



Bulletin from the

EUROPEAN COMMUNITY

BELGIUM, FRANCE, GERMAN FEDERAL REPUBLIC, ITALY, LUXEMBOURG, THE NETHERLANDS

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COMMON MARKET ACCEPTS DILLON PROPOSALS

Support Given to Further Tariff Reductions

The Council of Ministers of the Economic Community voted on May 5 to support the so-called "Dillon proposals" for a new round of multilateral negotiations in GATT (the 37-nation General Agreement on Tariffs and Trade). The aim would be to achieve further tariff cuts and a consequent expansion of world trade.

In a communiqué issued after the meeting, the Ministers stated that they felt the aim of the United States in making the proposals was fully in accordance with the aims of the Community's member countries as expressed in the Rome Treaty. It would help the Common Market to contribute, in the general interest, to the harmonious development of world trade and particularly to the reduction of trade barriers. The Council added that it would support the American proposal at the 14th session of GATT which opened on May 14 in Geneva.

This statement of intention by the Council is regarded by qualified observers as being particularly significant from a timetable point of view. The mandate for the reduction of U.S. tariffs by up to 20 percent, handed down toward the close of the 85th Congress last summer, was for four years only and will end in July, 1962. This imposes on the Community a speeding-up of its preparation of the Community's common external tariff. Before that date the Community must:

1. Complete its negotiations on the items in "list G" (items for which the common tariff is being negotiated among the six Governments).
2. Renegotiate with the other members of GATT the consolidated duties affected by the common tariff.
3. Negotiate the new round of tariff cuts on the basis of its common tariff.

The Council's statement is therefore held to mean that the six governments will do everything possible to complete speedily the negotiations on List G and will set a time limit for the renegotiation of the consolidated duties. It also means that, before the common external tariff even comes into force (it is scheduled to do so for certain products by the end of the first stage of the transition period), reductions on many of its items will have been negotiated and will be applicable to the member nations of GATT throughout the world.

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HIGH AUTHORITY PRESSES FOR FURTHER ACTION IN COAL CRISIS

Proposals for Belgian Crisis Follow Council Setback

For the first time in the seven-year existence of the European Coal and Steel Community, the Council of Ministers openly rejected proposals of the High Authority. On May 14, the Council turned down the executive's four-point program aimed at easing the Community's coal crisis. The program would have: (1) reduced imports; (2) regulated production; (3) frozen pithead stocks; and (4) maintained miners' incomes. It failed to gain the necessary two-thirds majority from the Council.

As soon as the High Authority's program was rejected, the executive body drafted and placed before the Council an outline of proposals for emergency action in the Belgian coal industry. Hardest hit by the crisis, the Belgian industry is often called the weakest link in the total Community chain. The new proposals range from stopgap measures for riding out the current crisis to comprehensive long-term plans for streamlining the industry and making it more efficient. One of them—the extension until September 30 of emergency aid for Belgian miners on part-time work—was approved immediately by the Council.

The High Authority has made it clear that it does not regard the Council's reversal as a major blow but will move forward with plans for limiting the effects of the crisis as much as possible and for creating a new framework within which the coal industry's difficulties may be overcome. After meeting with the Study Committee of West European Coal Producers on June 1, it presented a white paper on the coal crisis June 13 to the Internal Market Committee of the European Parliament. Furthermore, the executive branch stressed that if the crisis becomes more acute, it reserves the right to propose again the limitation of imports and the regulation of production.

How the Vote Turned Against the High Authority

In the Council's action against the High Authority, the members from Germany, Italy, and France joined together in opposition for various reasons. For acceptance, the proposals had to win a two-thirds majority of the six members, including either France or Germany. However, only the Benelux nations supported them.

In the case of France, Jean-Marcel Jeanneney, chairman of the Council of Ministers and French Minister of Industry and Commerce, made it clear that the French were not prepared to give the High Authority supranational control over French coal production which he claimed the four-point program would involve. The direct control of firms by the High Authority could have social and political consequences for which the French Government and not the High Authority would be responsible, M. Jeanneney said.

The official German viewpoint was that the crisis was not sufficiently grave to warrant production and import quotas, even for six months.

The Italian Government, on the other hand, rejected the proposals because it considered the control of production was not strong enough. The Italian view was that the High Authority action would not justify the sharp cut in imports of less expensive coal from non-member countries, chiefly the United States, on which its economy has tended to rely more and more in recent years.

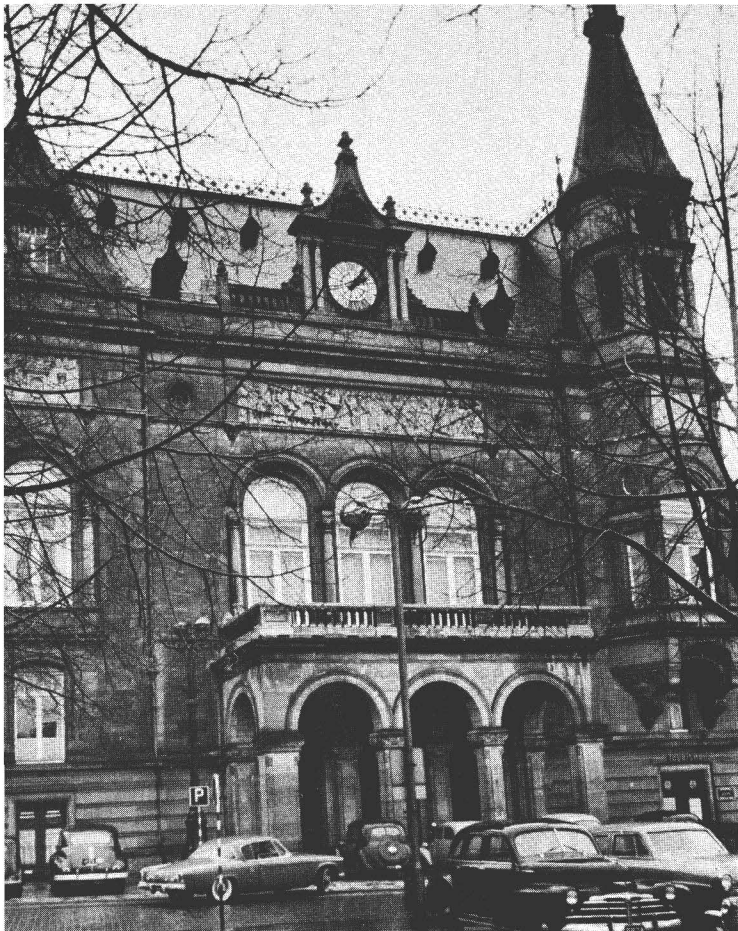
The High Authority repeatedly modified its program in an attempt to meet the governments' objections. On numerous occasions it stated its willingness to accept any solution which would achieve the desired aim of reducing to the expected level of demand the amount of coal reaching the market this year and which would at the same time be permissible under the rules of the ECSC Treaty. In the communiqué published after the Council meeting, the High Authority "regretted that these efforts had not succeeded although they went to the extreme limit which would have guaranteed real effectiveness."

In the press conference held immediately after the Council meeting, chairman Jeanneney made a special point of explaining that the Council had not touched the powers of the High Authority, which remained exactly as they were before. It had merely exercised its right under the treaty to refuse the High Authority the emergency powers it had asked for.

When asked what would happen to imports now that the Ministers had taken their decision, M. Jeanneney said that the individual member countries would be free to do as they pleased, though the High Authority has certain powers to intervene through recommendations.

Jobs of French miners like these in the La Houve mine in the Lorraine have been less hit by the Community coal glut than miners' jobs in Belgium and Germany.





Seat of the ECSC Council of Ministers is the Cercle Municipale building in Luxembourg.

High Authority Won't Resign

High Authority President Paul Finet said there were several factors indicating that the coal crisis was unlikely to solve itself of its own accord. Expanding activity in steel would certainly take up more coal, but efficiency in utilization was increasing and competition from oil was becoming more and more formidable.

He stated, in answer to a question, that the High Authority, which since February 10 has merely been a caretaker awaiting nomination of new members by the governments, would not resign. That would merely be a futile gesture leaving the High Authority in exactly the same position it was in already—having to stay in office and look after coal and other problems until a new High Authority was appointed.

The Future of Belgian Coal

The stopgap measures proposed by the High Authority for the Belgian coal industry were introduced to reduce the pressure from other Community coal on the Belgian market by further cutting imports and making Belgian coal prices competitive. They would also ease the burden which the miners have to bear in the form of part-time work and loss of earnings. The longer-term measures should bring the Belgian coal industry to a level of efficiency which will enable it to compete in the common market without further help. Definite programs for pit closures are being drawn up on a realistic level, and the High Authority has promised to ease the process by readaptation of workers and the financing of new industries. Details of its measures are as follows:

Emergency Measures Listed

1. Extension of financial aid for part-time work:

This aid, which is in the form of a special "ECSC allowance" amounting to 20 per cent of previous daily earnings, is paid to miners as a supplement to existing unemployment allowances. On May 14, the Council of Ministers agreed to the extension of this aid for a further four months to September 30, 1959, and to an increase from \$2 million to \$5 million in the sum available for this purpose.

2. Lower prices for Belgian coal:

A new price list will be aligned on delivered prices of coal from other Community coal fields. The fall in receipts for the Belgian mines will be partly covered by subsidies from the Belgian Government. A draft price list has already been presented to the High Authority, based on parity with Ruhr prices for industrial coals (other than anthracite and low-volatile grades) plus the cost of transport from the Ruhr to Belgium. The subsidy project is subject to possible modification by the High Authority in the light of the detailed reorganization schemes yet to be submitted, and also to the approval of the Council of Ministers as regards the tonnages which may be subsidized.

3. Cut in coal imports from non-Community countries:

The High Authority has sent the Belgian Government a letter asking it to limit its imports from non-Community countries to a maximum of 1,450,000 tons in 1959; with



Narrow deep seams, and difficult working conditions in many of Europe's mines combine to keep productivity low and costs high. German miners here work a seam in a Ruhr mine.

imports for re-export between 400,000—500,000 tons, the ceiling for net imports is therefore approximately one million tons.

Reorganization and Readaptation

1. Reduction of output:

On the basis of the Belgian Government's reorganization plans, output would be cut to about 24.3 million tons a year as compared with an average annual production of about 30 million tons in recent years.

The Belgian Government's global reorganization plans have already been in the hands of the High Authority since November, 1958, and the detailed plan for the Borinage coal field was delivered in March, 1959. The program for the Centre coal field has just been completed and is being examined by the Belgian Government and

the High Authority. Detailed plans for the Charleroi and Liège coal fields are also expected to be delivered shortly to the High Authority.

2. *Readaptation aid for workers:*

The High Authority would cover a substantial part of the costs involved in aiding workers affected by the reorganization plans. This aid would involve payment of allowances to miners and of the cost of retraining for new jobs as well as the slowing down of pit closures in order to avoid social dislocation. These measures of readaptation would be limited to a period of three years.

3. *Setting up of new industries:*

The High Authority is ready to give financial aid in the form of credits to aid the establishment of new industries in the areas affected by pit closures. Talks are being held with the Belgian Government and Belgian industry to work out concrete projects.

On reports that the Belgian and German Ministers of Economics had decided, following conversations in Bonn, to restrict German coal deliveries to Belgium, the High Authority warned the Belgian Government in a letter at the beginning of June that any agreement between govern-

ments aimed at limiting or regulating trade in coal between member countries of the Community would be an infringement of Article 3 and 4 of the Coal and Steel Community Treaty. Copies of its letter were sent to the German and Dutch Governments.

Article 3 (b) of the treaty states that the institutions of the Community shall "assure to all consumers in comparable positions within the common market equal access to the sources of production." Article 4 bans quantitative restrictions on the movement of coal and steel within the common market and all discriminatory measures or practices among producers, buyers, or consumers, as well as measures or practices which hamper the buyer in the free choice of his supplier.

In the same letter, the High Authority stressed its desire to initiate as soon as possible, in cooperation with the Belgian Government, the program which it put forward at the end of the session of the Council of Ministers on May 14. The High Authority added that the introduction of lower prices for Belgian coal, based on the level of Ruhr prices, was intended precisely for the purpose of cutting deliveries from other Community coal fields to Belgium.

TRADE UNIONS AND THE COAL CRISIS

Both major groups of non-Communist trade unions have felt it necessary to publish their views on the coal crisis and its significance for European unity. Below are extracts from a statement published by the European Trade Union Secretariat—The Community federation of unions affiliated with the International Confederation of Free Trade Unions.

"The Free Trade Unions of the six countries have been following recent developments in the European Communities with great anxiety. . . . Aside from the material content of the High Authority's proposals to deal with the coal crisis, the upshot is that the Council of Ministers of the six governments has rejected any European solution of this problem.

"As they have often stressed in the past, the Free Trade Unions of the six countries believe that only the complete integration of the national economic systems under the control of a European Authority will permit progressive social development.

"They demand therefore that the governments apply the European Treaties in the spirit of their founders, *i.e.* as a step on the road toward a United Europe.

"The Free Trade Unions urgently appeal to all political and social groups to proclaim vigorously that in our continent an active European policy is indispensable for freedom, prosperity, and peace."

Christian Unions Urge Reappointment of High Authority

The following is an extract from a statement published by the Federation of Christian Trade Unions in the ECSC:

"We note with regret that the coal crisis has brought about a crisis of authority and with it a dangerous weak-

ening of the Community idea.

"Analyzing the different and often complex reasons for this situation, the committee believes that the primary responsibility rests with the national governments. Following the failure to reappoint in good time a High Authority (the current High Authority members have merely been caretakers since February 10 of this year) it has not been possible for this executive to obtain the necessary confidence for the measures it has proposed to deal with the cyclical and structural crisis in the European coal mines.

"The committee has consequently appealed to the governments, and in particular to the European Parliament, to end this boycott of the first of the European institutions."

MINE TRAGEDY IN FRANCE

Twenty miners were killed and 28 were hospitalized with severe burns as a result of Lorraine's worst coal-mining disaster in many years. The tragedy took place May 29, when a sudden explosion of firedamp shook the Sainte-Fontaine pit at Merlebach.

According to on-the-scene reports, rescue work was admirable. Many of the severely burned miners were taken immediately by helicopter and plane to hospitals at Freyming, Paris, and Lyon.

The death of the twentieth miner raised the number of orphaned children to 35. The High Authority has made a grant of 150,000 French francs to the family of each of the dead miners. Léon Daum, High Authority member who presides over the Permanent Agency for Mine Safety, went to Merlebach as soon as news of the accident was received in Luxembourg.

CHARTING EUROPE'S FUTURE ENERGY NEEDS

Joint Energy Policy under Study

One of the points stressed repeatedly by the coal producers in their meeting with the High Authority on June 1 was the need to see clearly what part coal was to play in the future course of European industrial development. Clear indications in this field could come only from an over-all view of likely developments over the whole field of energy supply and demand. This is the task entrusted to the High Authority in October, 1957, by the six governments, and which has been progressing steadily in the Joint Committee on Energy.

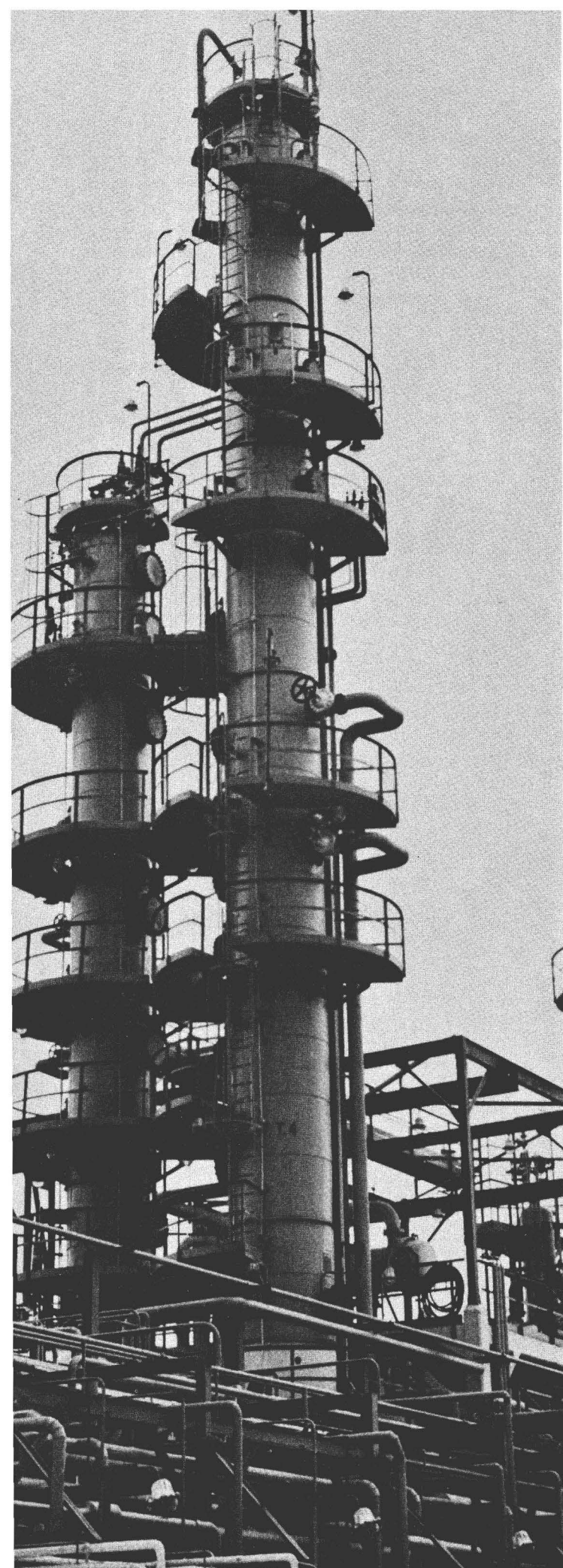
The committee, which groups representatives of the three Community executives and the six member governments and is presided over by Pierre Uri, Director of the High Authority's Economic Division, has faced severe difficulties in co-ordinating the views of the six countries and in correlating comparable data. The committee's first report is now in the hands of the governments. The High Authority with the other European executives, is drawing up its proposals for a joint energy policy on the basis of this report and will present them shortly to the Council of Ministers. The High Authority's proposals must consist of:

1. The general outline of an energy policy, based on forecasts of the general expansion of the Community's economy;
2. Suggestions for putting this policy into practice; and
3. A list of specific measures considered desirable.

Energy Needs Will Still Expand Rapidly

Certain changes in the energy situation since 1956 have been noted. Above all, there has been a definite shift from an apparently chronic energy shortage to the prospect of severe competition for markets among the different forms of energy. In 1956, the High Authority's "general objectives" forecast, like OEEC studies and other official and unofficial surveys made throughout the world, assumed that Europe would need all the energy she could get in the coming decade. Now there is a clear change of emphasis with much more stress laid on questions of cost. Energy requirements are still likely to rise sharply in the Community, as is shown in the following table drawn up by European economists:

The new abundance of oil for Europe is expected to increase investments in refinery facilities like this Esso Standard (SAF) plant near Le Havre.



ESTIMATE OF THE COMMUNITY'S ENERGY REQUIREMENTS

	(in millions of tons, coal equivalent)			
1950	1955	1960	1965	1975
309	433	503	582	717-760

Import needs also are still likely to rise rapidly—much more rapidly than energy requirements as a whole.

ESTIMATE OF COMMUNITY'S ENERGY IMPORTS

	1955	1960	1965	1975
As percentage of total energy needs	20%	27%	30%	29-34%
In millions of tons, coal equivalent	87	136	175	208-258

Oil and Natural Gas Seek New Outlets

The major change in the energy situation is therefore not in the volume of demand which, in spite of rapid improvements in fuel utilization efficiency, is expected to remain favorable over the next 20 years. The major change is in supply—in the new abundance of oil and natural gas and, in particular, in the emergence of Africa as a potentially massive source of supply. With this has come a growing realization of the enormous competitive power of these two fuels. The new oil discoveries in the Sahara may mean a flow of 50 million tons (equal to 75 million tons of coal) by 1965 and 100 million tons (equal to 150 million tons of coal) by 1975. Natural gas, of even greater interest to industry as a source of power, may be flowing from the Sahara in amounts of around 30 million tons by 1965 and 60 million tons (coal equivalent in both cases) by 1975.

The problem of Sahara oil is its high proportion of light products, which make it less adaptable to the pattern of European fuel-oil consumption. But there seems little doubt that these difficulties can be overcome, possibly by removing some brakes on gasoline consumption.

When these enormous quantities are seen against the background of Europe's total consumption of petroleum derivatives in 1957—only 55 million metric tons—their effect on the supply position is obvious. Yet, not many months ago, the future of Sahara oil was still regarded with widespread scepticism.

Europe and the Atomic Revolution

The changes in the supply position have softened the sense of urgency over the need for atomic energy. But the Community cannot afford to be bypassed by the atomic revolution which will gradually penetrate all of industry. Failure to acquire industrial experience and to develop manufacturing techniques and production facilities for atomic energy in the years immediately ahead could be a disaster. Though the day when atomic energy is fully competitive may possibly be 10 years away, its dynamic role in the Community's economy must be assured by action now.

It is against the background of these foregoing factors that the High Authority, in consultation with the six governments and the executives of the other two European Communities, is now working out proposals for a long-term policy for energy and the place in this policy for coal production and imports.

THE EUROPEAN COMMUNITY**Trade Fair Draws Half-Million Visitors**

New York school children visited the European Community Exhibit during the days the Trade Fair was open to the public.

Individual exhibits of the six member nations were adjacent to the



NEW YORK



President Eisenhower listens to a taped message from one of the Community leaders at the European Community exhibit. To his left is Ambassador Eelco van Kleffens, and to his immediate right is New York's Mayor Robert Wagner. (ABOVE LEFT) To a staunch supporter of European unity, this desk plaque with the flags of the six Community nations was given during the Trade Fair in May. The inscription on the base reads: "To President Dwight D. Eisenhower by the European Community and the Six Member States. 1959."

The exhibit of the European Community at the Third Annual United States World Trade Fair in New York last May marked the first time that the Community and the six member nations had taken part in any such joint venture. The Community stand, occupying 3,000 square feet of space on the second floor of the Coliseum, was grouped with the stands of the member countries, all of which identified themselves as part of the European Community.

Attendance for the 12-day fair, which ran from May 8 through May 19, reached 551,924. A record for the Coliseum, which houses various exhibits throughout the year, was set on May 16 when 56,000 persons swarmed through the building.

President Eisenhower visited the fair on May 14, starting his tour at the European Community stand where he was greeted by ambassadors and other representatives

of the six countries and of the Community. Ambassador Eelco Nicolaas van Kleffens, chief representative in the United Kingdom of the High Authority of the ECSC, flew to New York to represent the Community at the fair.

Among other guests were representatives of the U. S. Congress, business leaders, and Mikhail A. Menshikov, Soviet Ambassador to the United States.

The central theme of the exhibit was an explanation of the institutions of the Community and the potential economic and political strength of a united Europe. The institutions and executives were explained in panel displays. Special attractions included two motion pictures running continuously and two banks of a total of 30 telephones carrying short messages on tape from members of the three executives. The exhibit was designed and built in Europe especially for the New York Fair.

ity exhibit and identified as being a part of the European Community.



PARLIAMENT ACTS ON MINE SAFETY

The European Parliament, at its May session, passed a resolution reminding the six governments of their responsibilities for mine safety and deploring their failure to put into practice the recommendations of the Mine Safety Conference of 1956-57.

The resolution, based on the conclusions of a report drawn up by Belgian Socialist Arthur Gailly for the Parliament's Safety, Industrial-Medicine and Health-Protection Committee, insisted that three years after the Marcinelle disaster, in which 263 miners perished, and two years after the end of the Mine Safety Conference, all necessary safety precautions had not yet been put into effect. More stress should be laid on human factors, the resolution recommended, and miners' organizations should take part in drawing up and applying safety measures.

The resolution urged setting up an international body of supervisors to inform the permanent agency about what is being done in the Community's mines with regard to safety and about the degree to which the Mine Safety Conference's recommendations had been applied.

High Authority Initiative

The Mine Safety Conference, called by the Council of Ministers on the initiative of the High Authority, opened on September 24, 1956, and ended its work on February 7, 1957. A month later, it presented a report containing its recommendations; it was on the basis of these recommendations that a Permanent Agency on Mine Safety was set up and the High Authority submitted to the six governments a wide range of proposals for improving safety codes

and insuring their application.

Under the terms of the ECSC Treaty, mine safety remains the responsibility of member governments. The High Authority took the initiative in calling the Mine Safety Conference as a result of the wave of public feeling which swept the Community after the Marcinelle disaster in 1956.

In an attempt to impress on the governments the Parliament's views, the European Parliament's President, Robert Schuman, and the chairman of the Safety Committee, Alfred Bertrand, sought a meeting with the Council of Ministers. Although this was not initially possible owing to lack of time, it now seems likely that an unofficial meeting will take place shortly.



The 142 member European Parliament in session at the Maison de l'Europe in Strasbourg.

NEW ECSC RESEARCH PROJECTS

The High Authority has decided to allot \$700,000 to aid research work on preheating of coke paste. The aim of this research project is to achieve maximum efficiency in the production and use of metallurgical coke. It is also hoped to open up new possibilities for using lower-grade coking coal than has been possible so far. The High Authority's project has already been approved by the Consultative Committee and the Council of Ministers.

The High Authority has allotted \$250,000 for flame research to be carried out by the International Flame Research Foundation, of which Belgium, France, the Netherlands, Sweden, the UK, and the US are members. As a result of the High Authority's grant, the foundation will be able to double the rate of its research and produce four or five times the amount of information. Germany and Italy also will automatically become members. The foundation has made important contributions to fuel economy in steel furnaces through studies of flame behavior. The project has been approved by the Consultative Committee but still has to be submitted to the Council of Ministers.

On June 10, the High Authority approved three further technical research projects which it will now submit to

the Consultative Committee and the Council of Ministers:

1. Aid totaling \$2.1 million over a three-year period 1960 through 1962 for a low-shaft furnace in Liège. The research is expected to benefit the Community's pig-iron producing industry. The High Authority has already granted the Liège organization \$1.5 million to aid research on the reduction of coke consumption in blast furnaces.
2. Aid totaling \$525,000 for coking-process research by the Steinkohlenbergbauverein, Essen. The aim is to obtain optimum conditions for coking and, in particular, to obtain the highest possible proportion of coke suitable for metallurgical purposes. This research is considered important as demand for small coke, largely used for domestic heating, is falling and an increase in the proportion of metallurgical coke obtained from coking plants is becoming more important.
3. Aid totaling \$200,000 for production of a metallurgical atlas. The reference work will comprise a collection of optical and electronic micrographs of metal structures and will be produced by the FINSIDER Steel Institute. It will aid in the teaching of metallurgy, and in the production and use of iron and steel.

FIRST GRADUATES OF THE EUROPEAN SCHOOL

The first graduation ceremony in the history of the nine-year-old European School was held July 4 in Luxembourg when 23 students from six countries received their "European Baccalaureates." This certificate, the first of its kind, will be honored by every university within the Community. Furthermore, it was announced at the ceremony, Austria will recognize the certificate for entry to universities there.

The graduates, all between 17 and 18 years old, included eight Germans, five French, four Belgians, four Italians, one Dutch and one Austrian—Fraulein Marianne Koldener, daughter of the Austrian director of the Luxembourg Conservatoire. Only one of the 24 candidates failed to graduate. J. E. Angelloz, rector of Strasbourg University and chairman of the 12-man board of examiners, complimented the graduates on their high scholastic standing. The top two in the class—Signorina Delia Gambelli (Italian) and Ean-Lois Legrand (Belgian)—scored above 80. For difficult European examinations, this is considered exceptional, and the examiners recommended that they be awarded gold medals. Passing grade was 60 per cent, based on a total of 300 possible points. These were broken down in three parts: 120 points for the written examination, 80 points for the oral exam, and 100 points for the school record in the final year.

Pioneering a New Education

ECSC President Paul Finet and Albert van Houtte, chairman of the school's governing board, expressed the hope that other governments would soon follow Austria's ex-

ample in recognizing the baccalaureate from Europe's first truly international school. Mr. Angelloz pointed out that, in spite of having to incorporate into the curriculum academic requirements of several nations, the school had established a fine reputation, particularly in modern languages and literature. "The European School can proudly claim," he said, "to be pioneering a new education to meet the needs of the new Europe that is now in process of being created."

American Students, Too

Established in 1953 when a small kindergarten and primary school were opened in a converted house, the school enrolled 681 pupils during the past academic year. Among the student body are 13 American children. The faculty numbers 60 teachers.

Although sons and daughters of European Community officials are in the majority, they are by no means the only pupils admitted. The school includes children of Italian construction workers living in Luxembourg and children of foreign diplomats accredited to the Luxembourg Government or to the High Authority.

In April, 1957, the school was officially recognized by an agreement between the education authorities of the six member governments. On December 11 of that year, a new building designed for the school was inaugurated.

So successful has been the European School in Luxembourg that it has now opened a branch in Brussels for children of persons connected with Euratom and the Common Market.

The European School in Luxembourg is "pioneering a new education to meet the needs of the new Europe . . ." Another European primary and secondary school with the same curriculum and standards of education has been opened in Brussels for children whose parents are employed by the institutions of the Common Market and Euratom.



PLANS FOR A EUROPEAN UNIVERSITY REVEALED

The Euratom Commission has completed proposals for a European University to be presented to the Council of Ministers in July. The Commission's President, Étienne Hirsch, asked that the question should be dealt with on a political level by the six foreign ministers.

Outlining the project before the European Parliament last May, President Hirsch said the Commission "proposes the establishment of a university, with gradual installation of the various faculties and also of the various levels of instruction.

"We propose to start by what in France is known as the third cycle—that is, a level aimed at students who have already completed some years of study but have not yet finished their university studies. . . .

"In addition, the project envisages a mechanism to assure the progressive harmonization of programs so as to facilitate the movement of students from one university to another."

To Train Men for Our New World

"There is thus no question of competition (with other universities)," the President said. "In the field we are discussing, it is quite absurd to talk of competition . . . when our universities are insufficient in number to carry out the tasks for which they were created. By 1965, the number of students in France will be double the present figure.

"Some people think that the most urgent task is to train scientists and engineers specializing in nuclear physics. Of course, we do not have enough atomic scientists and engineers, but this is not the most urgent task. We have

hardly any men capable of understanding the effect on our way of life of the establishment of this new Community of Europe on the one hand, and, on the other, of the implications of scientific and technical development.

"That is why the Euratom Commission has insisted that we should not limit ourselves to a narrow interpretation of the treaty but deliberately chose the path toward a real university of Europe and for Europe," President Hirsch concluded.

European Parliament Support

On May 15, the European Parliament vigorously supported the Euratom President's thesis. In a unanimously voted resolution, it urged the establishment of a European University which would serve the development of the European Communities and the associated countries and territories in the following fields:

1. Scientific and technical progress.
2. Social and economic sciences.
3. Philosophical and historical research.
4. Development of institutional law.

The Parliament also urged the Euratom Commission to present draft proposals to the Council of Ministers as soon as possible for mutual recognition of diplomas, certificates, and other qualifications.

Finally, the Parliament suggested to the three executives and the Council of Ministers that they should see whether it would be possible to associate other European countries with the European University to stimulate the greatest possible diffusion of European culture.

OVERSEAS DEVELOPMENT FUND APPROPRIATES \$12.6 MILLION

Twelve Projects Already Approved—More Than 100 under Study

The Development Fund for the Overseas Countries and Territories has lost no time in setting about its momentous task. Already 12 investment projects in Africa have been approved, involving a contribution of \$6.6 million by the fund. Furthermore, \$6 million have been allocated to reconstruction in Madagascar after the devastation of the island by a hurricane earlier this year.

Four projects in the French African Community were announced by the European Economic Commission at the beginning of June. The projects, all of which involve social investment, cover general economic development—"infrastructure"—on the outskirts of Djibuti, French Somaliland, and the building of two maternity homes and 10 primary schools in the Togo Republic. The buildings and equipment will become the property of French Somaliland and of the Togo Republic. Total cost of these four projects is \$942,660 all of which will be provided by the Development Fund in the form of non-repayable direct grants.

Major Projects in Belgian Congo

In April, Robert Lemaigen, Common Market Commissioner, and Maurice van Hemelrijck, Minister for the Belgian Congo and Ruanda-Urundi, signed agreements for the financing of eight investment projects by the Development Fund at a total cost of \$5,670,000. The projects include:

1. Building of a medical and surgical center at Boruma in the Eastern province, which will form part of a network of medical centers, dispensaries, and maternity homes, to improve health conditions in a region poor in natural resources.
2. Anti-erosion works in the Luluabourg area, costing \$654,000.
- 3-4. The infrastructure work necessary before building housing in the underdeveloped areas of Ruashi, on the outskirts of Elizabethville and at Stanleyville. Cost of both projects is estimated at \$1 million.

Newsbriefs

5. General development of Ruanda-Urundi, to the east of the Belgian Congo. There, a vast area of roughly 75,000 acres, at present almost uninhabited because of lack of water and the prevalence of sleeping sickness, is to be developed at a cost of \$2.7 million. It is hoped to ease considerably the overpopulation of the surrounding areas.

The three remaining projects in territories linked with Belgium involve straight economic investment in Ruanda-Urundi:

6. The Bugarama-Muramvya road, which at present forms a bottleneck for traffic between Kitega and Usumbura, and the bad state of which stifles trade in an area of 600,000 people, will be improved at a cost of \$440,000.
7. A road will be built from Rwesero to Kinyinya to link up the road network of Kitega territory and the Mosso—relatively rich and underpopulated areas—with the rest of the country. Cost will be \$120,000.
8. The introduction of tea-growing in Biumba territory. Coffee-growing, which at present provides seven eighths of the territory's income, presents all the disadvantages of over-specialization; the development of tea-growing, which has been favorably received by African farmers following the good results obtained by some European colonists, will help to diversify the economy. Cost of this project is estimated at \$366,000.

Community Aid for Madagascar

Commissioner Lemaigen also announced to the European Parliament that the Development Fund would contribute approximately \$6 million this year to aid reconstruction in Madagascar after the hurricane which swept the island. Through the agency of the French Government, the funds would be used in a specific sector of the economy—transport. Roads and railways destroyed by the hurricane would be repaired and improved.

The Overseas Countries and Territories Development Fund, which was set up under the authority of the Common Market Commission to aid social and economic investments in the overseas countries and territories associated with the Community, has funds of \$581.25 million for an experimental period of five years. The Common Market Treaty specifies that it must concentrate its efforts on hospitals, schools, and training institutes.

More than 100 projects in the French-African Community alone have been submitted to the Development Fund. These are now being examined by the Common Market Commission.

Housing such as this project at Abidjan in French West Africa is high on the priority list of aid programs contemplated through the European Economic Community's Development Fund for Overseas Countries and Territories.

Talks with Tunisia

Preliminary discussions on a possible economic association between Tunisia and the European Economic Community were held in Brussels from June 2 to 4. The Tunisian delegation was headed by Ambassador Mondher Ben Ammar. Jean Rey, Common Market Commissioner and chairman of its external relations group, presided for the EEC delegation.

The official communiqué, published after the meetings, noted "The exchange of views was fruitful and took place in a very friendly atmosphere." The delegations were to make their reports before meeting later for more detailed discussions.

New Representatives to the Communities

Senhor José Calvet de Magalhaes, Head of the Portuguese Delegation to the High Authority and permanent representative of Portugal to the OEEC, presented his credentials to High Authority President Paul Finet on May 8, 1959.

Mr. Lars Tillitse, Danish Ambassador to the Belgian Government and representative to the European Economic Commission, paid his first official visit to Walter Hallstein, President of the European Economic Commission, early in May.

Denmark's permanent delegate to the High Authority, Mr. Erik Bastrup-Birk, will shortly be leaving Luxembourg for a new post. He will be succeeded by Mr. Palle Høyer.

Euratom Research Program Studied

Meeting at the end of May, the Council of Ministers took note of the measures planned by the Euratom Commission for the launching of its initial nuclear-research program. This program forms a part of the \$215 million, 5-year research program provided for in the Euratom Treaty. The initial program will center around three main subjects:

- application of radioisotopes and radiation
- controlled thermonuclear reaction (fusion)
- energy applications

Euratom intends to center a large part of its work on natural uranium, heavy water, organic-cooled reactors.

Research under the joint program will be carried out both in the Community's joint research center and in existing research centers in Community countries.

Euratom-UK Permanent Committee Formed

The British Government and the Euratom Commission have set up a permanent cooperation committee to supervise the carrying out of the UK-Euratom Agreement signed February 4, 1959. The purpose of the committee is to permit consultation on problems arising from the application of the agreement and also to discuss further measures of cooperation. The committee will be made up



of one member of the UK government, the president of the UK Atomic Energy Authority, the President of Euratom, and a second member of the Euratom Commission. The permanent committee will be assisted by a technical committee which has already held its first meeting.

Commission Views Belgian Nuclear Center

On the invitation of the Belgian Government the President and members of the Euratom Commission recently visited principal Belgian nuclear installations, including the Nuclear Energy Center at Mol. They were accompanied by members of Euratom's Scientific and Technical Committee as well as by members of the Euratom staff. During their visit they were received by representatives of the Belgian Government.

Letters of Intent For U.S.—Euratom Joint Power Program

The Euratom Commission and the U. S. Atomic Energy Commission announced on June 5, 1959, that five enterprises from Belgium, France, the German Federal Republic, Italy, and the Netherlands had indicated their intention to submit proposals under the Euratom-U. S. joint power program for the construction of power reactors to be completed by the end of 1963.

Expressions of interest to participate in the second phase of the joint power program for completion by the end of 1965 have also been received. These, together with the letters of intent already on hand, would total at least one million kilowatts of installed capacity, thus reaching or exceeding the target laid down in the U. S.-Euratom Cooperation Agreement.

On June 18, 1959, the Euratom Commission and the U. S. Atomic Energy Commission announced that they had extended by 50 days (from September 1, 1959, to October 20, 1959) the deadline for submission of definitive power reactor proposals. This extension would permit interested utilities additional time to evaluate the bids of prospective reactor manufacturers and to make all necessary arrangements for submission of their final proposals. The extension of the date is not intended to postpone any other deadlines.

AEC Members Visit Euratom

Commissioner John F. Floberg of the Atomic Energy Commission, accompanied by John Hall, Assistant Director of the AEC, paid a two-day visit to Euratom in June for discussion of problems connected with the joint U.S.-Euratom nuclear program.

Among the decisions reached during the visit was an agreement to set up two joint committees, one concerned with the joint power program, the other with the research and development program.

New President for European Investment Bank

Paride Formentini, General Manager of the Banca d'Italia, has been appointed president of the Board of Directors and of the Management Committee of the European Investment Bank, replacing Pietro Campilli, who recently

resigned for personal reasons. Signor Formentini was formerly a member of the Common Market Monetary Committee.

Industrialists Press For Speedier Common Market

Leon Bekaert, President of the Federation of Belgian Industry and of the Union of Industrial Federations of the Community, is reported as having recently stated that the transition period of the Common Market should be reduced.

The transition period, which began on January 1, 1958, is due to expire on December 31, 1969, although it may be prolonged in special circumstances as much as three years. During the transition period, trade barriers within the Community will gradually be abolished and a common tariff, as well as common policy in many fields, will be established. Other industrialists in the Community are also believed to have pressed for a shortening of this period and the speedier establishment of the full Common Market.

Full Docket for the Court of Justice

The Court of Justice, Europe's Supreme Court, has received 31 appeals in 1959. Recent cases include:

- Appeals by the Dutch, Italian, and Luxembourg Governments against the High Authority's decision to publish road transport rates.
- An appeal by the French Industry Association and 11 French steel firms against the High Authority's position on the opening of the Kaldenkirchen/Venlo frontier station. (The plaintiffs claim that the present situation involves discrimination against them by the German State Railways.)
- Appeals from various firms against decisions involving payment of the scrap-import compensation levy.

On May 12, the Court refused the request of the three Ruhr coal-sales agencies for a stay of execution of the High Authority's decision of last February to reorganize the Ruhr coal-selling system and to send a supervisory group to the Ruhr.

General Reports Available

Seventh General Report on the Activities of the European Coal and Steel Community... \$2.00
Second General Report on the Activities of Euratom \$.80

Euratom Documents Available

Documents related to the U. S.-Euratom Agreement for Cooperation signed November 8, 1958, have been published by the Euratom Commission together with the full text of the agreement. This publication may be ordered from the European Community Information Service. Price is \$1.50 a copy.