

Bulletin from the

EUROPEAN COMMUNITY

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

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GREECE SIGNS AGREEMENT WITH EEC

THE EEC COMMISSION SIGNED AN AGREEMENT for association with the Greek Government in Brussels on March 30, 1961, after nearly two years of negotiation. The association, which will take the form of a customs union between Greece and the EEC, is intended to enable Greece eventually to become a full member of the Community.

The draft agreement will now be submitted to the Greek Parliament for ratification and be approved by the Royal Greek Government. For the Community, it must go to the European Parliament for its opinion, to the Council of Ministers for final decision, and to the Parliaments of the six Common Market countries for ratification.

The agreement provides for the association of Greece with the Community in conformity with Article 238 of the Treaty of Rome which specifies: "The Community may conclude with a third country, a union of states, or an international organization agreements creating an association embodying reciprocal rights and obligations, joint actions and special procedures." A period of transition toward the full customs union between Greece and the EEC has been established.

The dismantling of internal tariffs will, in principle, be completed by both sides in 12 years, but:

1. For about one third of its imports from the Community, Greece will be allowed to stagger reductions over a period of 22 years.
2. The reductions made between the Six before the entry into force of the association agreement will be extended to Greece.

Greece will adopt the Community's common external tariff. For each product the steps toward this tariff, which will be applied by Greece vis-à-vis non-member countries, will go hand in hand with the tariff reductions which Greece will carry out in favor of the Community. However, some latitude has been left to Greece in limited cases.

It was thought necessary to make special arrangements for agricultural products, which make up the bulk of Greek exports to the Six as well as to non-member countries. Such special arrangements were in any case essential if the common agricultural policy was to be carried out among the Six.

The draft agreement of association is not limited to the mere establishment of a customs union. On the model of the Treaty of Rome, and taking into consideration both the needs and resources of Greece, articles have been drawn up on the free movement of persons, services and capital; transport; rules of competition and economic policy.

The article dealing with foreign trade policy was of particular importance during negotiations since it deals with the possibility of other countries becoming associates or members of the Community in the future. It takes into account both Greek interests and the need to preserve the Community's independence in this field.

The agreement also comprises a number of annexed

IN THIS ISSUE

page

- | | |
|-----------|---|
| 2 | A SECOND COMMUNITY SUMMIT |
| 4 | AFRICAN AND COMMUNITY
PARLIAMENTARIANS TO MEET |
| 5 | FIRST EEC CASES TO COURT OF JUSTICE |
| 6 | TEN YEARS AFTER ECSC TREATY SIGNATURE |
| 8 | EURATOM PLANS FOR NUCLEAR
BREAKTHROUGH |
| 9 | EUROPEAN UNIVERSITY IN THE MAKING |
| 10 | FOURTH EUROPEAN SCHOOL OPENED AT
VARESE |

protocols to take account of the special aspects of the Greek economy and provides for financial assistance in the form of \$125 million in loans for the first five years to help Greece in speeding up its economic development and in raising as rapidly as possible the standard of living of the Greek people.

Signing for the Community were Jean Rey, member of the EEC Commission and Chairman of the External Relations Group, Guenther Seeliger and Jean-François Deniau, Chairman and Vice Chairman respectively of the delegation of the Commission. Signing for Greece were Jean Pasmazogliou, Minister Plenipotentiary and Chairman of the Greek delegation, Alexander Sgourdeos, Minister Plenipotentiary and Director of Economic Affairs in the Foreign Ministry, Theodor Christidis, Minister Plenipotentiary and chief of the Greek Mission to the European Economic

Community, and Jean Comitsas, Director-General in the Ministry of Commerce.

Turkey's Turn Next

Negotiations between the Community and the Turkish Government with a view to an association between the two, were resumed on April 10 after a discussion in the Council of Ministers at its meeting on March 21. As in the case of the Greek talks, negotiations are being conducted by the Commission on behalf of the Community.

Details of the Graeco-Common Market Agreement for Association will be the subject of a special article in a later issue of the *Bulletin from the European Community*

A SECOND COMMUNITY SUMMIT

Heads of State to Meet in Bonn Next Month to Discuss Next Moves for Political Unity

Bulletin: As this issue went to press, it was learned that the Bonn meeting would be postponed until July.

LEADERS OF THE SIX COMMUNITY COUNTRIES plan to meet in Bonn on May 19 to examine means of achieving greater political unity. Specifically, they will consider a report now being drawn up by a committee of representatives of the member governments set up at the first summit meeting, in Paris February 10 and 11.

The Five Points From Paris

Intense discussion has been going on, both between the six governments and within the Community countries, on the new prospects opened up by the Paris meeting where the six governments:

- renewed their support for the European Communities and the progressive application of the Paris and Rome Treaties;
- underlined the contribution made by the process of economic integration to the “new type of relationship” which now exists between the Community countries;
- affirmed that while the Community countries are united by these special links, they are anxious to seek any agreement likely to maintain and develop trade with other European countries, and especially Great Britain, as well as with the other countries of the world;
- pledged themselves to seek a solution for the problems arising out of the existence of the two economic groups in Europe;
- stated that they now seek to complement economic integration by closer political cooperation and to lay the foundations for a progressive union. While this would consist at first of the six Community countries, it could be extended later. Such a union would help give Europe's actions more weight in the world and would be to the advantage of all free countries, particularly to the development of closer links with the United States.

The Paris meeting occurred less than six years after the decisions taken in June 1955 at Messina which gave birth to the Rome Treaties. Then it was agreed that the immediate task was to lay the foundations of economic union. Today, with these firmly established, the Community is looking toward the next major move forward.

New Problems To Resolve

Many problems, however, have to be resolved. While it now seems that—for the time being at least—there is not likely to be a direct clash between those who seek some sort of federation and those who insist on looser forms of political organization, methods of political cooperation still have to be worked out. Another problem, raised by the Netherlands delegation at the Paris meeting, is that of participation by other countries—particularly Great Britain—in the new political steps now planned. On his return to The Hague, Dutch Foreign Minister Joseph Luns expressed fears that these new forms of collaboration might lead “not only to an economic split, but equally to a political split between the Community and its neighbors.”

This fear was rebutted by French Foreign Minister Couve de Murville, however, who told the Consultative Assembly of the Council of Europe in Strasbourg on March 2: “We and our partners in the Six have always said that the Common Market is and remains open at any moment to any other European country wishing to join. We still think that for some countries at least there is a valid possibility for joining. This may doubtless be the only satisfactory solution. We still hope that some refusals, although repeatedly made, will not persist.”

He added that France was always prepared to discuss proposals aimed at association because “contrary to what some people say, she sincerely wishes to prevent the Common Market from harming any country in Europe—which would amount to harming herself as well.”

Discussion in Community Parliament

A wide measure of support for the decisions reached in Paris was shown by the members of the Community's

Parliament who discussed them during the March session in Strasbourg. Belgian Foreign Minister Pierre Wigny, speaking as president of the Community's Council of Ministers, said that the meeting had considered economic integration as the point of departure for political cooperation. While the Bonn meeting would not consider matters in the field of the three Communities, or defense problems—which were dealt with in NATO—it would expect to examine proposals in the field of education, on measures to rationalize the Community executives, and also on wider issues such as direct elections of the European Parliament.

A major feature of his speech, which provided the most authoritative commentary so far on the Paris communiqué of February 11, was his support for the development of the Communities and of ways of furthering their progress in conformity with the treaties. He agreed with EEC Vice President Robert Marjolin that it was essential for the success of the Communities themselves that the Six should succeed in achieving political cooperation. "The two efforts must join and be complementary to each other," he said.

M. Wigny added that, as far as non-member countries were concerned, these developments presented them with a need for adjustments which it would be absurd not to recognize.

Walter Hallstein, President of the EEC Commission, welcomed the assurance that the Communities themselves would not be changed and that indeed their development was to be encouraged. The Paris communiqué, he added, left the door open for all possibilities and was a hopeful beginning to a new phase of development.

Reactions in Britain

Both the Paris meeting and subsequent comment within the Community countries have been followed with attention by the British press. While a number of newspapers underlined the fact that no firm agreement was reached at the meeting, several expressed the view that the political developments it foreshadowed constituted further reasons for Britain to reach a decision about membership in the Community. The *Manchester Guardian* wrote on February 17: "Europe has already shown what road it intends to follow. We must make our choice."

Mr. Heath's Statement

Addressing the Assembly of the Western European Union in Paris on February 27, the Lord Privy Seal, Edward Heath, declared that the United Kingdom Government was now willing to undertake a "fundamental change of principle" and consider a common or harmonized tariff with the Community on raw materials and manufactured goods imported from countries other than the seven EFTA countries or the Commonwealth.

He also added that as part of an over-all settlement the United Kingdom could see no difficulty of principle standing in the way of discussions between the Six and the Commonwealth about possible reductions in the tariff preferences the U. K. enjoyed in those countries. The British Government was anxious to continue explorations and informal exchanges until it "could see clearly enough ahead to justify more formal negotiations."

It was later announced, after a visit of the Dutch Foreign Minister to London in mid-March, that Mr. Heath would be visiting The Hague "before the end of April" to discuss

the European situation and that the British Prime Minister intended to address the meeting of the WEU assembly in London the end of May.

Coming months may see important decisions on both sides of the Channel. Achievements of the three Communities in the sphere of economic integration must inevitably form the starting point for any possible progress.

FINAL COMMUNIQUÉ, PARIS February 10-11, 1961

THE HEADS OF STATE OR GOVERNMENT and the Foreign Ministers of the Federal Republic of Germany, Belgium, France, Italy, Luxembourg and the Netherlands met in Paris on February 10 and 11, 1961.

Special links already unite the Six States on the economic plane, and they will become even stronger by the implementation of the Treaties of Paris and Rome. The Six Governments are anxious to seek, in a spirit of good will and friendship, all agreements likely to maintain and develop trade with other European countries, and in particular with Great Britain, as well as with the other countries of the world. They will endeavor, in the same spirit, to find a solution to the problems arising from the existence of two economic groupings in Europe.

It was the purpose of the Conference to seek the methods by which closer political cooperation could be organized. In establishing links in other fields, the intention is to lay the foundation of a union which would develop progressively. It will be possible for this union, limited for the moment to the Member States of the European Economic Community, to be extended later.

It has been seen that the establishment in Europe of a new type of relationship based both on the development of a single market—by the abolition of all measures of customs protection and by the harmonization of the economies—and on political cooperation in a spirit of friendship, confidence, and equality constitutes one of the major events of the present time. Amid the crises and upheavals which beset the world, Western Europe, so recently ravaged by national rivalries and conflicts, is to become an area of understanding, of liberty, and of progress. In this way, Europe's actions will carry more weight in the world, to the advantage of all free countries, and in particular to the development of closer cooperation with the United States.

It was decided to entrust a Committee, composed of representatives of the Six Governments, with the task of submitting to the next session concrete proposals on the meetings of Heads of State or of Government and of Foreign Ministers, and on any other meeting which might seem desirable. This Committee will also study the other problems concerning European cooperation, in particular those relating to the development of the Communities.

It was decided to hold the second meeting on May 19, 1961, in Bonn.



Economic programs will be high on the agenda of the Parliamentarians' meeting in June. Here student typists are receiving vocational training in Senegal.

AFRICAN AND COMMUNITY PARLIAMENTARIANS TO MEET

Strasbourg Discussion of Association Problems

MORE THAN 100 PARLIAMENTARIANS of the overseas countries associated with the Community will discuss ways of continuing and expanding cooperation with the Community at a joint meeting with the European Parliament in Strasbourg June 19-24.

This meeting—the first of its kind—is organized on the initiative of the European Parliament. Its particular importance lies in the fact that the member states must decide what form the Association will take after the end of 1962, when the present Convention expires. A meeting between the Community and ministers of the associated countries has already been agreed on in principle. The parliamentary initiative, coming at a time when the granting of independence to the bulk of the associated countries has totally changed the situation in Africa, may well exert an important influence on the future shape of the Community's relations with its overseas partners.

Preparatory Meeting in Rome

At a preparatory meeting in Rome January 24-26, a 24-member delegation of the European Parliament met representatives of 16 of the associated countries (13 French-speaking states from sub-Saharan Africa together with Madagascar, the Congo and Somalia). Its importance was underlined by a high-level representation of the European executives including President Walter Hallstein and Commissioner Robert Lemaignen of the EEC, President Étienne Hirsch and Vice President Enrico Medi of Euratom, and Albert Wehrer and Roger Reynaud of the ECSC High Authority.

- Four main points will be discussed
- political and institutional forms of cooperation;
- economic problems;
- technical assistance and cultural exchanges;
- the European Development Fund and its administration.

It was also agreed that the associated countries would send some 103 representatives, and that a permanent 36-member committee (18 from each side) would be set up to examine any matters not fully discussed at Strasbourg.

African Support for Continued Association

Unanimous support for cooperation with the Community was expressed at the Rome meeting by the parliamentarians from the overseas countries. They were all in agreement that the association should be recast in a way to promote durable links with the Community and that negotiations should be begun as soon as possible.

- In addition, several specific proposals were advanced:
- the African countries wish to be directly represented at the seat of the European institutions and to discuss the creation of a Euro-African parliamentary body;
- on the economic side, the associated countries seek market guarantees for their goods and stable prices;
- in technical assistance, help should be given particularly for the training of African experts;
- financial aid should not merely take the form of gifts, but should also include long-term loans, funds to guarantee prices, etc.

QUOTATIONS

Cooperation between the Europe of the Six and Africa is profitable "for those who give and those who receive," but this should not give rise to feelings of superiority on the one side, or feelings of inferiority on the other.

LAMINE GUEYE
President of the National Assembly of Senegal

We wish the various European countries to assure large, stable and profitable markets for our products, and that all should apply the tariff preferences instituted by the Treaty of Rome.

KEMAYOU L. HAPPI
President of the National Assembly of the Cameroon Republic

This meeting marks a new stage in the relations between Europe and Africa. The development of relations based on economic solidarity and political understanding is vital for our two continents.

WALTER HALLSTEIN
President of the EEC Commission

We must find a new basis for our collaboration to consolidate our economic links with the African countries associated with the Common Market. We hope to arrive in Strasbourg at concrete conclusions which will take account of the interests of all the participants and which will form the basis for governmental negotiations.

HANS FURLER
President of the European Parliament

COMMON MARKET TAKES FIRST CASES TO COURT OF JUSTICE

THE EEC COMMISSION PRESENTED its first two cases to the European Community's Court of Justice this spring. Both involve the government of Italy and alleged violations of articles in the Treaty of Rome. One case is concerned with imports of certain pigmeat products, and the other with radio tubes.

The first case, laid before the Court by the Common Market Commission in late March, marked the first time that a member state of the European Community has had proceedings against it started by a Community institution under Article 169 of the Treaty, which authorizes the Commission to take a case to the Court if a member state fails to comply with the Commission's terms. The case concerns the suspension by Italy of imports of certain pigmeat products. The Treaty provided that these products could be freely imported, and their liberalization had been consolidated by Italy. Under Article 31 of the Treaty, which prohibits member countries from introducing between themselves any new quantitative restrictions, Italy was not entitled to suspend imports.

The Commission informed the Italian Government that the measures taken by it were incompatible with Article 31. After giving the Italian Government an opportunity to submit its comments, the Commission on December 21, 1960, gave an opinion calling attention to the infringement. Since the Italian Government did not act on this opinion, the Commission has referred the matter to the Court of Justice for a ruling on the scope of the obligations of member states under Article 31.

Meanwhile, at the beginning of this year, after the opinion had been issued, the Italian Government requested the Commission to authorize the suspension of the imports in question under Article 226 of the Treaty which, in the

Seat of the European Court of Justice is the Villa Vauban in Luxembourg.

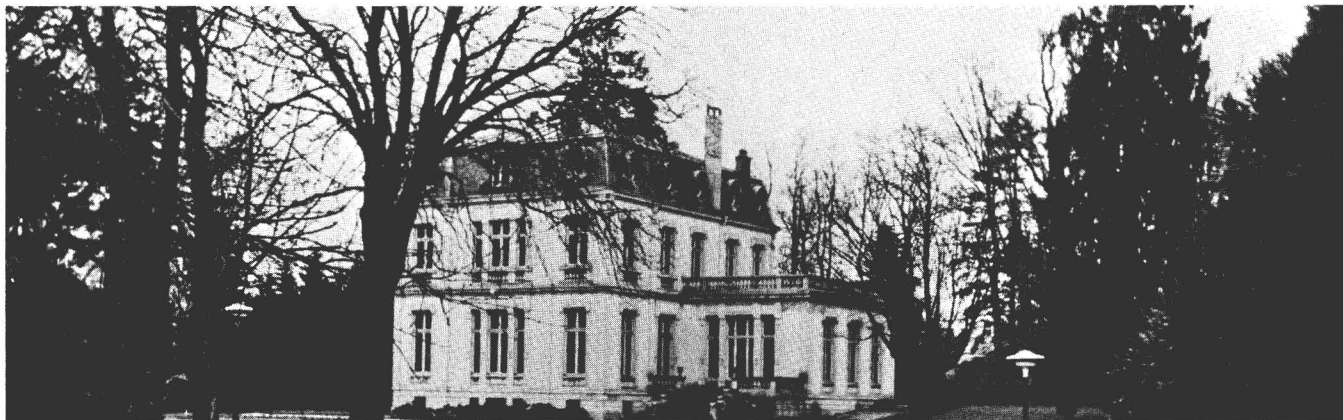
event of serious and lasting difficulties in an economic sector, permits safeguard measures to be applied under certain conditions as a waiver from the Treaty. The Commission is at present studying the request made by the Italian Government under Article 226.

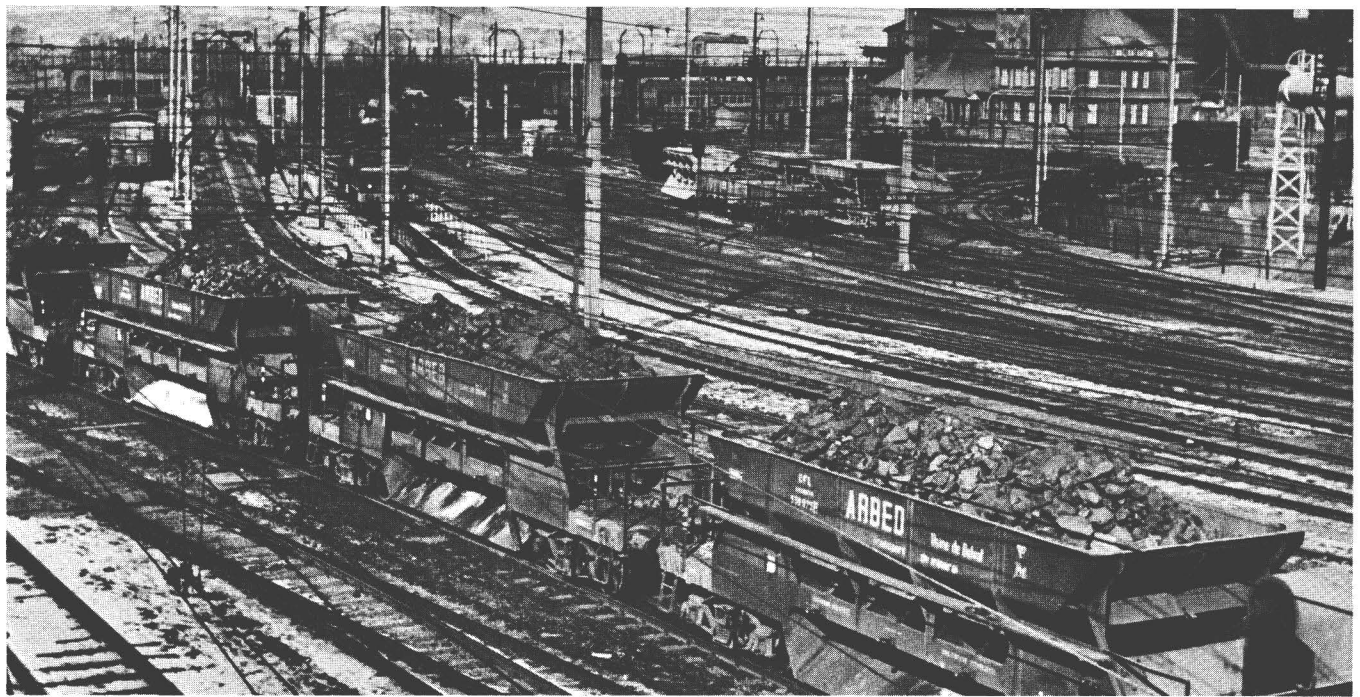
The second case, which the EEC brought before the Court in April, also under Article 169 of the Treaty, concerns importation of radio tubes. Beginning in July 1956, Italy had two duties for radio tubes: a 30 per cent duty with a specific minimum of 150 lire (24 cents) per article, and a 35 per cent duty. Customs authorities applied whichever duty was more favorable to imports, with the result that a duty of 35 per cent was levied on articles of a customs value of 428 lire (68½ cents) or less.

In April 1958 Italy abolished the 35 per cent duty. However, it still must be considered in figuring internal tariff reductions as specified by Article 14 of the Treaty, which established the base tariff (for transitional reductions) as of January 1, 1957. But, since January 1, 1959, Italy has applied its internal tariff reductions only on the 30 per cent duty, with a specific minimum of 150 lire per article.

The Commission maintains that Italy has violated Article 12 of the Treaty which forbids member states from increasing the customs duties in internal trade relations and also Article 14 concerning the basic duty.

After giving the Italian Government opportunity to comment on the alleged violation, the Commission issued an opinion (*avis motive*) December 8, 1960, calling attention to the violation. Since the Italian Government has taken no action on this opinion, the Commission has referred the matter to the Community's Court of Justice for a more precise definition of member states' obligations under Articles 12 and 14.





Under the High Authority's programs, the coal situation in the Community has improved and the steel industry has boomed.

TEN YEARS AFTER ECSC TREATY SIGNATURE

The High Authority Reports

THE HIGH AUTHORITY OF THE EUROPEAN COAL AND STEEL COMMUNITY sets forth in its Ninth Annual Report, just published, the achievements and progress of the ECSC in 1960. The most spectacular features have been a boom in steel production and investment. But in a year still largely overshadowed by the coal situation, the High Authority's main task has been to improve the competitive position of coal through a radical reorganization of the industry and through action to ease this process by readaptation of the miners and by industrial redevelopment in hard-hit areas.

Ten years after the signature of the first European Community Treaty, the balance sheet can be summed up as follows:

- The coal situation has improved under the effect of measures taken by the High Authority and national governments. Particularly in Belgium, High Authority action has eased the effect of pit closures and part-time work. The High Authority stresses, however, that reorganization must continue in face of continued competition from oil and natural gas.
- The readaptation of miners, made possible by the ECSC Treaty, has played a major part in enabling the reorganization of the coal industry without major industrial strife.
- The steel industry has carried through an unprecedented expansion without major difficulties in prices, raw material supplies or deliveries.
- Investments have expanded sharply, and 1960 saw the beginning of a spectacular wave of capital investment in the steel industry.
- A general fall in working hours was disclosed as the main result in the social field in 1960, following previous substantial increases in real wages in earlier years.
- The cooperation between the three Community executives on the coordination of energy policies has started to bear fruit.

Importance of an Independent Executive

It is hard to imagine that such substantial results would have been achieved in reasonable time without the existence of a body independent of the individual governments and able to weigh different interests involved while at the same time basing its decisions on the general interest of the Community as a whole, the report states.

If the High Authority had not itself enjoyed the financial independence it does, the report adds, the various borrowing, lending and credit operations could not possibly have been undertaken on such a scale.

Toward Coordination of Energy Policy

In 1960 total energy consumption rose by about seven per cent in comparison with the three per cent that had been forecast—mainly as a result of the rapid growth of industrial production, which rose by about 12 per cent over the 1959 level. Of this increase, almost 60 per cent was met by oil. The share of coal in the total continued to shrink at an average rate of some two per cent per year, as it has been doing over the past 10 years. It is expected that in 1961, coal consumption will again be slightly below the level for the preceding year, even given a moderate expansion in industrial activity.

Competition is all the more acute between the various forms of energy—and also within individual sectors—because for some years supplies have been plentiful. In the oil sector alone, with world production amounting to some one billion tons in 1960, there was a surplus installed capacity of 200 million tons.

The First Proposals

In their efforts to deal with this situation, the report continues, most of the member governments are seeking to

reduce excessive competition which could result in costly changes not in line with the long-term trend.

A first set of proposals designed to achieve a coordination of policy was submitted by the inter-executive working group to the ECSC Council of Ministers in March 1960. This suggested four major objectives:

- the most economic flow of energy supplies possible;
- a single Community market for energy;
- security of supplies no matter what the state of the market at any given moment;
- a dependable minimum volume of supplies for the Community.

To attain these aims, the Executives proposed a mechanism involving an over-all guide price for all fuels, based on forecast trends in the energy sector and taking into account the possibility of giving a margin of preference to Community fuels for economic, political or social reasons.

The Council of Ministers, which examined these proposals, termed them "reasonable and attractive," and asked for further details on the guide-price mechanism. It added, however, that the use of a guide price would not remove the need for other forms of action to deal with immediate problems.

Proposals for Urgent Action

Early in 1961, the inter-executive working group submitted to the Council of Ministers a "program for urgent action," which recommended:

- an agreement on first steps to bring into line the six countries' commercial policies, their rules of competition governing energy, and fiscal and administrative measures capable of producing price distortions;
- a consultation agreement, which would prevent governments from taking new measures on energy policy without consulting the other member countries and the three executives in the Council of Ministers, and also provide regular general consultations on energy policy;
- an agreement on emergency measures, such as import quotas or levies or subsidies on Community coal, to deal with any sudden break in the energy market.

Reduction in Coal Production Capacity

The general trends in the energy market clearly call for a sustained and rapid effort to adjust the Community's coal industry to the changing situation, the report says. In Belgium the current program of pit closings aims at a reduction of 9.5 million metric tons capacity by 1963. In Germany 18 pits, representing an annual capacity of 6.5 million metric tons, will have been closed by the end of this year. In France work continues on the reorganization of the Centre-Midi coal field for which a five-year adjustment program has been prepared.

In Belgium, in spite of the special action undertaken in 1960 under Article 37, a serious gap still exists between production and sales outlets. After securing a firm guarantee from the Belgium Government that the closures scheduled for 1961 will be carried out, the High Authority has decided to continue the regulation of coal trade between Belgium and the rest of the Community. Subsidies were authorized for 3.3 million metric tons of coal, but on a descending scale, and on condition that the schedule of closures and output quotas was observed.

The improvement in the state of the Community coal

market in 1960 was shown by various indicators. Total supply and demand were more or less in balance; production lost through part-time work fell to 5.8 million metric tons from 13.3 million in 1959; imports fell from 19.2 million to 17.8 million metric tons, and productivity rose substantially to 1,961 kilograms per man/shift at the end of the year against 1,819 at the end of 1959. The total number of underground workers fell by 54,700, of whom 28,700 left the industry in Germany and 12,900 in Belgium.

Steel Boom Continues: All-Time Record

In the Community steel industry, the spectacular boom continued. Production of crude steel in 1960 reached the all-time record of 72.8 million tons, and the market remained extremely steady except for a slight flagging in orders from third countries during the summer. Total demand was up by five per cent over 1959 at 52.8 million tons of rolled products, exclusive of special steels. Intra-Community orders were 11 per cent above 1959 though those from third countries fell by 19 per cent. Deliveries totaled 52.8 million tons, and orders on hand at the end of the year represented approximately three months' production.

The highest rate of increase in steel production was reached in Italy—21.5 per cent higher than the previous year. The Community average was an increase of 15.3 per cent. The share of the Community in world steel production now stands at 20.7 per cent.

The Rising Trend of Investments

Even more than the production figures for steel, the trend of investment figures testifies to the healthy development of the ECSC industries since the start of the Common Market for coal and steel. In the eight years 1952-1960, they spent just under \$8.5 billion on investments, with a sharp rise in 1960, particularly in steel and in the iron-ore mines, after the slack recorded in 1959. The following table shows the results of the 1960 investment survey:

(in millions of dollars)	1954	1955	1956	1957	1958	1959	1960*
Coal-mining industry	450	416	409	473	474	409	446
Iron-ore mines	30	31	44	50	41	40	46
Iron and steel industry	453	524	570	708	644	590	858
Totals	933	971	1023	1231	1159	1039	1350

* estimate

The beginning of an investment boom in steel is shown more clearly by the statistics of investment projects declared to the High Authority in 1960. In that year they represented net capacity increases of 13.2 million metric tons for crude steel and 8.3 million metric tons for rolled products. Their total value reached \$1,802,000,000, compared with \$495 million in 1959 and \$410 million in 1958.

Setting the Sights Again

In 1961, the High Authority plans to publish new *General Objectives* to serve as a guide for future expansion and modernization. The previous *General Objectives*, which date from 1957, are no longer adequate insofar as the hypotheses adopted for their calculation require modification in the light of actual achievements. The basic studies for the new objectives are already well under way.

8

The vitality of Euratom was epitomized by the ceremony in March when the community formally began operations of its main Joint Research Center at Ispra, Italy. Euratom is setting up other research centers at Mol, Belgium, Karlsruhe, Germany, and Petten, the Netherlands. Shown here at Ispra with Euratom President Étienne Hirsch (center) are Italian Industry Minister Emilio Colombo (with glasses) and Euratom Vice President Enrico Medi (arms folded).



EURATOM PLANS FOR NUCLEAR BREAKTHROUGH

NOW IN ITS FOURTH YEAR, Euratom is gearing its plans to prepare the Community for the time when large-scale investment in nuclear power stations becomes an economic possibility. It is taking steps both to hasten this moment and to give Community industrialists a thorough mastery of the technical problems involved.

This was the program outlined by Euratom Commissioner Paul Hubert de Groote in a speech at Copenhagen during the Commission's official visit to Denmark. It now seems, he said, that the "nuclear breakthrough"—the point at which large-scale investment in nuclear power stations will become an economic proposition in parts of the Community—may come in 1965. If present forecasts prove correct, nuclear power will capture half of the new energy market between 1965 and 1970, and two-thirds between 1970 and 1980. Even if the breakthrough is delayed until 1970, the nuclear power capacity required by 1980 will still be some 25,000 megawatts, and it may well be as much as 40,000 megawatts.

The Community, Mr. de Groote went on, must make its preparations in good time, because if it failed to do this, it would run the risk of becoming excessively dependent on those countries which, having geared their efforts more judiciously, will be more advanced. In the meantime, it would be necessary to construct full-size reactors to educate industrialists with knowledge of the problems of construction, organization and manufacture of the necessary equipment.

Five Conditions To Be Fulfilled

Mr. de Groote outlined five conditions which should be fulfilled before nuclear power could become fully competitive. It had to be technically practicable; there had to be adequate security safeguards; adequate fuel; sufficient capital; and—most important of all—the cost of nuclear electricity must "be on a par with or lower than the kilowatt-hour cost of other sources of supply."

Euratom is helping to hasten the "breakthrough" by forecasting energy needs; financial, technical and other forms of material aid; laying down standards for health and safety

legislation, and the pooling of documentation and information. But its greatest contribution is in the field of research. With \$215 million available for the five-year period 1958-63, the Community is:

- initiating work in the various branches of its own Joint Research Center;
- concluding contracts of association for the joint execution of specific projects by Euratom and other institutions;
- negotiating research contracts with specialized institutes and industrial firms for work on Euratom projects;
- giving assistance to projects initiated by other bodies in the Community; and
- taking part in research projects under bilateral or international agreements with third countries.

Cheaper Nuclear Energy

The main aim of the Community's research effort is to reduce the cost of nuclear energy. Three distinct types of reactor development are now being undertaken.

1. Reactors already in industrial use: These are the graphite-moderated, gas-cooled systems developed in the United Kingdom and France; the pressurized and boiling water systems developed in the United States; and the organic-moderated type. Here the aim is to improve and perfect techniques, improve the performance of the materials used, and manufacture new types of fuel elements.

2. Types not yet proven but with good prospects of being used for power production: Here research is centered on the development of moderators, coolants and fuel elements, the aim being to gather data for a prototype industrial reactor. In this category is the ORGEL program for the heavy-water moderated, organic liquid-cooled reactor, on which the main work at Ispra will be concentrated.

3. Advanced reactor types, in which the technology is much less certain, but where there is potential development. The OEEC high temperature, gas-cooled Dragon project at Winfrith Heath (Dorset) is in this category; another advanced gas-cooled reactor is also being developed in France. In both cases the aim is to improve efficient operation at higher temperatures.

“Working Partnership” with UK Urged

The Community also attaches great importance to close cooperation both with countries already advanced in nuclear technology and with international organizations in the same field. Speaking at Europe House in London on March 16, Euratom Commissioner Emanuel M. J. A. Sassen said that the United Kingdom and the Community should now take steps to transform their cooperation into “a real joint working partnership. A broadening of existing

cooperation into such a partnership could be worked out right away without changing a single clause in the U.K.-Euratom agreement.

“This could be done,” he went on, “without waiting for the resolution of the larger problem of the relations of the United Kingdom with the Communities in general, and particularly with the Common Market. The Communities would greatly welcome Britain’s decision to enter as a full member.”

EUROPEAN UNIVERSITY IN THE MAKING

Florence to be Site of New Postgraduate Institution Sponsored by Euratom

AN EXCITING NEW EDUCATIONAL INSTITUTION is being planned in Europe—a European University to be founded by Euratom. Planned for Florence, where a site has just been acquired, the University would award postgraduate students degrees as Doctors of the European University after a two-year study period. Eventually, it is planned to have 1,200 students in residence. (See Bulletin No. 42, October 1960, page 7.)

The principal purpose of the University would be to prepare graduates as administrators and technicians in a Europe that is today entering a new stage in its history. The drive for economic integration and political unity in Europe is posing new problems for administrators, scientists and technicians. This is recognized in the Treaty establishing Euratom which stipulates that “an institution at university level should be set up.” A draft plan has been prepared and procedures for its approval have been set in motion.

The European University would “reinforce Europe’s cultural and scientific potential” by providing an international center for postgraduate study to supplement existing universities. Advanced students with three or four years’ training, experience in research and a good knowledge of a second European language will be admitted to the University after they have taken their degrees.

Problems of the New Europe To Be Studied

At the University, advanced studies would be offered either in fields inadequately covered by existing universities or in subjects which, in view of the current and future problems of a uniting Europe, need to be studied from a specifically European angle. For instance, legal studies would be chiefly directed toward the European and international problems in the context of the evolving European institutions, including comparisons between national legal systems, labor and social security, transport, company and financial law, and legislation concerning nuclear energy. On the other hand, certain branches of legal study will not be included in the syllabus, namely those which have no international implications and that are relevant only to life in individual countries. This same limitation would also apply to the five other main fields of study at the University: economics, social and political sciences (including geography, sociology and psychology), history, pure and applied mathematics, and theoretical physics. These, in fact, would be the University’s five departments—as opposed to conventional

faculties which, it is thought, are too rigid in scope and are not always identical from one country to another. Translations of lectures would be available.

In the classical sense the institution would not be a “complete” university, and it would have comparatively little in common with any now existing. Students will take their “Doctorate of the European University” after a period of two years’ study, and the degree would be recognized by all the member countries. Another unusual feature is the intention to limit the permanent teaching staff to a cadre of 10 or 15 initially but to expand it to 35 to 40 within five years. The majority of the professors would be appointed on a temporary basis from national universities including some from non-member countries.

Rapid Expansion Planned

The University, to be located at Florence in accordance with the Council of Ministers’ decision taken on July 21, 1960, would initially accommodate 200 to 300 students, and by 1966 there would be a maximum of 1,200. Attendance at the University would be limited neither to nationals of the Community nor to those of any other countries which may participate. It is proposed that third countries should be able to accede to or associate themselves with the University’s statute under procedures which would be very much more flexible than those of the Treaties of Rome. The University will be a cultural center for Europe in its widest sense.

European Institutes To Be Named

Along with the University, it is planned to set up a series of European Institutes of Higher Education and Research, formed from existing university departments and technical colleges, which would be able to apply for such institute status. This would qualify them to receive aid from the Community while, in return, they would expand to include a minimum of one third of their students as well as of their teaching staff from one of the other Community countries. The European institutes would be chosen on the basis of the quality of their teaching in a specialized field. Where necessary, completely new institutions may be set up. The aim is to coordinate research being undertaken throughout the European Community, to encourage a greater specialization and a division of labor as well as an expansion of the work in advanced fields of research. Here, too, students from outside countries would be welcomed. →

How the University Would Be Governed

The University would have its own rector, board of governors and senate, although it would, like the institutes, fall under the over-all control of the European Council for Advanced Education and Research, on which member countries and the European Communities would be represented. This 20-man international body would encourage universities to promote a greater mobility both of teaching staff and of students. For university teachers, it is suggested that the current practice of somewhat haphazard bilateral exchanges could be supplemented by a system which would assist them to join the appropriate faculty and teach in a foreign university for a term of a year—a sort of “International Sabbatical Year.”

“University Passport”

The Council’s functions would be to point the way rather than to exercise definite powers, but it may issue a “Euro-

pean University Passport,” giving the student the rights and advantages of membership in a foreign university and enabling him to move from one university to another without transfer of files. He would also be entitled to such assistance as local social-service benefits. The Council could provide a European University guidebook, giving information on courses, facilities, fees and living conditions in European universities.

Both the University and the institutes would serve as corollaries of a rapidly expanding society. They are designed to cater to the needs of the newly-emerging European political and economic life. But the stress which is laid on the community life, with students and staff living together on a single university campus, underlines that it is not only the problems of economic integration and prosperity, or even of political unity, with which the University would be concerned. The University’s role would be far wider: to foster and develop all the values of a single European civilization.

FOURTH EUROPEAN SCHOOL OPENED AT VARESE

THE FOURTH EUROPEAN SCHOOL was officially opened at Varese, northern Italy, on March 23, and the foundation stone of the new building which will house its rapidly growing numbers was laid during a ceremony attended by Etienne Hirsch, President of the Euratom Commission, Emile Schaus, Luxembourg Minister of Education and President of the Board of Governors of the European Schools, and Emilio Colombo, Italian Minister for Trade and Industry.

This school will serve children of the staff of the Euratom Nuclear Research Center at Ispra on Lake Maggiore which was officially handed over to Euratom by the Italian Government the same day. The school, now in temporary quarters in the town, has 135 pupils; within two years, when the Ispra Center is fully staffed, it is expected to enroll 1,500.

An attractive site for the new school building, planned for 1962, has been provided by the municipality of Varese in the middle of a private park. Primary school classrooms will be set in a large arc about 300 yards long on the fringe of a pine forest, each with a terrace for open-air classes. There will also be a children’s garden on the model of a Roman villa.

Strong Language Training

Studies are being organized in the same way as in the other European Schools. Pupils will receive their basic education in one of the four languages of the Community—Dutch, French, German or Italian—and will be taught by a teacher who speaks their language. From the first year on, they will receive thorough instruction in either German or French as well as in their own language, and from the third year of secondary school, all pupils will study English three hours a week.

Enrollment is not limited to the children of Community officials and researchers, though they will have first priority. Italian children from the town of Varese will be admitted up to 25 per cent of total registration. Three other European Schools are in existence. The first, estab-

lished at Luxembourg in 1953, now has over 950 pupils. The others at Brussels and Mol (Belgium) have 900 and 250, respectively. Together the four schools are now giving a “European” education to more than 2,000 children.

The schools have all been established with the primary purpose of providing the children of the international civil servants of the Community with schools where their native languages are used and where they will be at no educational disadvantage in comparison with their contemporaries who attend school in their home country. At the completion of their studies, pupils can sit for the School-graduation certificate (*baccalauréat Européen*) which qualifies those who are successful for admission to the universities of the six countries. Three types of certificates are awarded—in the classics, sciences, and modern studies.

THE EUROPEAN SCHOOLS

(figures as of December 1960)

	Pupils				Teachers
	Kindergarten	Primary	Secondary	Total	
Luxembourg	127	465	356 (7 yrs)	948	64
Brussels	78	490	297 (4 yrs)	865	54
Mol	72	117	28 (3 yrs)	217	21
Varese	12	53	17 (3 yrs)	82	18
Totals	289	1,125	698	2,112	157

Nationality	Pupils	Teachers
Belgian	422	41
French	498	28
Italian	375	26
Luxembourg	89	13
Netherlands	290	19
German	285	30
Others	153	—

Euratom Takes Over Ispra Research Center

Euratom formally took over its main Joint Research Center on March 23. In a ceremony which confirmed an agreement reached last year, Italian Industry Minister Emilio Colombo handed over the Italian Government's nuclear research center at Ispra to Euratom Commission President Etienne Hirsch.

Ispra is not only the main Euratom Research Center, but also the only general-purpose one. A staff of 800 researchers and technicians is already at work there, including 150 employees of the Italian National Nuclear Research Committee who will remain for another two years. By the end of 1962 the total number of staff at Ispra should reach 1,500, without counting auxiliary personnel.

Euratom's other joint research establishments are being set up at Mol, Belgium; Karlsruhe, Germany; and Petten, Netherlands.

Euratom's Fusion Research

A contract for cooperation on the promotion of experimental and theoretical research in controlled thermonuclear fusion was concluded between Euratom and the Plasma Physics Institute of the German Federal Republic in March. Total cost of the three-year contract will amount to approximately 30 million Deutsche marks (\$7.5 million). Euratom will contribute 33 per cent (\$2.5 million). Dr. Jules Guéron, head of the Research and Training Division, signed for Euratom, and Managing Director Telschow signed for the Institute.

Some 80 scientists and engineers will work under this contract when the Institute's new laboratories are completed in Garching, near Munich. Principal associate of the Institute is Max Planck Gesellschaft. Euratom is already participating in fusion research through two other contracts:

- (1) with the French Commissariat à l'Énergie Atomique (CEA) 104 scientists are now working under this contract at Fontenay-aux-Roses;
- (2) with the Italian Comitato Nazionale per l'Energia Nucleare (CNEN) some 60 scientists are working under this contract at Frascati.

Negotiations are now under way on a fourth contract in fusion research, this one with the nuclear research center at Juelich, Germany.

Mark and Guilder Revaluation

The Common Market Commission has welcomed the decisions of the Federal German and Netherlands Governments to revalue their currencies upward by 4.75 per cent. These decisions, taken at the beginning of March, contribute to the internal stability of the Community countries

and to the restoration of international monetary equilibrium, the Commission stated.

The Commission had already noted, following opinions expressed by the Trade Cycle and Monetary Committees, that the permanence of surpluses in the German balance of payments indicated a durable disequilibrium between Federal Germany and the rest of the world. Without a revaluation of the Deutsche mark, price increases in Germany would have become inevitable, even after an appreciable increase in exports of capital. The position of the Netherlands was in some respects similar, and in addition its trade relations with Germany were particularly close, the Commission added.

The Commission had been informed by both the Dutch and the German Governments of their decisions to revalue.

First Meeting for New Transport Group

The committee of government experts formed to study transport costs within the Community made plans for a comparative examination of means of transport and actual expenses during its first meeting, held in Brussels March 21 and 22. A subcommittee was set up to investigate infrastructure expenses and will hold its first meeting on May 24 and 25. The over-all committee will hold its second meeting July 11 and 12.

Labor Accidents Studied

In accordance with the terms of Article 118 of the Treaty providing that the EEC Commission promote collaboration among member nations in the fields of hygiene and labor security, a meeting on the prevention of labor accidents was held in Brussels in January, to follow up the 1960 meetings devoted to professional illness and labor medicine. Participants included government experts as well as representatives of social groups, institutes and organizations specializing in labor security, representatives of the International Labor Organization and the International Association of Social Security, and representatives of Euratom and the ECSC.

After a review of the work undertaken so far, the group presented general views on the necessary coordination of rules on the prevention of labor accidents. The experts suggested that the first series of studies concern construction and public works, agriculture, compressed-air chambers and pressure machines.

Methods for cooperation among member nations were examined, such as tours of labor inspectors and security engineers. Discussion was also held on the ratification of the conventions of the ILO and on security in coal mines supervised by the High Authority.

New Spokesman for Common Market

Beniamino Olivi was appointed Official Spokesman for the Commission of the EEC February 15, succeeding Giorgio Smoquina who resigned to accept a position with the Foreign Ministry of the Italian Government. The new Spokesman has been with the Common Market since its beginnings in 1958, first with the Department on Competition and later in the office of Vice President Giuseppe Caron, Chairman of the Council of Press and Information Administration.

Born in Treviso, Italy, April 19, 1925, Mr. Olivi holds

a Doctor of Laws degree from the University of Padua and a Doctorate of Economic and Commercial Sciences from the Higher Institute of the University Ca'foscari, Venice. He has been connected with the Italian judiciary and has taught courses in public law at the Catholic University of Milan and the University of Pavia.

France Lowers Customs Duties

In accordance with Article 15 of the Treaty of Rome, the French Government in March announced a special decrease in customs duties, effective April 1. Article 15 authorizes any member state to speed up reductions of its intra-Community tariff structure.

The Common Market Commission welcomed these measures which will help control the slight uptrend in prices recently evident in France and, by anticipating tariff cuts, aid the general development of trade.

Out With the Paper!

After the abolition of customs duties, quotas and other barriers to trade within the Community in coal and steel products, the High Authority is making an effort to get rid of the still-substantial paper barriers which exist. In March, it brought together customs experts and officials of the six countries to study possible ways of simplifying customs formalities in rail transport in the Community.

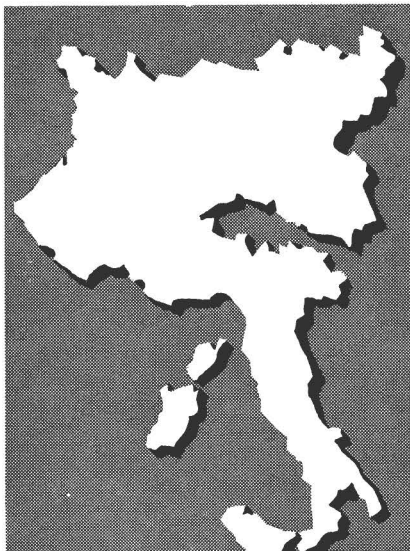
At the meeting, it was decided that the simplest procedure would be to give priority to ECSC products, which are already duty-free. It set up a permanent committee under the auspices of the High Authority and scheduled another meeting to be held the end of April.

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