . . . a rapprochement of the European economic systems effected under the political supervision of the governments acting in concert.*"

M. Briand, or perhaps the anonymous drafters at the Quai d'Orsay, were at pains to forestall two possible criticisms that the plans might interfere with the sovereign independence of states and the functions of the League of Nations.

The proposed federation then was to be *a moral union of Europe* based upon *the existence of the solidarity established between the states of Europe*. The participating states were not required to surrender any powers to the federal authority, but were merely to *undertake to get into touch regularly in order to examine in common all questions likely to be of interest to the Commonwealth of Europe peoples*.

In regard to the relations between the proposed European Federal Union and the League of Nations, he presented the Union as *a bond of solidarity which would permit the nations of Europe at last to become conscious of the geographical unity of the continent and to realise within the framework of the League, one of those regional understandings that were formally recommended in the covenant*.

Many criticisms can be made of the plan. The three European non-members of the League, Turkey, Russia and Iceland were not to be asked to join. It failed to face up to the necessity for creating some supra-national European political institution without which every single state would retain the power of veto on all actions. The earlier priorities were reversed. The new emphasis was to be on the political not the economic sector; an understandable decision in face of the depression—it nevertheless condemned the plan to impotence. That it was the most that could be hoped became clear from the replies of the various governments.

The twenty-six replies received were at best lukewarm. The participation of the United Kingdom was seen as a *sine qua non* and the attitude of the UK could best be described as guardedly hostile.

On 8th September 1930, delegates from the twenty-seven European members of the League met privately at Geneva to decide what action should be taken at the 11th session of the Assembly regarding the plan. It was decided to submit the plan to the Assembly for further study on the 16th September. Further progress was more or less ruled out by the spectacular success of the Nazis in the German election of 14th September 1930. After the debate on the 16th September it was decided to set up a Commission of Inquiry for European Union with the Secretary-General of the League as its Secretary. This Commission extended an invitation to the three excluded governments, Turkey, Iceland and the USSR, to participate in the discussions: all three governments accepted. What discussion there was of Briand's plan in 1931 had no more reality or prospects of realisation than the interminable discussion on disarmament. The climate of Geneva was changing under the impact of the world depression, the spirit of Locarno as Mussolini put it had evaporated, the heyday of the League was past. Briand died a weary and broken man in 1932 after having been Foreign Minister continuously since 1926.

### The present day significance

Stresemann, though much less imaginative and far-reaching in his ideas than Briand, has tended to be seen as more relevant than Briand. His move from nationalism of a very belligerent kind to a realization of the limitations inherent in Germany's position was an experience familiar to a whole generation of

post-World War II Germans. His low-key, unemotional realism, his policy of Franco-German rapprochement, his abandonment of territorial claims in the West anticipated the main features of Adenauer's policy. As with Adenauer his attitudes towards Eastern Europe would now be seen as less praiseworthy. In general terms then he calculated like Adenauer that hindrances to Germany's international position could not be removed by acting intransigently, but by acting politically, by exploiting the latent opportunities for change in the status quo.

Briand's initiative, like his pact with Kellogg in 1928 to renounce the use of force, is more of a grand gesture, a factor of symbolic importance. They were both important attempts to reduce the risks of international politics, to de-emphasise what Max Kohnstamm has called the law of the jungle in international relations. Ineffective in the Europe of the '30s, menaced by fascism and the world economic depression, they served as an inspiration to resistance leaders and an intellectual point of departure for the post-war fathers of Europe, Spaak, Monnet, Schuman, Adenauer and De Gasperi.

### Further reading

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# Regional problems in Britain and the EEC

*At the end of the nineteenth century there were in Western Europe economically advanced regions with features clearly differentiated from those found in other regions. The most advanced regions focussed on coalfields and ports and their economies were largely based on coal mining, metallurgical and textile industries. The twentieth century has witnessed a change in the regional structure with new industries growing, older regions declining, and, within the rural areas, a marked division between the richer and poorer regions. To balance the growth of the richer regions with the decline of the poorer regions is a major problem facing the governments of the nations of Western Europe. This regional problem will be discussed in a series of articles. In this one we shall examine, in general terms, the problems of the declining regions. Articles in future issues will deal with the institutions established to promote regional growth and detailed studies will be made of particular regions, including Wallonia, Brittany and Scotland.*

A recent study<sup>1</sup> of the EEC has divided the territory of the Six into three regions: agricultural regions, industrial regions and semi-industrial regions.

**Agricultural regions** mostly lack industries which are not based on agriculture; persons engaged in farming account for 20-40 % of their total labour force; their infrastructure<sup>2</sup> is underdeveloped, and their tertiary sector, i.e., service activities such as banking, insurance and transport, may be relatively large but it is hinged mainly on agriculture. The population density is low, usually less than 100 persons per square kilometre. Accounting for some 50 million people, the agricultural regions occupy more than half the total land area of the Six.

**Industrial regions** are marked by high population densities, usually more than 200 persons per square kilometre, and a small proportion of the population (less than 10 %) engaged in agriculture. The infra-

structure is well developed and there is considerable tertiary activity. Accounting for some 75 million inhabitants, these industrial regions occupy some 16 % of the Community's area.

**Semi-industrial regions** are in the early stages of industrial growth. Some 15 % of their population is engaged in farming and the population density is about 150 persons per square kilometre. They have a fairly well-developed infrastructure and a relatively small tertiary sector. These regions occupy about one-third of the Community's territory and account for some 55 million people.

Within these large regions there are some smaller regions which are growing economically, and others which are marking time or declining.

## The declining agricultural regions

These are distributed around the periphery of the map and among the highland areas. They include the southern peninsula of Italy, Sicily, Sardinia, Corsica,

<sup>1</sup> Memorandum on Regional Policy in the Community (see Further reading).

<sup>2</sup> Infrastructure in an umbrella term used to cover means of transport, communications and telecommunications, housing and all the facilities which enable urban areas to fulfil their many functions, with all that this means in terms of services and environment, including places for living, working and enjoying leisure. It includes public amenities such as water and electricity, education and medical services.

the west and south of France, central Wales, northern Scotland, parts of the Alps, the Appennines, the Pyrenees and the French Central Massif.

The population in these regions is scattered through many farms, small villages and market centres. Pressure from overseas competitors which intensified in the mid-nineteenth century increased as trade barriers were lowered and transport facili-

ties became more efficient. In Britain one can look to the effects of the repeal of the Corn Laws in 1846 upon cereal farming, and, later in the century, to the impact of the arrival of refrigerated cargoes of mutton and beef upon livestock farming. Similar pressures were experienced by farmers in the Six. Imported grain and meat poured into European markets from North and South America and Australasia.

Table 1 **Employment in agriculture in the EEC and the UK**

	1950		1960		1968	
	Number employed (thousands)	% of total employed	Number employed (thousands)	% of total employed	Number employed (thousands)	% of total employed
Belgium	368	11.3	257	7.7	201	4.3
France	5,438	28.3	4,029	20.7	3,108	15.5
Germany	5,020	24.7	3,623	13.8	2,630	10.0
Italy	6,945	41.0	5,870	30.8	4,254	23.2
Luxemburg	32	24.0	22	16.4	17	11.4
Netherlands	553	14.1	429	10.3	352	7.7
EEC	18,336	28.8	14,229	19.65	10,562	14.6
UK	1,196	5.1	1,031	4.0	730	2.9

Sources: Memorandum on the reform of agriculture in the EEC Commission of the European Communities, 1968 ; Basic statistics of the Community, Statistical office of the European Communities.

In the rural villages craftsmen had produced high-quality goods, such as wool textiles and timber products, and these had been sold in the expanding urban industrial centres. Mass-produced goods from urban factories came to compete with the craftsman's products and this resulted in local redundancies.

The exodus of rural inhabitants from farms and villages to the industrial towns and to overseas countries increased through the nineteenth century and has continued up to the present. The mechanisation of agriculture plus the rationalisation of farms into more efficient units have sustained rural depopulation. Although production figures for most agricultural products have increased in recent years, the movement of people out of agriculture has not been halted. The drift from the land can be seen in table 1.

In general the declining agricultural regions are characterised by low *per capita* incomes, aging populations, low standards of living and a lack of new private investment. The result of these conditions, briefly, is rural depopulation, with young people leaving the regions to migrate to industrial centres or overseas countries.

Within the declining agricultural regions one can distinguish three regional types.

#### a) **The hill and mountain regions**

These regions have supported small communities based on subsistence farming. The paucity of the

physical resources together with the isolation of upland areas from more developed areas have rendered the farms only marginally viable. The underdeveloped infrastructures have resulted in depopulation. Adequate educational and medical facilities cannot be provided in regions which cannot readily attract professional personnel, and where good transport facilities and supplies of water and electricity may be lacking. High altitudes combined with adverse winter weather conditions increase the isolation of these regions. Faced with these conditions young families leave these regions and whole communities have ceased to exist. Small cultivated areas have returned to forest and heathland. Parts of the Scottish Highlands, the Ardennes and the Alps exhibit these features.

#### b) **France, south of the Loire and west of the Rhône**

Included in this large region are the Landes, the Central Massif and the Pyrenees. The Central Massif and the Pyrenees have conditions similar to those already outlined above. The Landes is a coastal area of dunes and sandy soils which are being reclaimed mainly by afforestation. Generally the whole of south-west France is of marginal agricultural value and depopulation is a feature. The rate of exodus of young persons is not matched by the influx of new families. The income derived from agricultural activities is insufficient to provide an adequate standard of living. Farms are small and

highly skilled farmers cannot receive adequate compensation for their skills; such farmers are more profitably employed in the more affluent agricultural regions. In the last decade in France some 130,000 persons per year have left agriculture and this movement is most obvious in the south-west of France.

### c) The Mezzogiorno

Despite a high rate of emigration the Mezzogiorno continues to have a high population density, with a high birth rate. The underemployment of the population accelerates rural depopulation and this further reduces the chances of new development coming to the region. The agricultural economy is poor, being characterized by subsistence farming on small units, and there are few marginal benefits to ameliorate the poor living conditions. Rural depopulation has not only resulted in farms going out of production but it has also reduced the social viability of the small villages and towns.

## The older industrial regions

These regions profited largely from the industrial revolution of the nineteenth century. The use of coal for power production, access to large markets at home and abroad, the availability of large reserves of cheap, unskilled labour, the supplies of capital for investment from commercial activities in various parts of the world, resulted in the creation of industrial regions based upon textile and heavy metallurgical industries. Today some of these regions are experiencing economic difficulties, including:

- underemployment of existing labour forces;
- reduction in the quality of housing facilities and the urban environment;
- out-dated urban centres, often congested and polluted by intensive vehicular use, which result in inefficient trading and transport facilities;
- the closure of some labour-intensive industries and the introduction of new capital-intensive industries.

The expression "urban blight" is sometimes used to summarize the characteristics of these older industrial regions. Regions with some or all of the characteristics listed above include:

- in **Germany**, parts of the Ruhr and Saar coalfields, small isolated valleys and mining centres in the Siegerland, the Harz and in Hesse, also the textile centres of Munster, München-Gladbach and parts of Franconia;

- in **Belgium**, the whole of the Sambre-Meuse coalfields, and, to a lesser extent, the mining centres in the Campine;

- in **France**, the coalfields of the Centre-Midi (Loire, Cévennes, Aquitaine, and Auvergne), also the larger textile centres of the Nord and Vosges, the iron ore mining and steel centres of Lorraine, certain port regions, such as Saint-Nazaire, where the traditional industries are experiencing problems;

- in **Luxemburg**, the iron and steel centres in the south;

- in the **Netherlands**, parts of the port regions which rely upon older industries, plus the peat-producing centres of Drenthe and the coal centres of Limburg;

- in **Italy**, some localized centres of shipbuilding, and mining centres based upon mercury and sulphur;

- in **Britain**, the cotton towns of Lancashire, the coalfields of South Wales, the North-East and Scotland, the shipbuilding centres of the North-East and North-West, and the smaller ports in Wales, the South-West and Eastern Scotland.

The degree of the decline varies from one region to another and from place to place within any one region. The most seriously affected regions are the small colliery centres,<sup>1</sup> the cotton textile towns and the whole of the Sambre-Meuse industrial area. These areas share the following features:

- they are the victims of the exhaustion of the resources on which they were founded, e.g., the complete exploitation of profitable coal seams and the replacement of coal by cheaper forms of power supply;

- new industries have either not moved to these areas, or, if they have, they have proved insufficient. The dominant industry employed a high proportion of the regional labour force and the old, traditional economic and social structures have discouraged entrepreneurs from developing new industries;

- the employees have skills which cannot easily be employed in other industries;

- in the process of modernisation some of the older industries have increased their total output figures but these increases have been achieved by employing capital-intensive methods and by rationalising the production units. Thus coal production figures show an increase while the numbers employed in coal mining have fallen drastically.

A comparative study of the older, declining industrial regions with the newer growing regions would reveal differences in the types of energy employed, in the degree of labour-intensity and in the types of labour employed, in the dependence on

<sup>1</sup> See table 2 and table 3



Table 2

**The changes in the numbers employed in coalmining  
in the EEC in 1967 and 1968**

	Total No. of employees in coal mining in Dec. 1968	Change from Dec. 1967	Percentage change 1967-1968
Germany	264,200	-23,200	-8 %
Belgium	54,000	-6,800	-11 %
France	141,600	-17,900	-11 %
Italy	1,700	0	0
Netherlands	32,700	-6,000	-16 %
EEC	494,200	-53,900	-10 %

Source: Table 7 in *Les problèmes de main-d'œuvre dans la Communauté en 1969*, published by the EEC in May 1969.

Table 3

**The changes in the numbers employed in coalmining in the EEC in 1967 and 1968  
Number of miners (underground and surface) (in thousands)**

	Ger.	Fr.	It.	Neth.	Belg.	EEC	UK
1968	200.1	116.6	1.4	18.7	46.3	383.2	318.7 <sup>a</sup>
1955	502.5	204.5	6.5	47.2	141.4	902.2	694.5

Source: European Community Statistical Office (Energy Statistics Series).

different forms of transport, in the amount of resources devoted to research and development, in the degree of locational mobility, in the markets in which products are sold, and in the quality of the infrastructure.

## Regions recently divided by a frontier

The Iron Curtain has divided regions which were once cohesive units. As a result of this major political upheaval lines of communication have been cut, resources are no longer available and marketing arrangements have disintegrated. In Germany this is particularly true of the region of Franconia. A similar situation is found in northern Italy in the

region of Trieste-Gorizia where the new frontier has altered communication links with Yugoslavia and the Danube.

A quite distinct affect of frontiers upon economic regions can be detected along frontiers within the EEC, where prior to the formation of the EEC and especially prior to 1939, industrial expansion in frontier zones was not attractive to entrepreneurs. The formation of the EEC has changed the picture and new adjustments must be made in the light of the changed conditions (*to follow*).

### Further reading

Hans von der Groeben, *Regional Policy in an Integrated Europe*, European Community Information Service (Community Topic, No. 33), 1969.

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# Nordic integration after world war II

*What is integration? Nils Andren who is Associate Professor of Political Science at the University of Stockholm in an article entitled "Nordic Integration" which appeared in Cooperation and Conflict, Edition I, 1967, defines integration as follows:*

*"Integration is a process which transforms a system in such a manner that the mutual interdependence of its components is increased."*

*This is the definition of integration which will be used as a basis for this article in which the mutual interdependence of the Scandinavian countries will be described and discussed.*

The deep feeling of solidarity which grew out of the war proved fertile ground for post-war cooperation in Scandinavia. The decade following World War II brought decisive developments in Scandinavian cooperation. One of the most dramatic attempts at integration just after the war was the projected defence alliance of Denmark, Sweden and Norway.

## The projected defence alliance

The event which was directly responsible for bringing up the question of a defence alliance was the Communist *coup d'Etat* in Czechoslovakia in February 1948 and the misgivings which were felt about this in Scandinavia and the rest of Europe.

A Scandinavian committee on defence consisting of representatives from Denmark, Norway and Sweden was set up in October 1948 to make a preliminary report. Finland, because of her Treaty of friendship, cooperation and mutual assistance with the Soviet Union which was signed in April 1948, could not be represented on this Scandinavian committee for defence. The Committee in its report of January 1949 declared that joint military action would materially facilitate the defence of Scandinavia provided that such action was prepared in peacetime within the framework of a defence union. It stressed the need to import essential raw materials and fuel as Scandinavia was not self-sufficient in these commodities and the need to build up Denmark's and Norway's defence forces which had been completely disorganised by the Germans during the occupation.

Despite the fact that Sweden was heavily armed while Norway and Denmark were without arms and defenceless, the Swedish government proposed a defence union of the three countries. The Swedes stipulated, however, that such an alliance should remain outside the Eastern and Western power blocs. More specifically, this meant that Scandinavia should remain outside the Atlantic Pact which the United States was developing at this time.

For Norway the decisive question was whether she could remain outside the Atlantic Pact and still secure supplies of war materials from the West. Denmark tried to reconcile the Swedish and Norwegian views.

The United States, however, insisted on membership of the North Atlantic Treaty Organisation (NATO) as a condition for supplying arms to the Nordic countries. At two meetings of leading Danish, Norwegian and Swedish cabinet ministers and members of parliament held in Copenhagen

and Oslo in late January 1949, it was agreed that a Scandinavian Defence Alliance was no longer feasible. As a result, first Norway, then Denmark and later Iceland, joined the North Atlantic Treaty Organisation. Thus Scandinavia was divided as regards defence policy. Sweden was neutral; Finland had made a friendship agreement with Russia in 1948 which also recognised Finland's efforts to keep outside the great power blocs and thus secured her neutrality; Norway, Denmark and Iceland joined NATO.

It might have been feared that the failure of the defence alliance would shatter all other aspects of Scandinavian integration. But cooperation among the Scandinavians in other fields was intensified. Leading politicians in all five countries realised the urgent need for achieving results in other fields to offset the consequences of the disagreement in foreign policy.

## Intergovernmental cooperation

Joint meetings of cabinet ministers and the foreign ministers of the Scandinavian countries became more frequent. Until 1956 Finland did not take part in the foreign ministers' meetings but was usually represented when the ministers of social welfare, justice, education and fisheries met in the various capitals at more or less regular intervals. When the study of economic problems was organised on a more permanent basis in 1954, Denmark, Norway and Sweden set up a committee of three cabinet ministers to supervise this work. Finland joined this in 1956.

A number of permanent Scandinavian organs of cooperation usually made up of government officials were formed in the post-war years to investigate current problems. At present there are five such bodies dealing with social policy, general legislation, cultural matters, transport and communications problems and economic cooperation. Apart from the last committee which Finland did not join until 1956, she took a very active part in the work of all these permanent bodies. Moreover the chief administrative officers of government railways, postal and telegraph services, broadcasting companies, factory inspection, customs authorities and health services, meet for more informal but quite regular discussions.

## Some achievements

**Disappearing frontiers.** The northern countries now form a single passport zone both for their own nationals and for the nationals of other countries. An agreement to abolish passports was signed by the Scandinavian countries in 1954 except by Iceland which later followed suit. The abolition of passport formalities between the Nordic countries is related to a considerable relaxation of customs controls which has taken place at the same time. Most customs controls are now restricted to random checks.

The removal of these restrictions has resulted in an increase in travel between the Nordic countries.

**Cooperation in transport and communications.** Soon after the war a Nordic Parliamentary Communications Committee was set up. The growth of inter-Scandinavian travel is reflected in the number of journeys taking place between Sweden and the other countries. In the first five years after the abolition of passport controls the number rose by more than 100 per cent to sixteen million per year. Another important result of Northern cooperation was Sweden's decision to go over to right-hand driving on roads. The great increase in road traffic between the Northern countries made left-hand driving in Sweden a danger to road safety. Despite the great expense and the many technical problems the Swedish Government decided to introduce the reform in 1967. Other measures of cooperation to improve road safety are also projected including the standardization of road signs and traffic regulations. There is also close cooperation on road building techniques, traffic research, accident research, etc. In shipping there are reciprocal arrangements in coastal shipping between Denmark, Norway and Sweden and there is cooperation in icebreaker, meteorological and sea rescue services.

**Cooperation in aviation.** The most successful example of Scandinavian cooperation in transport is the Scandinavian Airlines system (SAS). In the late 'thirties the special difficulties facing aviation companies of small countries induced the national airline companies of Denmark, Norway and Sweden to collaborate in serving long-distance inter-continental routes, notably across the Atlantic. Immediately after the war in 1945 the negotiations for such cooperation was resumed and on 1st August 1946 the three aviation companies and a second Swedish company established a joint company to serve the Western hemisphere—the Scandinavian Airlines System. Initially the scope of this traffic was limited to transatlantic services with the three national companies competing for European traffic. This was uneconomic and eventually it was decided to rationalise and after negotiations in which the three governments took part an agreement was signed on 8th February 1951 to reorganise SAS into one really unified and jointly owned trust company. Flying certificates for the Scandinavian airline crews were made valid for all of the three countries. Finland and Iceland operate separate airline companies (Finnair and Icelandair). They are financially successful and operate international services on a smaller scale than SAS.

**Tourist cooperation.** Tourist organisations used to aim their propaganda at attracting tourists to Denmark, or Norway, or Sweden or Finland. Now because of the expansion of communications the slogan is "Visit Scandinavia". The establishment of SAS, gave an impetus to the common tourist propaganda but cooperation among the national travel associations began as soon as 1926 within the framework of the Scandinavian Traffic Committee.

**A common labour market.** On 1st July 1954 all the Scandinavian countries except Iceland signed a new convention abolishing work permits for wage earners in all the signatory countries. The self-employed and professional occupations were not covered by the convention initially

but now it also applies to teachers and will soon be extended to doctors, dentists and other health service workers.

The convention was based on the assumption that the labour exchanges of the various countries would effect transfers of manpower whenever necessary. The convention also contains provision for exchange of information about the labour markets of the participating countries. But in fact nearly all the workers who have found employment in another Scandinavian country have found their jobs under their own initiative without governmental assistance.

A common labour market is an obvious advantage to the economics of the Scandinavian countries. Industries needing manpower can get it more easily from a large than from a small area. Similarly it is easier for workers to find employment when they are not confined to their home labour market. Moreover the differences in the economic structure of the Scandinavian countries make for different tendencies in the supply and demand of labour. And with a common labour market these differences are evened out. For example, there is usually ample employment to be found in the Swedish and Norwegian forests and factories when economic activity is low in Denmark.

Most of those who want jobs are either Danes or Finns and Sweden is still the most attractive country to find work in. After Sweden the flow is mainly to Norway and it is mainly Danes who are attracted there. The number of workers who have gone to Denmark is smaller and there are few immigrant workers from other countries in Finland.

**Cooperation in Social Security.** It is easily appreciated that a common labour market will not be viable unless steps are taken to insure the immigrant worker against sickness, unemployment and other misfortunes. Cooperation in social policy in Scandinavia had already made great progress before the Common Labour Market was begun. But in 1955, the year after the Common Labour Market was introduced, a social security convention was introduced by which all the Scandinavian countries agreed to treat the nationals of the other Scandinavian countries on the same basis as their own nationals with respect to social security benefits.

A Scandinavian who is residing in a Scandinavian country other than his own obtains in principle full benefit from the social security schemes in force in the country of residence. The social security scheme in his country of origin is thus not the determining factor. Nor is the convention based on a system of remittances from the home country. The host country meets all the costs in the same way as it does for its own nationals. The employed person must, however, pay the social security contributions in the host country. The services covered by this convention were as follows:

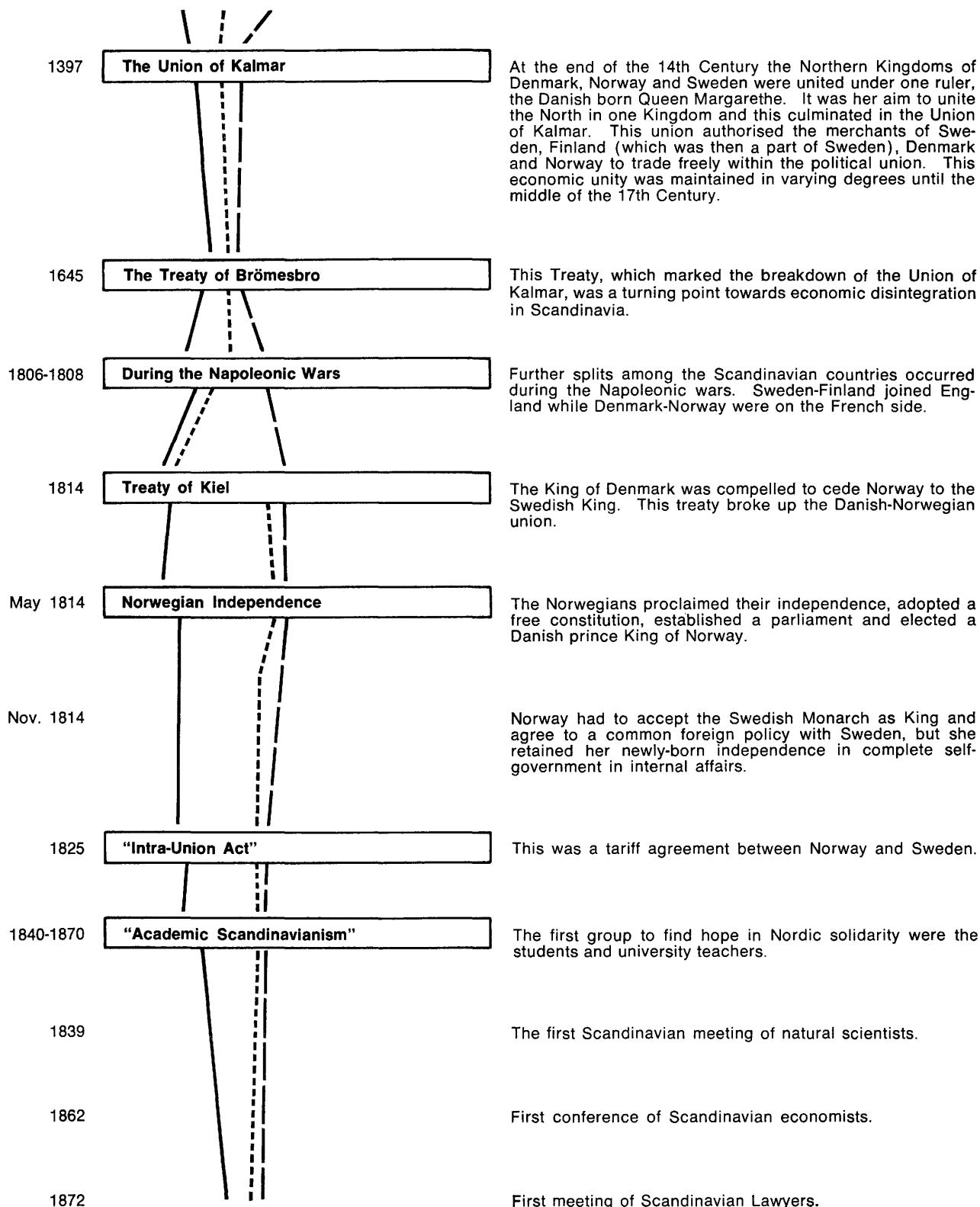
- i. Old-age pensions and supplementary benefits;
- ii. Aid to destitute persons;
- iii. Sickness benefits;
- iv. Accident benefits;
- v. Maternity benefits and allowances;
- vi. Disablement benefits;
- vii. Benefits for orphans and children with only one parent;
- viii. Benefits for children born out of wedlock;
- ix. Family allowances;
- x. Unemployment benefits;
- xi. Widows pensions.

A supplementary convention (1959) provided for the harmonization of rules of payment of old age pensions. This list is being added to in order to maximise the integration of social legislation in Scandinavia.

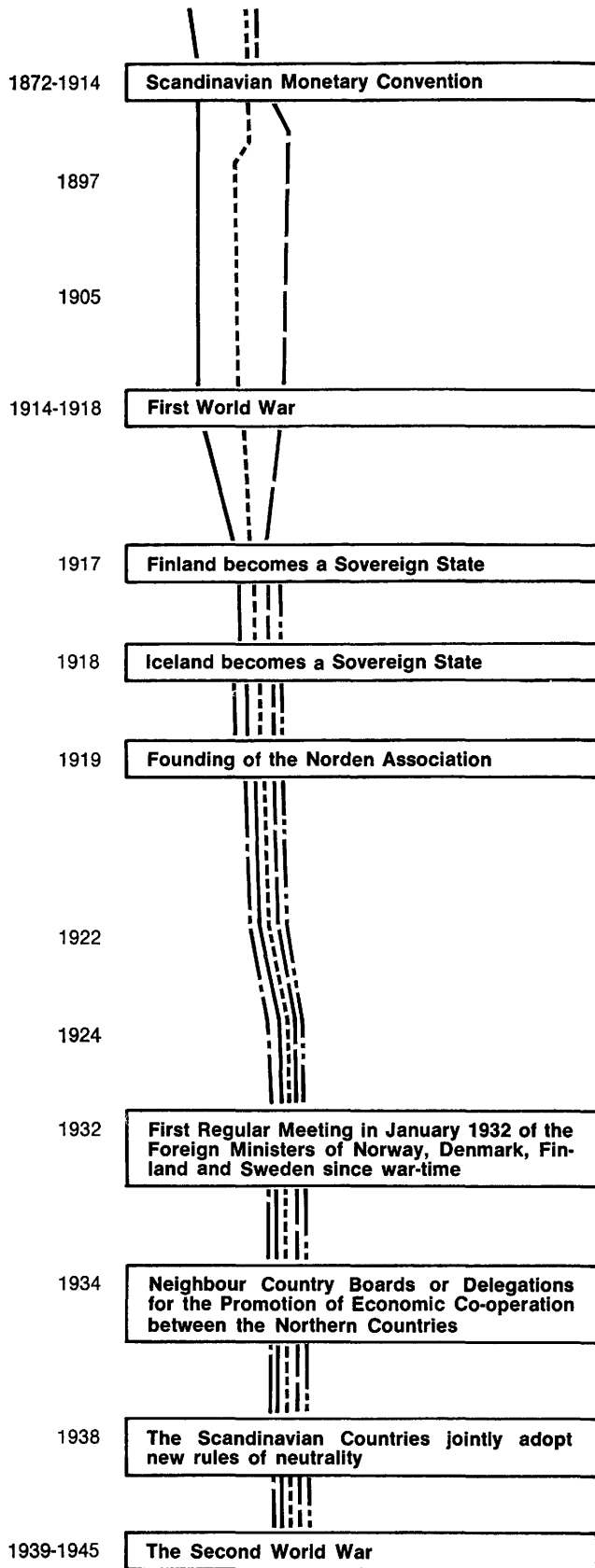
**The channels of cooperation.** There are at present three different levels on which inter-governmental co-operation is carried out in Scandinavia. First, direct contact is maintained on the level of ministers. The Foreign Affairs ministers, for example, meet twice a year, while the Ministries of Justice cooperate even more extensively by holding three or more meetings per year, attempting to coordinate legislation in Scandinavia. Also,

# SCANDINAVIAN INTEGRATION FROM THE 14th CENTURY UNTIL 1944

	DENMARK	(includes Iceland until 1918)
	ICELAND	(from 1918)
	NORWAY	
	SWEDEN	(includes Finland until 1917)
	FINLAND	(from 1917)







Intra-Union Act—the customs agreement between Norway and Sweden was terminated.

The dissolution of the political union between Norway and Sweden.

The Scandinavian States were drawn closer together during this period. They issued identical declarations of neutrality. The economic crisis created by the war compelled the Scandinavians to pool their resources.

*in Denmark, Norway and Sweden*

This is a non-political association which aims to promote Nordic integration through furthering cultural and professional contacts.

*Founding of the Norden Association in Iceland*

*Founding of the Norden Association in Finland*

The main theme of their discussion was a proposal for joint action in trade and currency problems.

were established by the meeting of Foreign Ministers in Stockholm.

The countries became involved in the war against their will. Iceland and the Faroe Isles were occupied by the British and their allies; Denmark and Norway were occupied by the Germans; Finland was in the other camp allied with Germany against the Soviet Union from 1941-1944, Sweden succeeded in remaining neutral.



the Ministers of Social Affairs, Health and Hygiene, Education, Communications and Commerce have regular meetings for similar purposes. These meetings have been enlarged and increased in frequency due to the existence of the Nordic Council.

Secondly, there are permanent bodies of cooperation on the level below the ministries, particularly in the cultural and social fields. These bodies work in close cooperation with both the ministries and the Nordic Council, with the flow of information going both ways. Thirdly, there are at present estimated to be around one hundred or more *ad hoc* committees working on specific aspects of Nordic collaboration.

## The Nordic Council

**Origins.** One of the positive results of the abortive defence union talks was that the parliamentarians of Scandinavia were brought together for joint talks for the first time. From these meetings of parliamentarians the idea of a Scandinavian parliamentary body grew. When all the Scandinavian countries except Finland joined the Council of Europe in 1949 and discussed problems with countries which were far removed from Scandinavia the need for a joint Scandinavian parliamentary body was felt even more strongly. Thus the permanent inter-parliamentary body of cooperation called the Nordic Council was set up by the parliaments of Denmark, Norway, Sweden and Iceland and held its first meeting in 1952. Finland joined the organization in 1955.

**Structure, aims and function.** The Nordic Council consists of members of parliament elected by their respective legislative assemblies and representatives of the governments of the five nations.

The Nordic Council is a *consultative* body only and cannot take any decision which will bind the individual countries. The statutes as amended in 1957 at the Council's Fifth Session held in Helsinki limit its aims to consultation among the respective parliaments and governments of Denmark, Finland, Iceland, Norway and Sweden in matters involving joint action by any or all of these countries. Thus matters affecting two or more of the countries may be dealt with by the Nordic Council. The Statutes say that the Council should concern itself in principle with current problems on which direct action can be taken and should abstain from making declarations about future goals for which no immediate measures can be proposed. It submits recommendations for joint, co-ordinative or integrative efforts in the field of law, economics, culture, communications and social affairs.

The Council consists of 69 elected delegates—the parliaments of Denmark, Finland, Norway and Sweden electing 16 delegates and Iceland 5 delegates to the Council and the necessary number of deputy delegates. Different political opinions in each country should be represented. Each Government may appoint from among its members as many Government representatives as it desires but they have no vote in Council. The Council has an ordinary session once a year and extraordinary sessions if the Council so decides or if a meeting is requested by not less than two governments or not less than 25 elected delegates. The Council elects a President and four Vice-Presidents from the elected delegates thus constituting the Presidium of the Council which is its executive body. The delegation of each country appoints a Secretary and other staff members who are supervised by the Presidium. Elected delegates form standing committees to do preparatory work during ordinary sessions and special committees can be set up between sessions to do preparatory work.

All Governments and delegates are entitled to submit a matter to the Council. The Council discusses questions of

common interest to the countries and may make recommendations to the Governments. These recommendations are not, however, binding. On the other hand it is obvious that recommendations adopted by a large majority of the Nordic Council will carry considerable weight with the individual parliaments and governments, particularly since the political parties generally elect their leading and most influential men to the Council. Governments have to submit an annual report on the action which they have taken on the recommendations of the previous session.

The bureaucratic machine of the Council is relatively small. The establishment of this new body resulted in the coordination of already existing Scandinavian cooperation through ministerial conferences, government departments and permanent bodies. The legislative assemblies are now drawn into the work on a much greater scale than ever before and consequently the problems of Scandinavian cooperation have come to occupy a central position at government level. As a result integration has been greatly accelerated by the more vigorous initiative of the parliamentarians. At the same time contacts are established through the peoples' elected representatives with a wide range of organisations in various fields thus helping directly or indirectly to promote Scandinavian unity.

### The Helsinki Treaty

In 1959 Denmark, Norway and Sweden joined EFTA. In March 1962 when negotiations were in progress between Denmark, Norway and the EEC for membership of the Common Market and Sweden had made her application for association with the EEC the Scandinavians found it desirable to clarify their relationship with each other in the Helsinki Agreement.

This Agreement was largely a declaration of intent, setting out certain general principles of cooperation and listing in 34 articles the results of cooperation already achieved. One innovation was that the Nordic Council was given the right to be consulted on important questions. The Treaty as such includes no binding obligations. It reflects the need to embody in a written form the various forms of previously non-codified cooperation among the Scandinavian states. Its importance is as a means of increasing Nordic identification and as such the Treaty carries weight psychologically.

## The planned Nordic Customs Union

After the failure of the Scandinavian Defence Alliance the second approach to a more formal kind of integration was in the economic sphere and was a long drawn out affair stretching from 1947-1959. It reached a fairly advanced stage of planning before it was overtaken by EFTA. It was then resurrected again in the Nordek plans of 1968.

In July 1947 the Foreign Ministers of Denmark, Iceland, Norway and Sweden met and the Norwegian Minister proposed the establishment of a special committee to investigate the possibility of further development of economic cooperation in Scandinavia. In February 1948 these ministers set up the Joint Nordic Committee for Economic Cooperation. The experts on this committee were given the task of investigating the possibilities of

- a) establishing a common external Northern tariff as a preliminary step towards a customs union;
- b) reducing inter-Scandinavian tariffs and quantitative restrictions;



c) increasing division of labour and specialisation in Scandinavia in cooperation with appropriate private organisations; and

d) expanding previous Nordic commercial cooperation.

This Committee made a preliminary report to the governments of Denmark, Iceland, Norway and Sweden in January 1950. It reported that a customs union of the four countries would bring eventual advantage through larger scale production resulting from an enlarged market of approximately fourteen million persons. It would also make the countries more competitive internationally.

Finland joined the planning committee known as the Nordic Economic Cooperation Committee (NECC) in 1956. The research of the previous years culminated in a report which NECC submitted in October 1957 to the Ministerial Committee. The report was in five volumes and included a general plan for a common Nordic market to include 80 per cent of current intra-Scandinavian trade; comments on the problems of particular branches of industry and other problems of cooperation; a proposal for a common schedule of tariffs and transitional measures.

A further report was completed in 1958 on the last 20 per cent of intra-Nordic trade. Later in 1958 the countries accepted the Nordic Council's recommendation to commence negotiations for Nordic economic cooperation. But these plans for a Common Nordic market were shelved in the course of EFTA negotiations in June, July 1959 when Norway, Sweden and Denmark joined EFTA. The EFTA negotiations proceeded rapidly, spurred by the desire to face the EEC with a united front.

The Stockholm convention which founded EFTA in July 1959 together with the vacillation of the Scandinavian governments about the Nordic market as expressed at the 1958 session of the Nordic Council sealed the doom of the Northern Customs Union. Through EFTA, Scandinavian economic integration has been sublimated into continental dimensions. Reflecting the characteristic Scandinavian emphasis on practical ends rather than on integration for its own sake Scandinavian leaders have concluded that expectations of increased national product can best be met on a European basis rather than a Nordic one—hence Denmark and Norway's applications to join the EEC as full members and Sweden's application for association with the EEC in 1961, 1967 and 1969.

## Nordek

There have, however, been more concrete examples of formal Nordic economic integration recently. The Scandinavian countries negotiated as a single joint delegation in the Kennedy Round, which was a sweeping revision of GATT tariffs. Secondly the Scandinavian countries revived the idea of institutionalized Nordic cooperation in the form of

the Nordek plan. The countries had developed different policies of alliance *vis-à-vis* the EEC and EFTA. Norway and Denmark had applied for membership of the EEC, Sweden had applied for association and Finland had not made any overtures to Brussels; Norway, Denmark and Sweden were members of EFTA and Finland was an Associate Member of EFTA. Worried by this splintering the Danish Government put forward a proposal for extended and institutionalised Nordic cooperation. A draft treaty was presented on 15th July 1969. The Nordek plan envisaged the creation of a customs union and extensive cooperation in agricultural and fishing matters. It aimed at a far reaching harmonization of trade policy, economic policy, industrial policy etc., and it was intended to set up a financial institution to encourage and support Nordic investments. By February 1970 the negotiations had matured to the point where an agreement in principle was announced to sign the proposed treaty. Today, however, the fate of Nordek has become uncertain to say the least as the result of a last minute *volte-face* of the Finnish Government, who felt that it would put a strain on the all important Finnish-Soviet relations. The other two problems which have so far prevented the signing of the Nordek Treaty have been agriculture and the political goals and consequences specifically with regard to relations with the EEC.

But the fact that the Nordek negotiations had advanced as far as they had shows that the four Nordic countries believe that they have a vested interest in pooling their resources more effectively through the creation of a common Nordic Market of 20 million producers and consumers. Their problem will be how to reconcile their interest in Nordic cooperation with their interest in wider European markets.

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