



*Bulletin from the*  
**EUROPEAN**  
**COMMUNITY**  
*for coal and steel*

INFORMATION SERVICE • HIGH AUTHORITY • LUXEMBOURG

## LEADERS OF COMMON MARKET AND EURATOM NAMED

### Site of European Capital Remains Undecided

Meeting in Paris on January 6, and 7, 1958, the Foreign Ministers of the Six appointed the Presidents and members of the European Economic Community and Atomic Energy Community Commissions but failed to reach agreement upon the location of the new capital of Europe.

Despite the deadlock on the choice of a site, the Ministers' meeting confirmed in principle the need to establish a single European capital for all three European communities. Consequently, pending a decision not expected before June 1958, work on the new Communities will begin in Brussels and Luxembourg and the Coal and Steel Community will remain at its present Luxembourg headquarters.

Appointed to head the nine-man Common Market Commission was Dr. Walter Hallstein, West Germany's Secretary of State for Foreign Affairs. Louis Armand, chief of France's railways and one of the authors of "A Target for Euratom," was selected to take the helm of the Atomic Energy Community's Commission. A third appointment, that of a new President for the five-year old High Authority of the Coal and Steel Community went to Belgium's Paul Finet, member of the High Authority since 1952 and internationally prominent European labor leader.

The other members of the Common Market Commission named were: Robert Marjolin, France, former chief of the European Organization for Economic Cooperation (OEEC); Robert Lemeignan, France, prominent French businessman; Piero Malvestiti, Italy, economics professor and former Minister of Transportation and of Industry; Raphaelle Petrilli, Italy, parliamentarian and former Treasury official; Michel Rasquin, Luxembourg, Minister of Economic Affairs; Jean Rey, Belgium, Minister of Economic Affairs, and S. L. Mansholt, the Netherlands, Minister of

Agriculture. The ninth member of the Commission, still to be named, will be from West Germany.

In addition to M. Armand, the other members of the five-man Euratom Commission appointed were: Heinz Krekeler, Germany, Bonn's Ambassador to the U. S. and former industrial chemist; Enrico Medi, Italy, Director of the National Institute of Geophysics and Member of Italy's National Committee for Nuclear Research; Paul de Groot, Belgium, President of the University of Brussels, and Emmanuel Sassen, the Netherlands, Senator and former Minister of Overseas Territories.

M. Finet becomes the third President of the High Authority, replacing René Mayer of France who had succeeded the Coal and Steel Community's first chief, Jean Monnet, in 1955.

At the Paris meeting, the Ministers also made one new appointment to the High Authority. He was Franz Blucher, former Vice Chancellor of the West German Government. Dirk Spierenburg of the Netherlands, a member of the High Authority since 1952, was moved up to the job of First Vice President, a post left vacant last fall when Franz Etzel resigned to become Finance Minister in the new Adenauer Government.

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# COMMUNITY INVESTMENTS CLIMB STEEPLY

## High Authority's Investments Survey

Each year the High Authority publishes a report showing the results of its annual investment survey covering the coal and steel industries of the Community. This report surveys actual investments made the preceding years, as well as investments planned for the current year and for the following year. The following article is based on the 1957 investment survey.\*

The report on the 1957 Community investment survey provides substantial evidence that the common market for coal and steel is achieving one of its main objectives—the rapid growth of investment. Investments in the Community's coal and steel industries are expected to average \$1,336 million a year for the two years 1957 and 1958, compared with an annual average of around \$1,000 million actually invested from 1952 to 1956. The following table indicates the sharp increase in investments planned in 1957 (\$1,482 million), although some of this total is expected to be carried over into 1958:

|                    | Actual Investments |       |      |      |       | Investments Planned |       |
|--------------------|--------------------|-------|------|------|-------|---------------------|-------|
|                    | 1952               | 1953  | 1954 | 1955 | 1956  | 1957                | 1958  |
| Coal               | 505                | 461   | 450  | 416  | 426   | 620                 | 597   |
| Steel <sup>1</sup> | 574                | 570   | 483  | 555  | 620   | 862                 | 593   |
| Total              | 1,079              | 1,031 | 933  | 971  | 1,046 | 1,482               | 1,190 |

<sup>1</sup> (including iron and iron ore)

### Common Market Spurs Expansion, Modernization

When the common market for coal and steel was introduced in 1953, one of the main advantages predicted by its advocates was the stimulus to expansion provided by the ending of frontier barriers and the growth of competition. But it was clear then that the results of that stimulus would not be seen for some time. In the first place, investments must be planned several years ahead, and in the early years of the common market investment projects then being realized had been planned before the common market started; secondly, because the common market opened during a mild recession, production could first be expanded by extending the use of existing capacity. Now the High Authority's 1957 investment survey has provided for the first time statistical evidence that the common market has actually spurred the expansion and modernization that had been predicted by advocates of the Schuman Plan.

It is in the steel industry, where competition is most effective, that the 1957-58 expansion is most remarkable. Investments underway or planned in steel should enable the Community to reach the upper limit of the target level of 73.5 million metric tons laid down for 1960 in the High

\* Les Investissements dans les industries du charbon et de l'acier de la Communauté—Rapport sur l'enquête 1957.

Authority's General Objectives.\* Investment programs already announced would bring the theoretical capacity level up to no less than 74.5 million tons. This level can be compared with an actual production figure of 41.8 million tons in 1952—the year before the common market started—and with the level of some 60 million tons produced in 1957.

### Heavier Investments in Pig Iron and Coal Needed

The High Authority Report stressed the need for further substantial investments in pig iron production if scrap imports are to be reduced from the current level of around four million tons to 1.5 or two million tons per year by 1960, as the General Objectives require. To achieve this reduction in scrap imports, the ratio of pig iron output to steel output must be increased to 781-788 kg per metric ton of steel, whereas the investment program as revealed in the Report would only bring this ratio up to 764 kg per ton of steel.

A similar effort, according to Survey results, will be necessary to increase the Community's coal production. The Community's General Objectives set its coal production needs for 1960 at 306 million tons, but the industry's current investment plans are expected to provide a theoretical maximum capacity of 278.5 million metric tons, of which only 96 per cent, or 270 million tons are likely to be actually produced, as compared to 262 million in 1956.

### I. COAL: More Miners and New Pits Urged

#### MINE PRODUCTION

Mine investments remained at an average level of \$250 million a year between 1952 and 1956. Investment plans for 1957 and 1958 amount to \$364 and \$330 million respectively.

Despite this increase, coal production will still lag behind the Community's requirements, the Report said. The actual level of production will depend on the recruitment of face workers and on the length of working hours. In the longer term, capacity can only be appreciably increased by the opening of new mines, and this should be a main objective for the Community's coal producers.

#### COKING PLANT

For all types of coking plant (independent, pithead, and steelworks), an appreciable increase in investment is expected during 1957 and 1958 (pithead coking plant 50 per cent and steel works coking plant 100 per cent compared with 1955 and 1956).

If all reported investment programs are achieved, coke production capacity will increase from 78 million tons in 1956 to 92 million tons in 1960, and effective production in 1960 should just about cover the 87 million tons which

\* High Authority's Fifth General Report, April 1957, Chapter 12.

### III. IRON AND STEEL

The massive increase in investments in the steel industry, reaching an expected peak expenditure of \$798 million in 1957, is broken down in the following table:

| Plant                                | Actual Investments |      |      |      |      | Investments Planned (at 1 Jan. 1957) |      |
|--------------------------------------|--------------------|------|------|------|------|--------------------------------------|------|
|                                      | 1952               | 1953 | 1954 | 1955 | 1956 | 1957                                 | 1958 |
| for pig iron production <sup>1</sup> | 83                 | 91   | 70   | 83   | 130  | 233                                  | 185  |
| for steel production                 | 91                 | 82   | 44   | 63   | 99   | 127                                  | 85   |
| for rolled products                  | 282                | 266  | 265  | 301  | 247  | 294                                  | 171  |
| for general equipment                | 89                 | 103  | 75   | 77   | 97   | 144                                  | 103  |
| Total                                | 545                | 542  | 454  | 524  | 573  | 798                                  | 544  |

<sup>1</sup> Including steel works' coking plant and plant for preparation of burden (crushing, screening, sintering).

#### PIG IRON

From \$81 million a year between 1952 and 1955, investments in pig iron production increased to \$130 million in 1956. In 1957 they will exceed \$200 million, with particular emphasis laid on preparation of the burden and upon sintering.

The effects of these new investments will shortly become evident. The annual increase in pig iron production capacity is expected to amount to more than four million tons from 1958 to 1959, compared with an annual average of 2.5 million between 1955 and 1958.

#### CRUDE STEEL

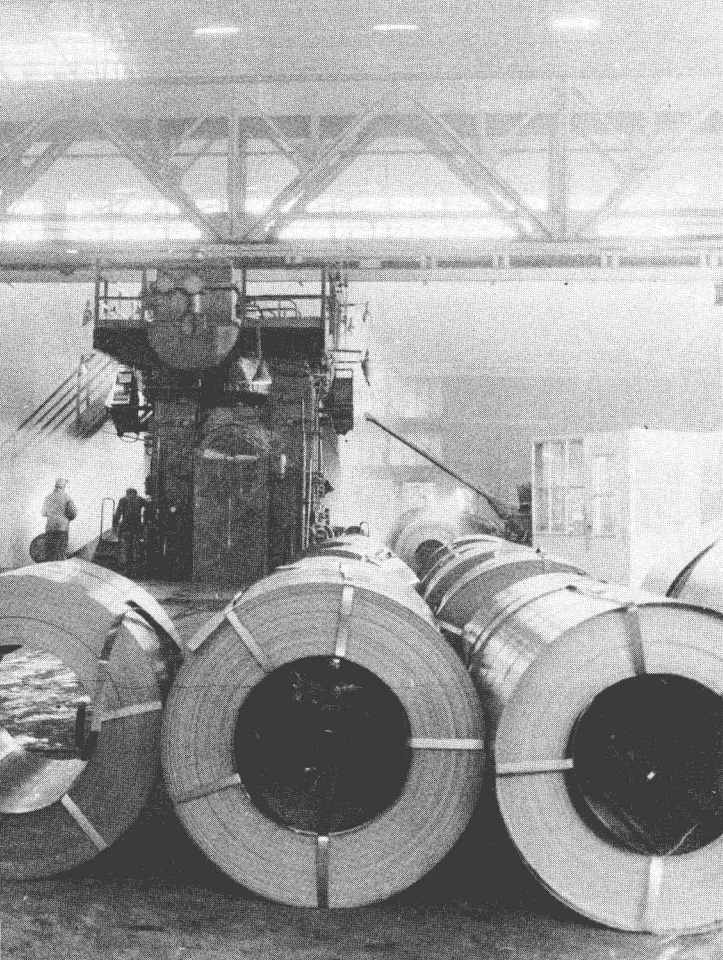
After slackening off in 1954, investment in steelmaking in 1956 reached \$99 million, well above the previous high average level of \$86.5 million reached in 1952 and 1953. Investment plans for the years to come still show a marked upward trend.

The increase in investment is particularly marked for basic Bessemer steel and for Linz-Donawitz, Rotor, and similar furnaces. The latter recently perfected processes will account for nearly 15 per cent of the investments planned for steel production in 1957.

#### ROLLED PRODUCTS

Investments in rolling mills have not varied greatly since 1952. The lowest figure reached since then was \$265 million in 1954 and the highest \$301 million in 1955. Short-term investment plans remain within these limits, but the pattern of proposed expenditure is changing, showing a decrease of expenditure in mills for flat products, except for plate, and a gradual increase in mills for rolling sections, especially heavy and medium sections.

These changes in the pattern of investments will only slowly affect production capacity. The proportion of flat products in the total of rolled products will continue to increase, although more slowly, and will reach 43 per cent in 1960 as compared with 42 per cent in 1956.



Investments in rolling mills remained steady—one of the few industrial areas where investments have not soared since 1952. Above is a view of the cold rolling mills at the ARBED works in Dudelange, Luxembourg.

the General Objectives prescribe as the Community's needs for that year.

#### POWER INSTALLATIONS

Investments in pithead power stations and other power installations, which in 1956 reached the high level of \$104 million against \$80 million in 1955, will again rise sharply in 1957 to \$152 million and in 1958 to \$159 million.

In 1960 pithead power stations are expected to cover one-third of the electricity produced from coal and 15 per cent of the Community's total electricity needs compared with 13.4 per cent in 1956. Production on this scale, largely from low grade fuel, is in line with the Community's General Objectives which stress the need for more efficient use of coal.

### II. IRON ORE MINES: Investment Rising Sharply

Investments in iron ore mines are increasing rapidly, from \$30 million a year between 1952 and 1955 to more than \$48 million in 1956. They are expected to reach \$65 million in 1957, falling off to \$49 million in 1958.

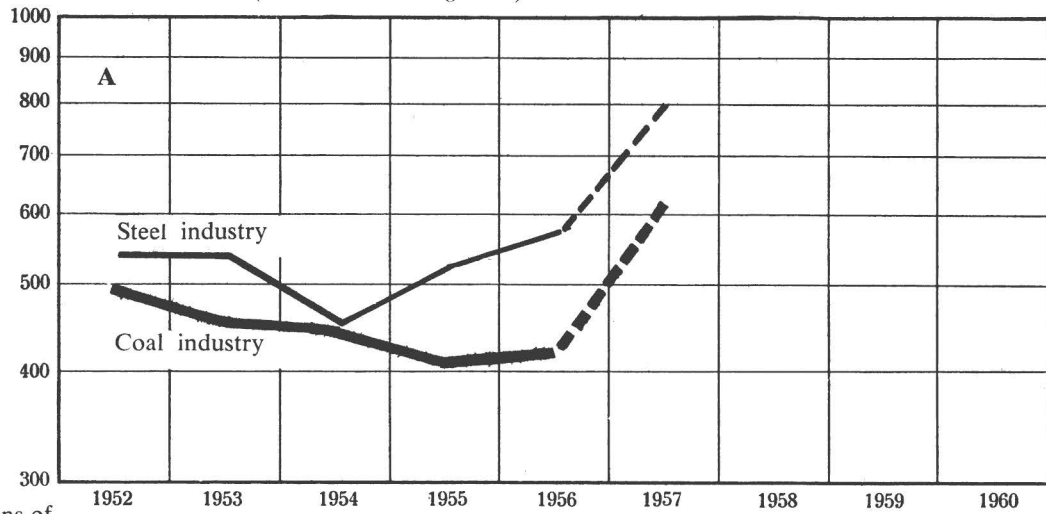
Despite these increases, the Community's iron ore production cannot increase rapidly enough to satisfy the needs of the steel industry. Although extraction capacity will rise from 84.8 million metric tons in 1956 to 105.5 million tons in 1960, imports of rich ore will still have to be increased to 32 million metric tons in 1960 as against 22.8 million tons in 1956.

### INVESTMENTS IN THE COMMUNITY'S COAL AND STEEL INDUSTRIES

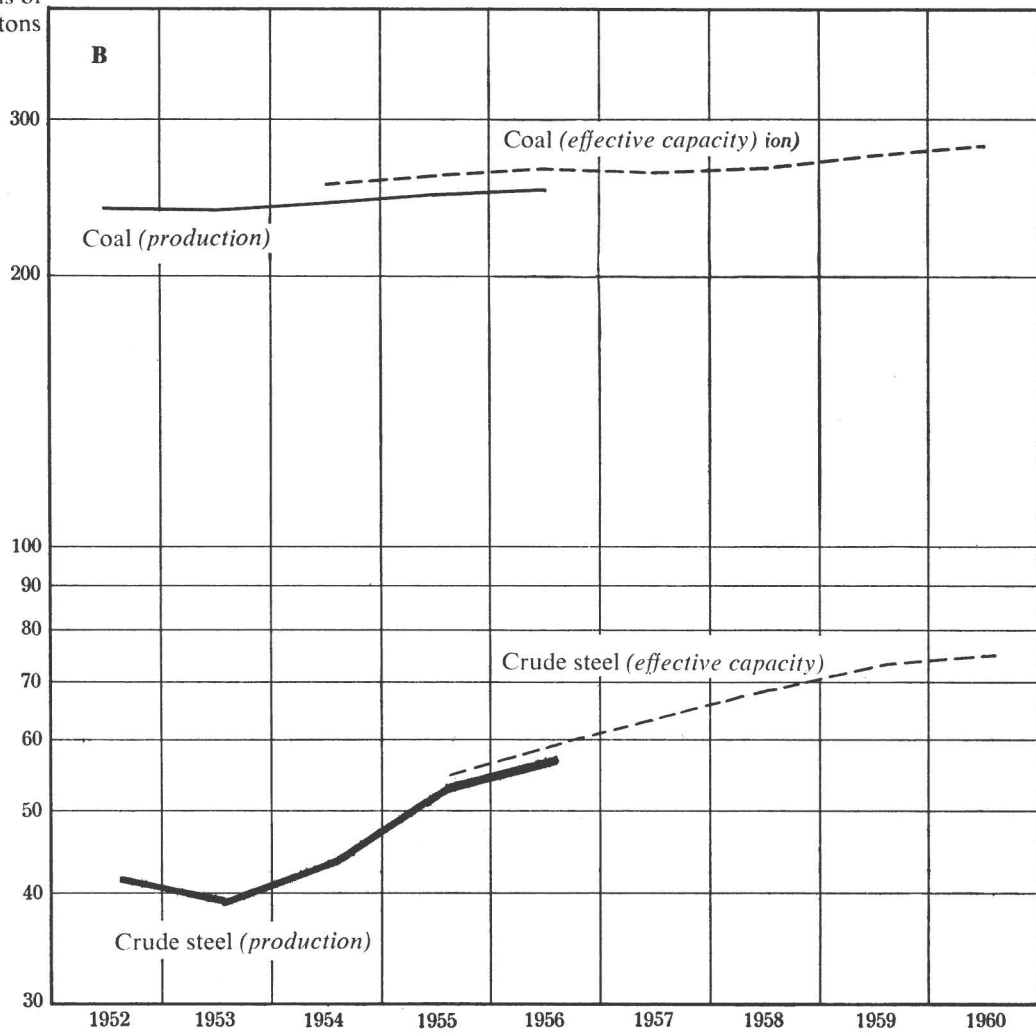
A—Investment expenditure

B—Production and effective capacity

Millions of dollars (*E.P.U. accounting units*)



Millions of metric tons



# EUROPEAN SCHOOL OPENED

Six Nation Ceremony in Luxembourg

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On Wednesday, December 11, 1957, Ministers and representatives of the six Community countries, in the presence of the Grand Duchess of Luxembourg and the President of the High Authority, officially opened the new building of the European School for the children of Community officials. The School, whose beginnings date back to 1953 when a small kindergarten and primary school was opened in a converted house on the initiative of Community officials, was officially recognized in April 1957 by an inter-governmental Agreement between the education authorities of the six member countries. On July 15, 1957, the six Governments agreed upon a European "School-leaving Certificate" ensuring that students of the European School who successfully passed their examinations could enroll at universities in any country within the Community.

## *Toward a European Education*

Speaking at the ceremony, M. René Mayer, President of the High Authority, declared: "At the moment when the new European communities (for the General Common Market and Euratom) are coming into being, and in order that they may not run the risk of being merely ephemeral entities, it is necessary that part of their strength should have a spiritual foundation. The European School is the first move in this direction, on a modest scale certainly, but the very name of this institution indicates the meaning of an experiment which may later be repeated on the same lines elsewhere.

"In the same way, the agreement on a European school-leaving certificate may well inspire a more general policy for equivalence of academic diplomas and qualifications, and may well open the frontiers to the free movement of students and ideas, the indispensable complement to a Common Market which aims at becoming the basis of a truly united Europe. The day when this comes about, all those who have participated in the work which we are celebrating today . . . will know that they have brought about an essential transformation of our countries and helped to replace the Europe of military cemeteries by the Europe of schools and the brotherhood of youth."

## *The School's Setting*

The new school building, which was begun in June 1956 by the Luxembourg authorities, stands in a rectangular site in the city of Luxembourg and is laid out in the form of a large capital E, for "Europe". The base of the E, however, is still only traced out, leaving room for future expansion.

In the front of the building a central block stands out, containing the School hall and gymnasium. Its façade is decorated with a bas-relief by a Luxembourg sculptor representing the principal subjects and sciences and the various school activities. On its first floor there are the staff common room and offices and on the upper floors the specialized classrooms. The whole block stands on four columns

of Ardennes granite, with a broad wrought iron doorway leading to the hall.

The classrooms are arranged on three floors on either side, the primary classes in the left wing and the secondary in the right. The two wings have an identical window layout on a symmetrical design emphasized by window frames of blue porphyry, and both have broad staircases at the corners of the building. The kindergarten is housed in a rectangular wing in the top bar of the E. In the same way there are three separate playgrounds, one for each age group.

## *Origin and Development*

The European School first came into being because of the need to provide education for the children of Community officials.

When the families of the first European officials came to Luxembourg in 1953, the influx of children belonging to five different countries and speaking four different languages presented an exceedingly complex educational problem. It was only reasonable that these children—and particularly those from farthest away—should be kept in contact with their native languages and their own ways of life. They had all to be given the opportunity to continue their studies without a break and without a reduction of their schooling timetable. There were not enough children from each country to justify the establishment of a separate school for each nationality. Moreover, it would have been a mistake to lose the opportunity of bringing together these children from different backgrounds for common teaching in four languages all treated on an equal footing.

*HRH, the Grand Duchess of Luxembourg with Luxembourg's Prime Minister Joseph Bech, unveils the commemorative plaque at the opening of the European School's new building on December 11, 1957.*



The smallest children were the first to be considered. With the authorization of the Luxembourg Government and the support of the institutions of the Community, a kindergarten was opened at Easter 1953, followed by a primary school in October, both set up by a Parents' Association formed shortly after the establishment of the Community's institutions. By the time they had been in existence for a year, the two schools had in all 140 pupils.

Since there were found to be approximately 100 children of secondary school age, the parents asked that the experiment should be extended. With the support of the Common Assembly and the High Authority, the Governments were requested to make joint arrangements through their cultural departments for European secondary education facilities, each country to contribute something of its own culture and a number of its own teachers. The Governments agreed, and the officials responsible for education and for cultural relations with foreign countries met to settle the organization of the secondary school. This was opened in October 1954 for the first two classes, totalling 70 pupils. Two more classes were started at the beginning of the following school year in September 1955. The School was subsequently built up at the rate of one class a year, so that by September 1957 there were six secondary classes out of a final total of seven. Over-all attendance (kindergarten, primary course, and secondary course) rose from 294 pupils in 1955 to 370 in 1956 and 510 for the current school year 1957-8. The pupils are divided as follows:

#### PUPILS

|                  | German | Belgian | French | Italian | Luxembourg     | Netherlands | Other Nationalities <sup>2</sup> | Total |
|------------------|--------|---------|--------|---------|----------------|-------------|----------------------------------|-------|
| Kindergarten     | 20     | 13      | 23     | 4       | 1              | 10          | 11                               | 82    |
| Primary School   | 38     | 49      | 89     | 15      | 5 <sup>1</sup> | 42          | 24                               | 262   |
| Secondary School | 38     | 28      | 46     | 16      | 7              | 24          | 7                                | 166   |
| Total by         | 96     | 90      | 158    | 35      | 13             | 76          | 42                               | 510   |

<sup>1</sup> The primary section of the European School is only open to Luxembourg children subject to certain requirements of Luxembourg law.

<sup>2</sup> These include children of the staff of diplomatic missions and delegations.

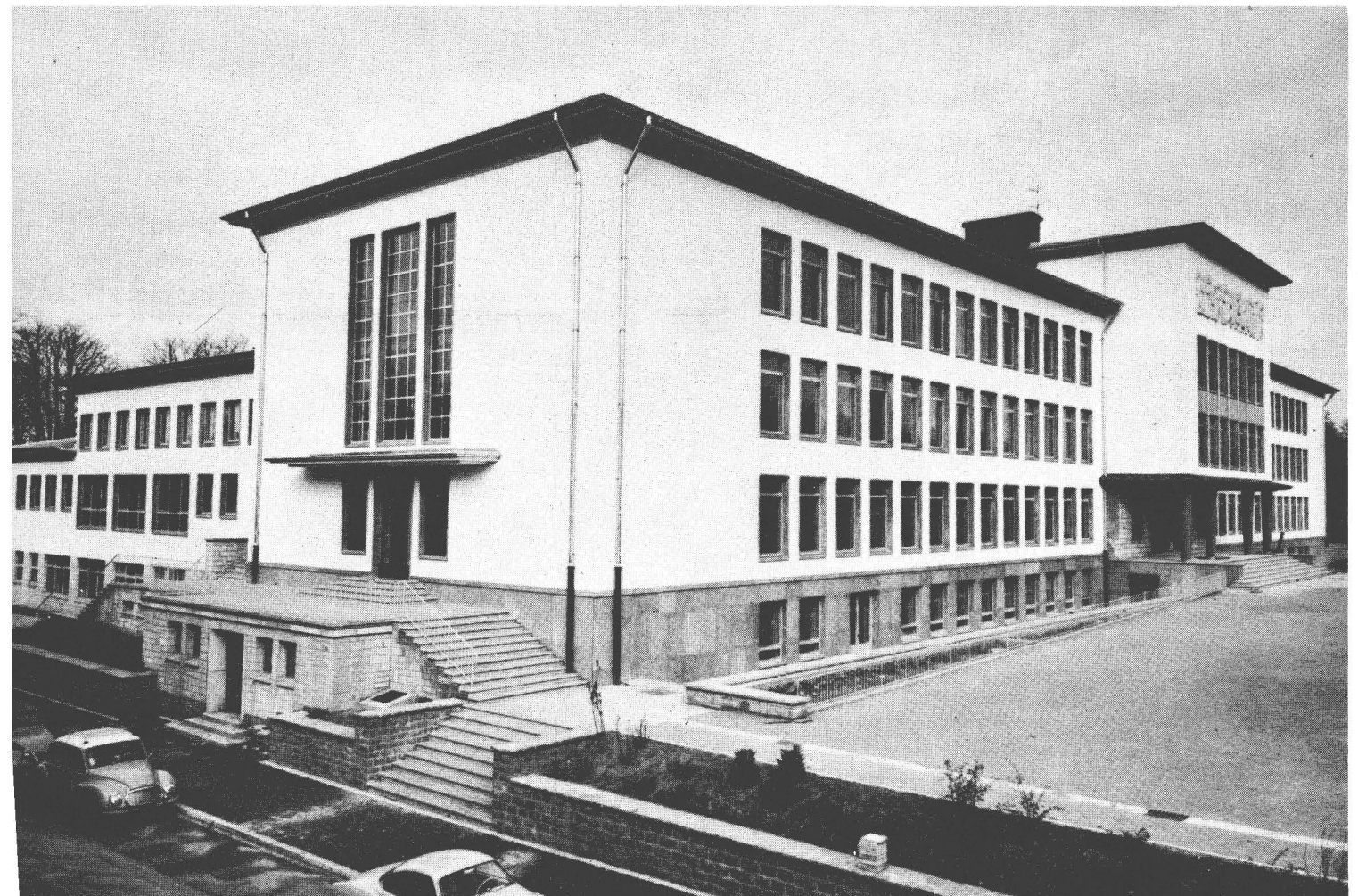
### *Courses in Four Languages*

In order that each child shall, as it is entitled to do, receive its basic education in its native language, the pupils are first divided into four language groups for tuition in the main subjects—grammar, literature, classical languages, mathematics. They are taught in the four official languages of the Community countries, Dutch, French, German, and Italian.

From the primary stage onward all pupils are required to study a second Community language, either French or German. This language, which is taught by direct methods—including songs and games for the youngest children—is intended to serve as a working language for the teaching of certain subjects in the secondary course.

From the second year in the secondary school, history, geography, and biology are taught in courses common to

*A view of the European Schools' new building in Luxembourg, a school which "may well open the frontiers to the free movement of students and ideas, the indispensable complement to a Common Market . . . the basis of a truly united Europe."*



## A Synthesis of National Syllabuses

Like the general structure of the courses, the syllabuses themselves have been standardized to ensure that pupils in the three fields receive a comparable education and derive equal benefit from their international tuition.

The syllabuses were worked out by specialist committees of school inspectors from the six countries, who compared the systems in force in the different countries, bearing in mind the needs of each. The syllabuses are a synthesis of those in force in Belgium, France, Germany, Italy, Luxembourg, and the Netherlands. They have been approved by the Board of Governors of the School, and it has been agreed that they shall be reviewed periodically and modified according to new reforms or according to experience gained in the new experiment.

History and geography were the two subjects in which it was most necessary to co-ordinate the syllabuses and teaching methods. A committee of historians from the six countries was entrusted with this task. While keeping the national history of each country in its rightful place, the syllabuses have been so drawn up as to give the children during the first three years not only a general picture of the development of history, but also an idea of the parallel evolution of their countries through the events in which they have shared. Then within this general outline, periods of major importance are studied in greater detail so as to show the contribution each country has made to human civilization.

*Young homemakers play and learn in four languages in the kindergarten of the European School.*



*"Tug-of-play" for primary grades children from six nations at the European School.*

more than one language group, using French and German side by side. From the fourth year, this system is extended to physics, chemistry, and art history.

Italian, Dutch, and Flemish-speaking pupils can choose their own working language, but once they have so chosen they are expected to keep to the same language throughout their studies.

Courses at the European School last five years for the primary school and seven for the secondary. The first three years of the secondary school form a common basis for subsequent specialization. Its first year is devoted to extending the grounding provided at the primary school and to giving the pupils intensive practice in their supplementary language (seven hours a week). From the second year onward all pupils are required to study Latin.

In the fourth year parents choose for their children any one of three fields for special emphasis. They are divided as follows:

- (a) the classic—with stress upon Latin and Greek;
- (b) the combination of classic and modern with stress upon Latin, mathematics, and sciences, and
- (c) the modern with stress upon mathematics and sciences.

All three special fields place great emphasis on modern languages, and all pupils study English from the third year onward, in addition to their working language. Pupils in the "modern" field and also Dutch, Flemish, and Belgian-French-speaking pupils, have the option of taking a third language.



## International Comparisons

For several decades, and especially since the end of World War II, European nations have tried to establish common educational and academic standards; but the task is difficult, and the results have hitherto been somewhat disappointing. This is shown by a study recently published in Liège by MM. Robert Close and Octave David, whose main conclusions are as follows:<sup>1</sup>

- National educational programs have each their own particular characteristics, which make a standardization or equivalence of diplomas extremely difficult in practice. The bilateral agreements prior to the European Convention of 1953 were aimed chiefly at exchanges of teachers and students, the issue of scholarships and the establishment of vacation courses, but they tended to ignore the problem of equivalence of diplomas.

- The European Convention on equivalence of diplomas giving access to universities was signed on December 11, 1953, by the representatives of the member Governments of the Council of Europe, but each contracting party reserved the right not to apply the terms of the agreement to citizens of its own country. The Convention is therefore more valuable as a declaration of principle than as a practical step.

- The bilateral agreements which followed the European Convention made some further progress. Nevertheless, only the Franco-Italian agreement of 1956 created concrete equivalence, and it applied only to the pupils of the Lycée Chateaubriand in Rome and pupils of the Lycée Léonard de Vinci in Paris. In spite of its great importance, it has not been extended, and has remained purely bilateral.

- The SHAPE school, which is run by the French Ministry of Education, and whose classes are taught in French, enables pupils to continue their studies in France or in their country of origin. But the choice is restricted in each case to these two countries and the sum total is that of a series of bilateral agreements between France on the one hand and each of the native countries of the pupils on the other.

- The European School in Luxembourg, says the study, is the only one which fully realizes the aims of a genuine European school. "The pupils who leave it," say the authors, "have not only obtained an education at least equal to that which they would have received in their own country, but they have moreover been able to benefit from a unique course of teaching in foreign languages. It must be stressed also that the syllabus of this school is in fact a synthesis of the syllabuses of the six countries while its school-leaving diploma is recognized by all. Here, therefore, is the perfect example of what we were seeking. And to some extent, what has been realized in Luxembourg even surpasses our own aim, for this is not a case of equivalence of diplomas, but of an authentic European diploma, at least within the Europe of the Six."

In conclusion, the authors of the study propose the creation of a series of international *lycées* as an interim measure and the establishment of a European system of secondary teaching as the definitive solution.

"This proposal," they add, "may seem impracticable and even Utopian, but the European School in Luxembourg will bear witness that it is neither."

<sup>1</sup>Centre d'études Liberales, 9, rue Vinave d'Ile-Liege 1957.

Geography also is taught in an unusual way. During the first four years the pupil is taught about the world by means of concrete experience, *i.e.* of his own immediate surroundings. During the last three years he resumes his study of general geography, to which he was briefly introduced in his first year, and of the main economic regions of the world. In this field, special attention is devoted to the study of the E.C.S.C. countries. From the second year onward, the syllabus includes the geographical features of the six countries taken as a single whole. Problems of urban and rural settlements, agrarian structure, agricultural production, the location of energy resources, the main traffic routes, trade, etc., are dealt with as far as possible on a Community-wide basis.

When the pupil reaches the sixth year of his secondary course, he is brought back to the study of the Community countries, but this time with the aim of showing the diversity of this part of Europe and analyzing its different features.

A similar scheme has been worked out by the Board of Junior-Grade Inspectors for the primary school.

## The European Leaving Certificate

Studies at the European School are now to culminate in an examination for a European "Leaving Certificate". All pupils will take it under the same conditions before the same group of international examiners and the certificate will have the same validity as the corresponding certificate of each of the six countries. The agreement approving this European "Leaving Certificate" was signed on July 15, 1957.

The examination will include six written papers: these will, of course, vary in character and scope according to the side on which the candidate is studying, but all candidates will be required to write in their native language on a literary theme and on a philosophical subject. They will also be examined in mathematics. In addition, special attention will be paid to modern languages whatever the subjects studied by the candidate.

Oral tests will be only four in number: lots will be drawn to decide the subjects (scientific and literary) on which the candidates are to be examined orally, after they have first answered questions in their own language and in their supplementary modern language. This last test will be compulsory for all candidates.

A record of each candidate's marks for essays on his various subjects during the second and third terms of his last year of study will be submitted to the examiners. Marks for essays on all subjects will represent one-third in the calculation of the final average.

The examiners also are to be selected with due regard for the international and Community character of the School. They will form a single body, appointed by the Board of Governors, to examine candidates of different nationalities and languages. There are to be two or three examiners from each country and the body as a whole will be headed by a professor from each country in turn.

The examiners will be assisted by teachers of the School. The oral tests and the correction and assessment of the written papers will be carried out by groups of three, consisting of two regular examiners and the teacher who has



taught the subject in question to the candidate.

This is the first time that the member countries of the Community have recognized a European "Leaving Certificate" in respect of their own nations. Hitherto, each country had as a rule reserved to itself the right to grant such certificates on the completion of studies.

The Agreement signed on July 15, 1957 will accordingly enable all holders of the European "Leaving Certificate" to continue their studies at one or more universities of the Community countries, and will open the principal universities of Europe to the alumni of the European School.

## Ceremony in the Ruhr Marks Advance of Community's Housing Program

On December 4th, 27-year-old Herr Gunther Schallert, a miner in the Ruhr, played a main part in a ceremony which he could hardly have thought possible when he fled with his family from the Soviet Zone of Germany four years ago.

At the ceremony in the mining district of Oberaden, Herr Heinz Potthoff and Sig. Enzo Giacchero, Members of the High Authority of the European Coal and Steel Community, handed over to him—or, more accurately, to his wife—the keys of the 10,000th workers' house built in the Community with the financial aid of the High Authority.

For a man who had arrived almost penniless in the German Federal Republic only four years ago as a refugee from the Soviet Zone with his wife and two children, the new house represented a full justification of his decision to flee to freedom. In the Soviet Zone, Herr Schallert had been sent to the uranium mines at Auer, Saxony. When he refused to join a political organization, life became so difficult for him that he took his family and crossed from the Soviet Zone. After several jobs in the Federal Republic, he was taken on at the Haus Aden mine, in

the Community's biggest coal field, the Ruhr.

Schallert, a very determined man who planned his departure from the Soviet Zone very carefully, commented that even if only material conditions had counted, he would have considered his decision justified. "Here," he said, "I have freedom, good living conditions, and now a new house."

The Schallert's new house has three bedrooms and a bathroom on the second floor, and on the first floor a large living room with terrace, a room where Schallert's parents sleep, and a kitchen. One of the prize pieces of equipment in that kitchen is the washing machine which Schallert's firm and colleagues presented to him as a moving-in present.

Schallert's children, who now number four—three girls, aged six, five, and one, and a boy aged two—will, according to their father, grow up in a home such as he previously had only dreamed about.

### *The High Authority's Housing Program*

By the beginning of 1959, the High Authority's various housing programs—there are four—will have made it pos-

*Sig. Enzo Giacchero, Member of the High Authority, hands over the keys of the 10,000th Coal and Steel Community house on December 4th to a 27 year old Ruhr miner and his family.*



sible to start work on building 38,000 workers' houses in the coal and steel producing areas of the Community.

For the first program involving some 15,000 houses, the High Authority raised loans in Belgium, France, Germany, and Italy, totalling \$25 million. For the second program, expecting to cover some 20,000 houses, the High Authority is advancing \$15 million out of its own funds at nominal interest rates; this sum will be increased to \$30 million by funds to be raised on the capital markets of the Community's member states. The High Authority's contribution will enable a very low average interest rate to be charged.

By December 4th, 1957, the High Authority had contributed to the financing of 26,000 houses, of which 11,000 are being purchased outright by workers and 15,000 will be rented. By the same date 10,000 houses had been completed, 11,000 houses were under construction and a further 5,000 were in the planning stage.

### **The Experimental Programs**

The High Authority's experimental programs are designed to demonstrate the most economic and satisfactory methods

of house construction, using the optimum amount of steel. A committee has already presented to the High Authority a report, shortly to be published, on the first experimental program of 1022 houses, for which the High Authority made an outright grant of \$1 million.

For the second experimental program, comprising blocks of apartments, which is expected to yield new knowledge on how far standardization of components can be applied, the High Authority has made an outright grant of \$1 million and a loan of \$3 million at 3 per cent.

### **Better Living Standards and Higher Productivity**

The High Authority's housing efforts aim at aiding economic expansion, raising living standards, and improving general conditions by helping workers to live nearer their places of work. A major economic aim is also to maintain the labor force at the mines by providing attractive housing. Moreover, since the ECSC houses are generally built at new or expanding mines or steelworks with a high rate of efficiency, they are regarded as an important stimulus in raising productivity in the Community's industries.

## **The European Social Security Agreement**

Representatives of the six member countries of the Community signed an Agreement in Rome on December 9, 1957, extending social security benefits to all migrant workers in the Community and laying down minimum standards for payment.

The Agreement, known as the European Convention on Social Security for Migrant Workers, applies not only to coal and steelworkers but to workers in all industries throughout the six member countries, with very few exceptions. Covering all branches of social security—health insurance, disability pensions, old age pensions, depend-

ents' benefits, accidents and occupational diseases, family allowances and unemployment benefits—it replaces the bilateral and multilateral agreements hitherto in force, except as regards frontier workers and those few clauses of bilateral agreements which are more favorable than the terms of the new convention, and which therefore remain in force. The draft text of the convention was drawn up by the International Labor Office in Geneva at the request of the High Authority. Its signature, even before the start of the Common Market for all goods, will greatly facilitate the free movement of labor which is written into the treaty for the European Economic Community.

*The Ministers of Labor of the Community nations sign a historic Document in Rome on Dec. 9 providing for social security benefits to migrant workers in any of the six countries. L. to R.: M. Nicola Biever, Luxembourg; Sig. Luigi Gui, Italy; M. Bacon, France; M. Troclet, Belgium, and Herr Blank, Germany.*



# GATT Reviews Community's 5th Annual Report

On December 10, 1957, the General Agreement on Tariffs and Trade (GATT) published the results of its examination of the Community's 5th Annual Report. During the transitional period—the first five years of the common market for coal and steel—the Community submits its Annual Report for examination by the contracting parties in GATT, under the terms of the waiver granted in 1952 for the setting up of the Common Market.

The GATT Working Party appointed to examine the 5th Annual Report declared in its conclusions that "the examination of the 5th Report has shown that the Member States and the High Authority have taken the necessary steps to complete the establishment of the Common Market on February 10, 1958, as contemplated when the decision of November 10, 1952 (the Waiver), was approved by the contracting parties; it should be noted, however, that according to some members of the Working Party

the proposals for the harmonization of the customs tariffs of the Member States do not correspond to what the Governments had understood to be contemplated when the Waiver was granted. The Working Party was of the opinion that this question would have to be discussed when the Report on the last period covered by the Waiver is transmitted and examined next year. . . .

"While the Working Party was able to conclude that the difficulties which in earlier years had occurred in the supply of coal and coke from the Community had entirely been overcome, it was not in a position to reach unanimous conclusion as regards prices because of the divergent viewpoints concerning the criteria to be applied in comparing the various price series. Note was taken, however, of the fact that the price situation had improved substantially at the end of the period covered by the Report."

## Europe's 1957 Steel Production Up, but Coal Production Lags

Steel production for the year 1957 in the European Coal and Steel Community is estimated at some sixty million metric tons, or five per cent above the 1956 figure and forty-three per cent above that for 1952, the last year before the opening of the common market for coal and steel. From 1956 to 1957, the increase in Community steel production was more rapid than in Great Britain, the United States, or the USSR.

But Community coal production for 1957 is estimated at 248 million metric tons, or only 3.8 per cent above the 1952 figure, and 0.4 per cent below that for 1956. This compares with 1956/7 increases of some one per cent in Great Britain, ten per cent in the United States, and eight per cent in the USSR.

### STEEL PRODUCTION (in millions of metric tons)

|                    | 1952 | 1956 | 1957* | 1957/56 | 1957/52 |
|--------------------|------|------|-------|---------|---------|
| European Community | 42   | 57   | 60    | + 5.3%  | +42.8%  |
| Great Britain      | 17   | 21   | 22    | + 4.8%  | +29.4%  |
| United States      | 84   | 104  | 104   | 0.0%    | +23.8%  |
| USSR               | 34   | 49   | 51    | + 4.1%  | +50.0%  |

### COAL PRODUCTION (in millions of metric tons)

|                    | 1952 | 1956 | 1957* | 1957/56 | 1957/52 |
|--------------------|------|------|-------|---------|---------|
| European Community | 239  | 249  | 248   | — 0.4%  | + 3.8%  |
| Great Britain      | 230  | 226  | 228   | + 0.9%  | — 0.9%  |
| United States      | 457  | 480  | 530   | +10.4%  | +16.0%  |
| USSR               | 230  | 304  | 330   | + 8.5%  | +43.5%  |

\* Estimates

## High Authority Raises Housing Loan in Saar

The High Authority has concluded an agreement with a Saarbrücken bank which will enable a total of 840 million French francs (\$2.1 million) to be loaned for the building of workers' houses. Under the terms of the agreement, the High Authority will lend the bank, the Landesbank und Girozentrale Saar, a sum of 280 million French francs out of the Community's own funds; the bank undertakes to lend this sum, together with an additional 560 million French francs, for the construction of workers' houses. The loans will be made, in agreement with the High Authority, to the enterprises to whom the work of construction has been awarded.

The loans will be for a period of approximately 27 years, at an interest rate of 5. per cent.

Of the total to be loaned, 600 million French francs will be used for houses for miners and 240 million francs for steelworkers' housing.

## ECSC Representative Leaves London

Jonkheer H. L. F. K. van Vredenburg, Chief Representative in the United Kingdom of the High Authority of the European Coal and Steel Community, relinquished his post on the 15th of January. He is to return to The Hague in the service of the Netherlands Ministry of Foreign Affairs as Director-General of a newly created Division for European Co-operation.

M. van Vredenburg had been the first head of the High Authority's Delegation in London, set up as a consequence of the Agreement of Association between the United Kingdom Government, the High Authority, and the member states of the European Coal and Steel Community which was signed in December 1954. Previously, from 1952 to 1956, he was Deputy Secretary-General of N.A.T.O. M. Georges Berthoin, Deputy Chief Representative, will act as the High Authority's interim Representative pending the appointment of a new Chief Representative.

## The Search for a Capital of Europe

When the Foreign Ministers of the Six met in Paris this month, some observers expressed belief that they had skirted a primary issue when they delayed naming of a European Capital for the Communities until June 1958. However, what some of the same observers overlooked was the fact that the Ministers did agree in principle to the need for locating the headquarters of the three Communities in one place. Thus, to many Europeans, including 38 members of the Action Committee for a United States of Europe, the most important objective of the Ministers' meeting had been fulfilled.

Six weeks before the Paris session, European political leaders and trades union chiefs from the Six who are members of the Action Committee passed a resolution urging their respective Governments to press for a single headquarters for the Common Market, Euratom, and the Coal and Steel Community. Their resolution cited the following reasons:

1. the common goal of economic union and economic expansion shared by all three Communities;
2. their sharing of the same Council of Ministers, Common Assembly, and Court of Justice;
3. consultative obligations between the three as stipulated in the treaties, and
4. the keeping to a minimum of administrative expenses.

The members of the Action Committee in their resolution also urged the establishment of a "European District," similar in some respects to the District of Columbia, which would have European status and be administered by the institutions of the Communities.

Some of the cities that have been proposed for the "Capital of Europe" include Luxembourg, Strasbourg, Brussels, Paris, Milan, and Turin.



*Dr. Hans Furler*

### Assembly President Receives Italian Decoration

Dr. Hans Furler, President of the Community's Common Assembly, received on December 11, 1957, the Italian Gran Croce al Merito della Repubblica Italiana, awarded him by Sig. Giovanni Gronchi, President of the Italian Republic. The decoration was handed over by Sig. Antonio Venturini, the Italian Ambassador in Luxembourg.



*Fernand Spaak*

### Fernand Spaak and Robert Marjolin to Speak in New York

The Deputy Director of the High Authority's *Division des Ententes et Concentrations* (anti-cartel division), Fernand Spaak, will speak in New York on February 5th during a three-day Conference on the Common Market being staged by the American Management Association. M. Spaak will address the Conference on the subject: "Patterns and Lessons from the European Coal and Steel Community." Sharing the same platform will be Robert Marjolin, newly-appointed member from France of the European Economic Community Commission. The former chief of the Organization for European Cooperation (OEEC) will speak on the subject of "Europe and World Trade."

### Recent Publications\* of the Coal and Steel Community

1. Les Investissements dans les Industries du Charbon et de l'Acier de la Communauté, septembre 1957 ..... 1.00
2. Comparaison des Revenus Réels des Travailleurs des Industries de la Communauté ..... 1.00
3. Obstacles à la Mobilité des Travailleurs et Problèmes Sociaux de Réadaptation ..... 1.00
4. Étude sur la Structure et les Tendances de l'Economie Énergétique dans les Pays de la Communauté ..... 1.00
5. Readaptation and Re-employment of Workers ..... 1.00
6. Tendances du Marche Pétrolier dans les Pays de la Communauté, mars 1957, Luxembourg ..... free
7. Wigny, Pierre, *Un Témoignage sur la Communauté des Six* ..... 1.00
8. Recueil de la Jurisprudence de la Cour, Vol. II, 1955-56 ..... 3.50
9. Real Incomes of Workers in the Community (synopsis of No. 2) ..... free
10. Scope of the Common Market in Coal and Steel ..... free
11. What is the Community? ..... free
12. Towards European Integration ..... free

\* A revised listing of documents and publications of the European Community for Coal and Steel will be available from the ECSC Washington Office in February, 1958.