



Bulletin from the
EUROPEAN
COMMUNITY
for coal and steel

INFORMATION SERVICE • HIGH AUTHORITY • LUXEMBOURG

HOPEFUL START TO FREE TRADE AREA TALKS

Britain "Prepared to Discuss" Agriculture

"A start has been made in creating a market as big as Russia and as rich and free as the United States," remarked Britain's Chancellor of the Exchequer, Peter Thorneycroft, last month. The United Kingdom's treasury chief made the declaration following his return to London from Paris where Ministers from 17 member nations of the Organization for European Economic Co-operation (OEEC) met on October 16th and 17th to open discussions on the Free Trade Area.

The OEEC Council of Ministers, at the close of the two-day session, announced its determination to establish a European Free Trade Area around the Economic Community of the Six and appointed a special Intergovernmental Committee to begin negotiations. The Committee immediately held a preliminary meeting in Paris on the following day, October 18th. Appointed to preside over the Committee was Reginald Maudling, British Paymaster-General and Minister in charge of Free Trade Area negotiations. It also includes ministerial representatives of all OEEC countries, as well as of the Interim Committee for the European Economic Community, and of the High Authority of the Coal and Steel Community, which was represented at the OEEC meeting by Mr. Dirk Spierenburg, Member of the High Authority.

U.S. and Canadian observers will be invited to attend Committee meetings which are expected to get underway in November. The first item on the agenda will be discussions on a paper, prepared and circulated by Mr. Maudling, dealing with the problems involved in the creation of a Free Trade Area.

"A Door Which Seemed Locked . . ."

The determined start on negotiations was in strong contrast to the gloomy forebodings with which many had greeted the OEEC meeting. Although the negotiations leading up to the

creation of a Free Trade Area promise to be long and difficult, Britain's forthright declaration of intent—to join Europe rather than divide it—led observers to view the prospects for agreement with new confidence.

The New York Times reported from Paris on October 17th: "Between yesterday and today there was a remarkable change of atmosphere from pessimism to hopefulness." England's Manchester Guardian commented: "A door which seemed locked has been pushed open."

The main reason for the change of atmosphere was the more flexible attitude now adopted by Great Britain on the crucial question of agriculture. Agricultural products are to be included in the Common Market of the European Economic Community, but Britain hitherto had refused to discuss their possible inclusion in the wider Free Trade Area. She had thus hoped to leave intact the major portion of her trade with the Commonwealth as well as her protection of British agriculture. But the proviso ran into serious opposition from some of Britain's potential partners in the Free

IN THIS ISSUE

page

- 2 MONNET VIEWS FREE TRADE AREA
- 3 HIGH AUTHORITY GETS POWER MANDATE
- 4 U. S. FINANCE AND INDUSTRY GROUP
- 4 ETZEL RESIGNS
- 5 A FREE TRADE AREA FOR COAL AND STEEL?
- 6 GATT WATCHDOG COMMITTEE
- 6 COPPE PREDICTS LOWER TARIFF LEVELS
- 7 KOHNSTAMM SEES EUROPE AS TEST AREA
- 8 NEWSBRIEFS

Britain's Reginald Maudling underscored the U.K.'s willingness to discuss the agricultural question—removing a major obstacle in the way of Free Trade Area negotiations.



Trade Area, particularly those such as Denmark, France, Italy, and the Netherlands who hoped to find a wider market for their own agricultural products in the Free Trade Area countries. Thus, prior to the OEEC meeting, there were fears that the whole Free Trade Area proposal would founder on this clash of interests.

Room for Compromise

On October 11th, Sir David Eccles, President of the Board of Trade, announced that the British Government could "say with certainty two things that are new." These arose from the Conference of Commonwealth Finance Ministers at Mont Tremblant. "First," said Sir David, "the whole Commonwealth has examined and approved our entry into the Free Trade Area; and second, we have fresh and firm prospects of an even bigger expansion in trade within the Commonwealth itself." On the specific question of agriculture he went on to stress that the Six Common Market countries did not want free trade in foodstuffs, but "what they call a managed market." Britain, he said, was "quite ready . . . to discuss this with them, provided that in no way do we do damage to our own domestic agricultural policy."

The statement by Mr. Maudling to the OEEC meeting in Paris also underscored Britain's willingness to discuss the agricultural question, thereby removing what had seemed a major obstacle. Mr. Maudling declared that there were three main problems to be settled: the avoidance of trade discrimination, the definition and determination of commodity origin, and the treatment of agriculture. Discrimination, he said, could be avoided by harmonizing the timing and scope of tariff reductions in the Free Trade Area with those of the six-nation Common Market. Definition of origin could be achieved by "exhaustive analysis and practical experience."

An approach to the third problem, that of including agricultural products in the Free Trade Area, Mr. Maudling acknowledged to be the most difficult. The United Kingdom is Europe's leading importer of foodstuffs, unlike some of the other nations outside the European Economic Community but within the OEEC circle of nations who are primarily agricultural producers and exporters. Mr. Maudling, in agreeing that Britain was ready to negotiate for the inclusion of agricultural products in the Free Trade Area, said, "We want to have rules for trade in agricultural products so that trade can be freer and fairer." He maintained: "We cannot accept for ourselves any obligation to abandon our tariff protection, but we should not oppose the inclusion within an agricultural agreement of a provision for the progressive abolition of agricultural tariffs between the member countries so long as Britain is granted a waiver." Finally, the United Kingdom Government was prepared to discuss means of strengthening the present system whereby all agricultural policies would be subject to detailed scrutiny and criticism.

No Longer Ruled Out

Thus agriculture, as the London Financial Times commented, "is no longer entirely ruled out. On the other hand, it is certainly not necessarily ruled in." The Financial Times said that the British position meant "close co-operation with the Rome Treaty's 'managed market' in agriculture, but falling short of membership of it, combined with a willingness to discuss agricultural trade but with the final right of protection reserved to Britain."

The compromise arrangement, according to observers, seemed to have a good chance of success. In Britain, the National Farmers' Union declared its satisfaction with the British statement and with the safeguards it implied.

The other major development in Paris, apart from Britain's new attitude on agriculture, was undoubtedly the placing of the negotiations for a Free Trade Area on the ministerial level. The Paris meeting, said the Financial Times, "has provided no easy solutions for any of the problems—agriculture, harmonization of tariffs and social charges, or the question of the overseas territories—which have hitherto dominated the Free Trade Area discussions." But the establishment of a negotiating committee at ministerial level "will ensure that the overriding political importance of the negotiations will be kept in the forefront to a far larger extent than if these had been entrusted to technical working parties concerned more with economic difficulties than with political advantages."

MONNET VIEWS FREE TRADE AREA AS "ONLY A FIRST STEP"

Jean Monnet, first President of the Coal and Steel Community's High Authority, told Britons last month that he regards Britain's proposal for a Free Trade Area linked with the Common Market as only a first step toward much closer links between the free nations of Western Europe.

Speaking before the British Cotton Board Conference in London on October 20th, M. Monnet reminded his listeners that "we are all traders on a peninsula which is narrow by the standards of a shrinking world. A great new stage in European history is only just beginning."

European Unity and the Lesson of the League

Now President of the Action Committee for a United States of Europe, M. Monnet reviewed past efforts at European unity and recalled his own experiences beginning in the League of Nations. The League, he declared, failed to solve conflicts between nations because it was limited by a system of co-operation wherein national governments kept powers of decision in their own hands and nationalism retained all rights in relations between Germany and her neighbors.

The lesson of the League, he said, was that nations divided for many centuries by diverse past interests and traditions could be brought together only by creating a common interest in the future. By discovering a common ground, however limited, he said, nations could proceed to solve problems within that sphere by following common rules and establishing common institutions to apply the rules.

The theory, M. Monnet pointed out, has already been proved in practice through the creation of the Coal and Steel Community—resulting in “a solidarity between the Six countries which have accepted this approach such as there had never been before . . . one of the major reasons why they have already regained so much of the confidence in their future which seven or eight years ago they lacked.”



Jean Monnet: “We are not only creating a new unity of interest between our nations but also laying the basis of a lasting relationship with America.”

United Europe and the U. S.

M. Monnet added that by uniting Europe, “We are not only creating a new unity of interest between our nations but also laying the basis of a lasting relationship with America.

“Our countries must be able to work together with America on the same level and without complexes. Separately, they cannot do that. United, they can. I think this is absolutely necessary if we are to give strength and health to the West so that it can face the problems of peace as adequately as you and America once faced the problems of war.”

Seven Years of Progress

Reviewing the period from 1950 when the Schuman Plan was first proposed, M. Monnet underscored the tremendous progress made in Europe “because the method of unification we have chosen appeals to some of the deepest needs of a modern society: today, governments, even communist ones, as recent events in Eastern Europe and Russia show, must satisfy the citizens’ aspirations far more than in the past.

“The citizen usually cares for welfare, not war, for greater opportunities in everyday life rather than for the power of the state. Europe’s nations are seeking for tangible benefits in unity rather than to perpetuate old rivalries.”

Cautioning Britain against looking at Europe’s new efforts toward unification in the light of old standards, M. Monnet said: “We should beware of interpreting those European innovations by past precedents. There are none. This is the first time that modern, highly industrialized states with deeply rooted traditions going back for centuries have sought to obtain real unity of action. What they will create will necessarily be new, but national characteristics will remain strongly marked. A United States of Europe must be loose enough for republics like France or Italy and monarchies like Belgium or Holland to live easily together or it will not come into being at all.”

HIGH AUTHORITY GETS MANDATE TO CO-ORDINATE EUROPEAN ENERGY POLICY

A first move toward an over-all power policy for western Europe was made in Luxembourg last month when the Community’s Council of Ministers vested with the High Authority responsibility for co-ordinating the separate power policies of the six Community countries.

At its 45th session on October 8th, the Council called upon the High Authority to submit general guidance on an over-all European energy policy and also proposals for conditions and specific measures required for carrying out the policy. Both the Council and the Coal and Steel Community’s executive branch regard a co-ordinated power policy as essential not only for the future development of Europe’s power-producing industries, but also for assuring the continued expansion of West Europe’s industrial output.

The Council’s mandate charged the High Authority with the power to make suitable arrangements for co-operation with the European Economic Community’s Commission and the Atomic Energy Community’s Commission to be established next year under the Rome Treaties. Representatives of the two new European Executives will be invited to join in the work of the Joint Committee of the High Authority and Council of Ministers which has already made preliminary studies on energy requirements and production in order to implement a general energy policy.

Nonmember countries will also be able to participate in work on problems of particular interest to them; a special clause in the protocol between the High Authority and the Council permits representatives of nonmember countries to be invited to meetings of the Joint Committee or to special joint sessions of the High Authority and the Council of Ministers.

The decision by the Ministers followed various statements in recent months by the High Authority, and notably by its President, René Mayer, to the effect that no valid policy for coal—particularly as regards long-term forecasts and targets—could be worked out without taking into consideration all other forms of energy. With a complete picture of energy requirements, measures can be taken to ensure the balanced and economic development of production for various forms of energy.

The Development of New Energy Sources

Coal is still the main source of energy supply in the Community, providing with lignite nearly three quarters of its total energy consumption. But it is no longer the only source of energy, and the part played by the other forms of energy—oil, water power, and natural gas—is increasing each year. The rapid expansion of Western Europe’s economy demands

rapidly increasing amounts of energy. Between 1952 and 1956, the Community's industrial output expanded by nearly 50 per cent and energy consumption by nearly 25 per cent. In the next 20 years the Community energy requirements are expected to rise to 700 million metric tons (coal equivalent) from 400 million in 1955. Even if the Community's coal mines step up their output at the fastest possible rate, requiring very substantial capital investments, they cannot hope to meet expanding needs. In 1955, coal produced within the Community supplied only 60 per cent of the Community's total energy needs; by 1965, the High Authority estimates that it will be providing only 46 per cent and by 1975, only 40 per cent.

The dependence of the Community on imports is increasing at such a rate (see ECSC Bulletin No. 13, Feb., 1957, pp 1, 2; "A Target for Euratom") that it is considered economically dangerous to leave the balance to be struck between domestic production and imports to chance. In the case of imports, oil is likely to be cheaper in the short-term but may be much less reliable fuel upon which to base long-term industrial expansion as was demonstrated by the Suez crisis.

In these circumstances it has been clear to High Authority officials that any attempt to work out an effective policy for coal without taking into account the expected development of all other sources of energy would fail.

U. S. INDUSTRY AND FINANCE GROUP VISITS COAL AND STEEL COMMUNITY

A group of 35 U.S. bankers, financiers, and coal and steel industry leaders visited the European Community for Coal and Steel from November 8th to the 16th at the invitation of the Community's executive body—the High Authority.

During the nine-day visit, the Americans saw at first hand some of the operations as well as results of Europe's first common market—the six-nation single market for coal and steel established in 1953.

In getting a close-up of how the federal institutions of the Coal and Steel Community work and a look at the expanding coal and steel industries of Western Europe, the visitors viewed the European Community at a turning point in the history of its economic development. Next year, the two new European federal institutions pioneered by the five-year old Schuman Plan, the Common Market and Euratom, will come into existence.

During their visit, the American group toured all six Community countries, Belgium, France, West Germany, Italy, Luxembourg, and the Netherlands. The first stop-off point on their itinerary was Rome where the Community's parliament, the Common Assembly, held a special four-day session. In the Italian Chamber of Deputies, Montecitorio Palace, they heard the 78-man Assembly debate the co-ordi-

nation of the six nations' economic, social, and transport policies.

En route from Rome to the Community's headquarters in Luxembourg, the U.S. guests visited the Cornigliano steel plant at Genoa.

Two days of their itinerary—November 11th and 16th—were spent in Luxembourg where they met with the members of the High Authority and the Community's Court of Justice. They also held discussions with officials of the High Authority's various departments on some of the operations, problems, and achievements of the Community in such fields as transport, marketing, finance, research, labor, housing, finance, investments, and anti-cartel activities.

They also met leading Community bankers, industrialists, and labor leaders and were received by the U.S. Representative to the Community, Ambassador W. Walton Butterworth.

Between the opening and closing sessions in Luxembourg, the Americans toured the Dutch port of Rotterdam, West Germany's steelworks and coal mines in the Ruhr, Belgium's Campine coal field and the steelmaking town of Liège, steelworks in Luxembourg, and France's Lorraine coal fields and steelproducing regions.

Franz Etzel Leaves High Authority Post for Adenauer Cabinet

The first Vice President of the nine-man High Authority, Franz Etzel, on October 31st announced his resignation from the executive group to become Minister of Finance in the Federal German Government. Herr Etzel was elected to the Bundestag in September, 1957 and his appointment to a senior cabinet post by Chancellor Adenauer had been expected.

In his letter of resignation to the Six Governments, Herr Etzel stressed that in accepting his new post he would continue to serve the European idea to which he has devoted himself for more than five years in serving with his colleagues in the High Authority. As one of two German members of the High Authority, Herr Etzel was appointed in August of 1952 when the Community institutions began functioning.

At a Luxembourg press conference, he stressed monetary policy as of greatest importance for the success of the Euro-

pean Economic Community. Thus, in his new role, he said that he hoped to be able to make a substantial contribution toward the economic integration of Europe.



Franz Etzel resigned his post as Vice President of the High Authority to become Finance Minister in the West German Federal Government.

Tariff Agreement With Britain Seen As First Step Toward Possible Free Trade Area In Steel

A first step toward a possible Free Trade Area in steel between the United Kingdom and the Community may be taken soon as the result of an agreement on lower tariffs reached by the Council of Association on October 24, 1957. Community observers expressed belief that the Council agreement may pave the way for a wider coal and steel Free Trade Area and eventually help solve some of the problems facing the Six and the United Kingdom with other OEEC nations in establishing a Free Trade Area for all goods.

When the proposed agreement on steel tariffs is formally accepted by the Governments concerned, British steel tariffs will be lowered from the present level of between 15 and 33½ per cent to a level not exceeding ten per cent. Community steel tariffs on British imports will, in turn, be lowered to a range of between three and 12 per cent. The agreement is to be studied by the Community's Council of Ministers on November 19th and it is expected to be signed shortly thereafter in Luxembourg by the representatives of the Governments of the United Kingdom and of the Community's member countries, as well as by a representative of the High Authority.

Steel products affected by the proposed agreement are those defined in the Community Treaty. The six member countries are required by the Treaty to harmonize their external tariffs when the "transitional period"—the first five years of the common market—comes to an end in February, 1958. The British tariff is suspended at present on many of the ECSC Treaty's steel products. However, these tariff suspensions will not be affected by the agreement. The GATT "most-favored-nation" clause will be applicable to the tariff reductions. If either the Community or Great Britain should wish to increase tariffs thereafter, prior consultation would be held on possible means of avoiding such an increase or on the amount if avoidance proved impossible.

An Important Step

Presiding at the meeting of the Council of Association was René Mayer, President of the High Authority. The United Kingdom delegation was led by Reginald Maudling, M.P., British Paymaster-General. Representatives of the Community member states also attended the meeting during the discussion of the tariff agreement. The official communique after the meeting described it as "an important step toward the objective of eliminating trade barriers between the United Kingdom and the Community." Asked whether the agreement would be a model for the Free Trade Area now under discussion in Paris, M. Mayer replied that it was too early to say, but added, "It is in the spirit of today's agreement that we will conduct the Free Trade Area negotiations."

The Way for Further Advances

Speaking in Strasbourg on the previous Saturday, October 19th at the annual joint meeting of the Community's Common Assembly of the Council of Europe, President Mayer described the forthcoming agreement as "a milestone demonstrating that the Community is abiding by its obligations to third countries to institute major reductions in the level of its tariff protection.

"It puts the fullest value on the principle of 'association' which is the basis of the Agreement with Britain. Two years ago, I said that the High Authority was resolved to do everything in its power to implement that principle, to explore all its potentialities, and to prepare the way for further advances along the same road.

"The further advances I refer to will have been achieved when agreement is reached on the institution of a Free Trade Area for the member countries, Britain and any other country wishing to join. . . .

"There may be differences of view as to the scope of the Free Trade Area—that is, the products which it is to cover.



René Mayer: "The concept of a Free Trade Area has caused a conflict of views between two very different schools of thought . . ."

But the High Authority's view is that at all events it should cover coal and steel. . . .

"The High Authority, which has already begun to study the question of setting up a Free Trade Area for coal and steel and had secured the agreement of the Council of Ministers to discussions on the subject between Government and High Authority representatives, was greatly encouraged by the unanimous support of the Common Assembly and has duly carried on its examination of the problem concurrently with the discussions in Brussels.

"The experience gained in Luxembourg over the past five years and the close relations maintained since the beginning of 1956 within the Council of Association have been of great value in its endeavors to work out methods suitable for introduction in a Free Trade Area for Treaty products. The Common Market of the Coal and Steel Community is based on the principle of free movement of products. The object of the Free Trade Area is the same, but without the integration which is the essential element for the six members of the Community. Hence our present problems can only be solved provided they are first clearly presented.

The Free Trade Area Problem

"It has become obvious today that the concept of a Free Trade Area has caused a conflict of views between two very different schools of thought.

"The first group considers that it would be adequate sim-

ply to abolish quantitative restrictions and customs duties; the other feels that it would not be safe to do away with impediments to trade until after the complete harmonization of the national economies concerned.

"A year of negotiation at the OEEC has already made it clear to the experts that first and foremost it is necessary to find a way out of the dilemma posed by these two extremes of opinion.

"For our part, we feel that if both the opposing views continue to be held as unyieldingly, it will not be possible to work out a concrete solution, since they are both out of touch with reality.

"No third country, and least of all Great Britain can reasonably be expected, for the sake of joining a Free Trade Area, to recast its entire economic system. . . . This is, of course, one of the reasons why, for instance, Britain considers herself unable to accept the rules of a Common Market which aim at the integration of national economies. It would be unrealistic to expect her to do so from one day to the next.

"On the other hand, we cannot, as may be seen from the comments by certain industries in the member countries, expect the States, which have accepted the principle of the Common Market and have already placed their coal mining and iron and steel industries under Common Market rules, to agree without question to set up a Free Trade Area in which there would be no supervision of competition and

no offsetting of State aid and subsidies liable to produce distortions in trade.

"Nor could the member countries surrender altogether the powers which in respect of coal and steel they have delegated to the High Authority—namely, the right in the event of a shortage to allocate supplies in a manner which might also have repercussions on the Community's exports.

"To my mind, these matters should be stated frankly in order that efforts may be made, as they were in the Association Agreement between the Community and the United Kingdom, to work out ways and means of making up for the nonharmonization of the economies by arrangements to offset subsidies and to consult together in the event of serious difficulties.

"I shall not pursue the matter further nor try to give you an idea of how strict the new rules of competition to be drawn up are likely to be. That is just the point which is now under negotiation.

"The High Authority, being entitled to join in the examination of the problems involved by the inclusion of coal and steel in the Free Trade Area, will do its utmost to help in the establishment of a system—whatever name it may go by—which will aim at increasing trade between the Community and the other OEEC countries, with the ultimate object of ensuring the rationalization of production, the stepping-up of productivity and, by this very fact, the raising of the standard of living in Europe."

GATT Watchdog Committee to Study Common Market

The General Agreement on Tariffs and Trade meeting in Geneva last month, appointed a special committee to examine the external tariff arrangements of the Common Market to ensure that European economic unity is not achieved at the expense of trade with other GATT nations.

The GATT guardian committee was set up October 30th at the close of a three-day ministerial session of the 37-nation group after delegates from Latin American, Commonwealth, and African nations expressed concern lest the general Common Market among the Six bring a preferential customs system into existence which would shut out trade with outside nations.

Early during the session, ministerial delegates from the six Community nations assured the GATT group that no conflict would exist between the tariff and trade organization and the European Economic Community. Nevertheless, continued reservations on the part of non-Community nations in GATT toward the Common Market were responsible for bringing the Committee into existence.

In view of the flexibility of the Treaty's provisions, it was believed that the existence of the GATT committee would help ensure a liberal interpretation of Articles pertaining to external tariff rates.

COPPÉ PREDICTS COMMON MARKET WILL LOWER EXTERNAL TARIFFS

Albert Coppé, Vice President of the High Authority, declared in an address in Dallas, Texas last month that the total duty levied by the European Economic Community on goods from third countries will be from \$50 to \$100 million less than the present total for the six countries combined.

Speaking during Dallas's "World Affairs Week" on the theme of "Common Market Prospects," M. Coppé said that the Community's tariff rates would be no higher than British or U.S. duties. He also indicated that the common market would bring about a tremendous simplification of customs regulations. Whereas present customs rates and regulations now in force in the six nations apply to some 30,000 items,

the Economic Community, he said, will reduce these to less than 10,000.

Looking at the future growth of the European economy, the High Authority official predicted that by 1975 the Community nations would probably double the gross national product and that per capita income would, in all probability,



Albert Coppé: "We are building a structure . . . that will count as one of the forces we need to strengthen the free world."

rise by 50 to 60 per cent. He termed "unthinkable" a protectionist tendency on the part of the common market inasmuch as the demands of an expanding economy would require imports, particularly of fuels, on a far greater scale than today.

He admitted that the availability of capital would be a critical problem in the next two decades and questioned whether Europe could provide sufficient capital for plant and equipment needed for rapid industrial growth "at a time when Europeans, like virtually everyone else, tend to live beyond their means." M. Coppé stressed that a very much greater effort at productivity would be required to meet demands both for investment capital and for a steadily rising standard of living. It was precisely for this reason, he said, that Europe required a common market.

M. Coppé closed by saying that the "real work" in Western Europe "still lies ahead" despite ratifications of the Euratom and Common Market Treaties.

"By bringing the new Treaties into force, we shall create for ourselves entirely new problems. These will be solved only, in turn, to create new ones. But we will, in the process of building Europe, know that we are building a structure for the future that will count as one of the forces we need to strengthen the free world."

KOHNSTAMM SEES EUROPE AS WEST'S NUCLEAR POWER TEST AREA

A High Authority adviser viewed Western Europe as playing a key role in the development of nuclear power for peaceful purposes within the next two decades, in a speech delivered October 19th at Harriman, New York.

Speaking before the 12th American Assembly at Arden House, Max Kohnstamm, Secretary General of the Action Committee for a United States of Europe and special adviser to the High Authority, discussed prospects for Euratom, the six-nation Atomic Energy Community which will be started in Europe next year.

Addressing himself to the theme of the Assembly's conference, "Atoms for Power," M. Kohnstamm laid stress upon Western Europe's immediate need for greatly increased sources of energy. Nuclear power, he said, provided the only alternative source which could eventually reduce Europe's dependence on imported fuels, particularly upon Middle Eastern oil.

Referring to "The Target for Euratom," a report drafted earlier this year upon request of the six Euratom nations, he said that the report's target of 15 million kw of nuclear power installed in Europe by 1967 "represents an answer to a politically and economically threatening situation." He added: "One may deny the possibility of achieving this target, but one cannot deny, it seems to me, the necessity to leave no stone unturned in trying to achieve it."

He emphasized, however, that Euratom's power target could be reached only in the closest co-operation with the United States and the United Kingdom. He did not elaborate on the form which such co-operation might take but declared that details would undoubtedly be discussed immediately after Euratom is set up within the next few months.

M. Kohnstamm pointed out that nuclear power would become competitive in Europe long before it becomes so in



Flags of seven nations are displayed outside the headquarters of the High Authority in Luxembourg during a meeting of the Council of Association between the United Kingdom and the High Authority of the Coal and Steel Community.

the United States because present costs for power produced by conventional thermal plants in Europe are much higher.

"Europe, therefore, willing to pay 12 to 15 mills per kwh, can become the testing ground for commercial nuclear power plants. As the power program develops, experience gained thereby would become available to all. We would also contribute our rich inheritance of inventive science and industrial capacity," he said.

He expressed belief that mutual self-interest would call for "an intimate association" between the United States and Euratom in the development of Europe's nuclear power potential.

Newsbriefs

More Italian Miners Go To Germany

The Italian Government has lifted its ban on Italians going to work in mines outside Italy. The ban was imposed a year ago at the time of the mining disaster at Marcinelle, Belgium on August 8, 1956 when more than 100 Italian miners lost their lives. Some 70 Italians, the first for over a year, have recently taken jobs in the Gelsenkirchen and Homberg coal mines. In all, the 17 coal mining companies of the Ruhr and Aix-la-Chapelle have so far asked for 3,176 Italian miners.

High Authority's New Medical Research Program

Three million dollars have been set aside for the High Authority's second four-year program of medical and safety research, following a proposal approved on October 8th by the Community's Council of Ministers. This second research program will concentrate mainly on anti-dust measures in Community coal mines and the prevention and treatment of industrial diseases and accidents. An account of the High Authority's first medical research program appeared in the ECSC Bulletin No. 24 for June-July, 1957.

Free Trade Unions Co-ordinate European Policies

The Free Trade Unions of the Six Community member countries will meet in November to fix a common economic and social policy line on the new European institutions. They will also confirm the mandate of a Co-ordinating Committee of the European Free Trade Unions, which will be set up to insure their effective collaboration with the General Common Market and Euratom. In September, the Unions had appointed Mr. Robert Bothereau, Secretary General of the Confederation General du Travail - Force Ouvrier, as official spokesman of the Free Trade Unions before the Interim Committee for the Common Market and Euratom, as well as before the six member Governments.

Senate's "Young Man" Visits High Authority

Senator Theodore F. Green, D., R.I., visited the High Authority's headquarters in Luxembourg on November 7th during a European tour of NATO capitals. The 90-year-old legislator who is Chairman of the Senate Foreign Relations Committee, was received by Max Kohnstamm, special ad-

viser to the High Authority. M. Kohnstamm acted on behalf of members of the High Authority who were absent in Rome attending the 1957-58 constituent session of the Common Assembly. Senator Green, a long time observer and student of European unity programs, served as Chairman of the U.S. Senate delegation at the Consultative Assembly of the Council of Europe in 1951.

Pope Pius XII Addresses Common Assembly

At the opening of a six-day constituent session of the Common Assembly in Rome, Pope Pius XII urged parliamentarians from the six nations to press for a "real federation" of Europe. Speaking to the 78 members of the Assembly on November 4, the Pontiff cited "vital economic needs" as forcing the modern states of Europe to unite. "Human nature," he declared, "engenders nothing but disorder if it is allowed to heed only its appetites. . . . What is needed is a recognized law and a power capable of enforcing it." Members of the Assembly were later received outside Rome by the Pope at the Papal summer residence of Castel Gandolfo.

UN Assembly Votes 51-13 to Examine Common Market Impact on Overseas Territories

The United Nations General Assembly on October 29th voted 51-13, with eight abstentions, to examine the possible effects of the Common Market Treaty's Convention on Overseas Territories. The resolution was brought before the UN body by the General Assembly's Fourth Committee on Information from Non-Self-Governing Territories. India and Brazil supported by 17 other powers sponsored the draft resolution calling upon member nations of the UN with administrative powers over non-self-governing territories to report to the UN's Secretary General upon the effect of the inclusion of the overseas territories of Community member-nations in the Common Market upon these and other non-self-governing territories outside the Common Market framework. Voting in the majority along with 15 Latin American states, eight Arab nations, and eight others, were all ten Communist country delegations. The United States, Canada, Britain, New Zealand, and Australia voted "no" along with the Scandinavian bloc and the Community nations.

Recent Articles on the European Integration Efforts

Burke, Gilbert, *The Transformation of European Business*, Fortune Magazine, November, 1957, New York.

Tennyson, Leonard, *The Climate of Europe*, World Affairs Magazine, Summer, 1957, Washington, D. C.

Report on European Unity: Euratom and the Common Market, American Committee on United Europe, New York, 1957.

The New Europe, Business Week Magazine, New York, June 29, 1957.

The New Europe: A Silent Revolution, A Golden Age? Newsweek Magazine, New York, November 4, 1957.

Towards Freer Trade in Europe, Economist Magazine, London, October 12, 1957.

Notice to Holders of the High Authority's 5½ per cent Secured Bonds

The High Authority hereby gives notice to holders of its 5½ per cent secured bonds (seventh series) that a revised text of the particulars given under "loans granted to enterprises from High Authority's borrowings" on pages 22 and 23 of its prospectus of April 9, 1957 has been published for their guidance.

Holders of the bonds may obtain the revised text from:

THE CHASE MANHATTAN BANK
Corporate Securities Division
43 Exchange Place
New York, New York
or

INFORMATION SERVICE
European Coal and Steel Community
220 Southern Building
Washington 5, D. C.