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## JOHNSON-HALLSTEIN TO CONTINUE CLOSE U.S.-EEC CONTACTS

### Common Market President Confers With Top Administration Officials in U.S.

PROFESSOR WALTER HALLSTEIN, President of the Commission of the European Economic Community, and President Lyndon B. Johnson agreed March 18 in Washington on continuing close relations between the United States and the Common Market.

President Hallstein met with President Johnson during a six-day visit to the United States beginning March 12.

President Johnson assured the Common Market President of the continued strong support of the United States for the goal of European unity and congratulated him on the recent Council decision to merge the three Community executives (see official communiqué, page 2).

At a press conference following the meeting, President Hallstein said that the "fundamental orientation of U.S. policy toward Europe is unchanged."

He said that the consistency of this United States' policy is basic for Europe. "There is no need for the United States to choose between Atlantic partnership and support for a united Europe," he pointed out. "A strong and united Europe is an essential element of Atlantic partnership."

This fact, confirmed by his Washington talks, President Hallstein said, must be translated into action in such areas as trade, balance of payments and other sectors of economic policy.

Through the process of economic integration, he said, Europe is preparing a two-volume book entitled "political union." "The first volume consists of domestic policy—economic and social. We are in the midst of the transition period in creating this first volume. The half-way point in political union will be reached in the final stage of this period. The second volume which must be added is foreign and defense policy."

President Hallstein pointed out that the Commission was also committed to the success of the Kennedy Round.

Concerning Great Britain's participation in the European integration process, President Hallstein said that "our main effort now is to bridge the gap by seeking practical, pragmatic solutions and working together."

He indicated that recognition of the Common Market by East bloc countries is essential for improving their relations with the EEC. "However," he said, "trade with them has been going on for a number of years."



President Lyndon B. Johnson and EEC Commission President Walter Hallstein confer at the White House on future U.S.-EEC relations and European political unity.

Asked whether East European countries might join the European Community, President Hallstein said that "the Community is accessible to all who have the freedom to express their political will."

Besides President Johnson, President Hallstein met with Vice President Hubert Humphrey and the following officials: Secretary of State Dean Rusk, Secretary of Defense

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Robert McNamara, Secretary of Commerce John T. Connor, Secretary of Agriculture Orville Freeman, McGeorge Bundy, Presidential Special Assistant for National Security Affairs, and William M. Roth, the President's Acting Special Representative for Trade Negotiations. Discussions also took place between President Hallstein and Under Secretary of State George Ball, Under Secretary of State for Economic Affairs Thomas Mann, Ambassador-at-large W. A. Harriman, Senator J. W. Fulbright, and Representative Hale Boggs.

In New York, prior to his stay in Washington, President Hallstein met with the United Nations representatives and consuls-general of the six EEC countries, and the Council on Foreign Relations. He was accompanied by Dr. Karl-Heinz Narjes, his chief executive assistant.

### Communiqué of Hallstein-Johnson Meeting

Following is the official text of the joint communiqué issued after the meeting of United States President Lyndon B. Johnson and Walter Hallstein, President of the Commission of the European Economic Community, in Washington, March 18, 1965.

"The President met today with Dr. Walter Hallstein, President of the Commission of the European Economic Community. During his visit in Washington, Dr. Hallstein is also having talks with the Vice President; the Secretaries of State, Defense, Agriculture and Commerce; the President's Acting Special Representative for Trade Negotiations; Senator Fulbright and Representative Boggs.

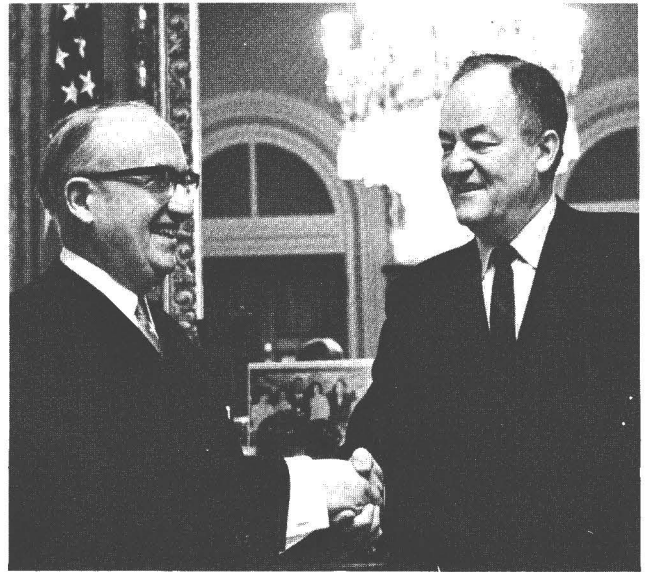
"The President and Dr. Hallstein agreed on the high value of existing close relations between the United States and the Common Market. They agreed that continued progress toward European integration strengthens the free world as European partnership with the United States grows closer.

"President Johnson assured Dr. Hallstein of the continued strong support of the United States for the goal of European unity. The President extended his congratulations on the recent decision to merge the executive bodies of the three European Communities, which the President sees as another significant step in the process of European integration.

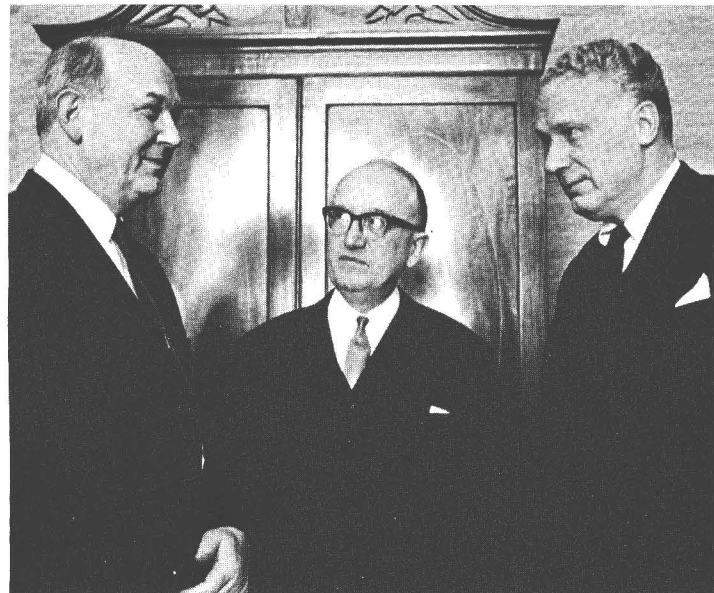
"The President emphasized the importance of the Kennedy Round of trade negotiations. He noted their significance for less-developed countries as well as industrialized nations. He told Dr. Hallstein of the importance which the United States attaches to the liberalization of trade in both industry and agriculture.

"Dr. Hallstein emphasized his wish to see an increasingly united Europe assume an important role in the developing Atlantic partnership. He affirmed the intention of the European Commission to work for the successful completion of the Kennedy Round.

"The President and Dr. Hallstein agreed to maintain continued close contact on matters of joint concern to the United States and the European Economic Community."



President Hallstein meets with Vice President Hubert Humphrey in his office in the U.S. Capitol.



Left to right: Secretary of State Dean Rusk, President Hallstein, and Under Secretary of State George Ball review Atlantic partnership affairs in Secretary Rusk's office.



President Hallstein and Secretary of Agriculture Orville Freeman discuss U.S.-EEC agricultural problems in the Kennedy Round trade negotiation.

## Agricultural Procedure Approved in Kennedy Round

The Trade Negotiation Committee of the General Agreement on Tariffs and Trade reached agreement in Geneva in March on the negotiation procedure for agricultural products in the Kennedy Round.

The breakthrough came as a result of an understanding between the two major agricultural trading partners, the United States and the European Economic Community, based on a proposal by E. Wyndham White, Secretary-General of the GATT.

The Committee agreed to the submission of specific offers for negotiation on individual products according to the following timetable:

- For grains, proposals and concrete offers will be submitted by April 26, including all elements which are to enter into negotiations. The actual negotiations on grains will then begin May 17.
- For other farm products, including milk products and meat, September 16 is the date by which offers for negotiations are to be submitted.
- Presentation of each country's measures of support and protection and discussion of the various systems will begin on May 3.

Until now the agricultural negotiations have lagged behind the industrial talks in the Kennedy Round, and no definite schedule for agriculture could be established.



*President Hallstein addresses the Overseas Writers' Club during a luncheon at the Madison Hotel.*



*Atlantic trade policies form the subject of President Hallstein's discussions with Secretary of Commerce John T. Connor.*

*President Hallstein and Secretary of Defense Robert McNamara confer during the President's visit to the Pentagon.*



## EEC, Lebanon Initial Trade and Aid Agreement

The European Economic Community and Lebanon initialed in Brussels March 10 a three-year agreement for trade and technical cooperation.

This is the first trade agreement negotiated by the EEC with a non-member country which has included technical cooperation. Prior commercial accords, limited to reciprocal trade concessions, were concluded by the Community with Israel in May 1964 and with Iran in October 1963.

The EEC member states and Lebanon will grant each other most-favored-nation treatment in the application of tariffs, quasi-tariff and non-tariff obstacles to trade. A commission of EEC and Lebanese representatives will be created to assure the proper application of trade provisions and to observe trade trends.

The agreement also provides for the coordination of member states' technical assistance to Lebanon. Member states will combine their aid activities by furnishing Lebanon with technical experts, training Lebanese nationals in the Community, preparing surveys on the exploitation of Lebanon's natural resources, and supplying technical equipment.

A joint working party for technical cooperation, composed of representatives of the EEC and Lebanon, will examine Lebanese applications for assistance and supervise the operation of technical programs.

A protocol on oranges and a declaration of intent concerning credit-insurance for Community exporters to Lebanon are annexed to the agreement. The agreement is renewable after three years.

Negotiations between the EEC and Lebanon began May 13, 1964 in Brussels.

# 'INTERNATIONAL LIQUIDITY MUST BE BASED ON TRADE NEEDS,'

## MARJOLIN SAYS EEC Commission To Prepare Action Program on Monetary Unity

ROBERT MARJOLIN, Common Market Commission Vice President, told the European Parliament March 23 in Strasbourg that any increase in international liquidity must be based on real international trade needs and not on any country's balance-of-payments problems.

"The weaknesses of the gold exchange standard, as applied at present," he said, "are now universally recognized, and it appears that the arbitrary creation of international liquidity, not in accordance with the needs of international trade but following disequilibrium in the balance-of-payments of this or that country, has now reached a limit which it would be dangerous to exceed."

Mr. Marjolin also said that the Commission was preparing an action program to lead the Community toward monetary union.

Following are excerpts from Mr. Marjolin's speech:

"For several years, the international monetary system has not been working in a manner that we could consider to be satisfactory. To meet the difficulties that keep on occurring in this field, important and often improvised changes have been made in the rules that were worked out immediately after the war.

"This has produced considerable disorder, and as there has not been sufficiently broad agreement as to the proper remedies, the disorder has not yet been put right. The free world cannot be satisfied with an attempt to solve the problem of the imbalances which face it today by applying methods which recall the disastrous errors of the period between the two great wars.

"A number of important declarations have now changed the terms in which the problem is posed—the statement by the President of the French Republic on February 4, President Johnson's message to the Congress on the United States balance-of-payments, made on February 10, the lecture given on February 11 by Giscard d'Estaing, the French Minister of Finance and Economic Affairs, the additional remarks by the United States President on February 18, and others.

"Commentators have frequently tried to oppose these various points of view in an endeavor to be constructive and to help work out a solution that could be acceptable to everyone. I propose to begin by underlining what is common ground and then to show what questions still remain to be answered and in what direction we could usefully seek the answers.

### U.S. Deficit Examined

"Let me say first of all that discussions on the world monetary system would not be taking place in such a strained atmosphere if the balance-of-payments of the United States, the greatest economic power in the western world, had not been showing a serious deficit for more than seven years. This chronic deficit was made possible, if not caused, by an excess of domestic liquidity in America itself. It has been a not inconsiderable factor of inflation for the chief trading partners of the United States, though—at least in the EEC—

purely internal factors have played an even more important part. Some central banks have accumulated dollars in considerable quantities; this enabled the United States to be in deficit over a long period without its gold reserves having to suffer the full consequences.

"Such are, broadly, the facts.

"President Johnson has made a lucid and courageous analysis of this situation. He has given us the striking phrase: 'We are highly solvent, but not liquid enough.' He has also said: 'We cannot, and do not, assume that the world's willingness to hold dollars is unlimited.' He has restated the firm determination of the United States to eliminate the deficit in its balance-of-payments.

"There is much discussion on the causes of this deficit; we may hope that the controversy will be ended by what the Americans themselves say. 'Our payments problem,' President Johnson has stated, 'is not an export problem. . . . We have to deal head-on with the surging outflow of private capital.'

"We are all aware of the measures that the President of the United States has decided to impose; I shall not go into them here. However, in a speech to American bankers and businessmen, the President did say: 'But you and I know that this won't be enough. Capital will still flow abroad to the advanced countries from your banks and your businesses if you let it.'

"Leading bankers and businessmen have therefore been asked to co-operate with the Administration in a campaign to restrict short-term loans and direct long-term investment abroad.

"What is there for us to say at this stage about American policy, which is not just a domestic affair for the United



Robert Marjolin  
Vice President  
EEC Commission

States but is also of major concern to the Community and the rest of the world?

"First, we can say that things are moving in the right direction. I do not wish to prejudice the matter, but I would simply say we trust and believe that United States policy will lead to a substantial and lasting reduction in the deficit if certain internal measures are taken at the same time.

### EEC Monetary Committee Suggestions Endorsed

"We can but endorse without reservation what the EEC Monetary Committee said in its latest report, from which I will quote briefly:

"There is therefore no doubt that capital transactions are the item which calls for attention if the American deficit is to be corrected. It is hard to see how this can be done as long as the American capital markets enjoy their present ample supplies of funds."

"We agree with the Monetary Committee in thinking that a tightening of the American financial markets, one result of which would be to raise long-term interest rates, is among the conditions without which it will not be possible to re-establish equilibrium on a lasting basis.

"We think, that slowing down American direct investment in the industrially developed countries would also contribute to the general health of our economies. It would be useful if the Community countries adopted a common attitude to these transactions. There is no question—I wish to make this clear to avoid any misunderstanding—of closing Europe to such investment, which is more often than not highly beneficial to our countries, but simply of avoiding excess. Community action in this direction could consist of a detailed statistical check on direct investments from non-member countries, supplemented by machinery for consultation between the governments and the Commission on national policies in this sphere. This presupposes, of course, that all member states supply each other with the necessary information. In this way we should be moving in the direction already required under Article 72 of the Treaty of Rome.

### 'Gold Standard' Term Explained

"This brings me to the question of the international monetary system, which is today the subject of lively debate. We believe that such discussion is, in part, the result of certain misunderstandings, and these must first be dispelled.

"The expression 'gold standard' has been used in several different senses, among which it is essential to distinguish. Certain persons, who in any case do not occupy positions of responsibility in the conduct of public affairs, consider that it means a pure and simple return to the monetary machinery that existed before the First World War, which was characterized by the almost exclusive use of gold in international payments with, as a result, serious and rapid deflation in a debtor country which did not possess large reserves. This is a system which we rule out.

"For others, the gold standard, which could also be called the reformed gold exchange standard, means a return to a stricter monetary system and to the ideas which underlay the Bretton Woods agreements made during the Second World War.

"These ideas affirm the primacy of gold in the final financing of balance-of-payments imbalances, but accept the main-

taining, and perhaps even the widening, of international credit facilities, provided these facilities do not in practice remove all need for the debtor country to take the necessary steps to ensure the speediest possible return to equilibrium. This would mean maintaining the machinery of monetary co-operation represented by the IMF, the Group of Ten, and the short-term credits which central banks make available to each other.

"These ideas do not, however, allow the future accumulation by the central banks of large surpluses in foreign currency.

### International Liquidity Examined

"The Executive Commission is inclined to share these ideas. The weaknesses of the gold exchange standard, as applied at present, are now universally recognized, and it appears that the arbitrary creation of international liquidity, not in accordance with the needs of international trade but following disequilibrium in the balance-of-payments of this or that country, has now reached a limit which it would be dangerous to exceed.

"Even if a general agreement could be reached on such a basis, two additional questions would arise on which, with your permission, I should rather not give you answers today, though I can make a few introductory points:

"1. What should be the fate of balances at present held in foreign currencies by the central banks? No sudden decision should be taken. The solution should be sought without haste, in view of the debtor and creditor countries' need for security and in order to avoid causing a considerable contraction in the volume of international liquidity.

"2. What would in the future be the means used to create the additional international liquidity that will be made necessary by the expansion—and we hope it will be rapid—of trade of every kind between the countries of the free world if, as is probable, the production of gold should prove insufficient?

"We do not think there should be an increase in the price of gold, since this might undermine confidence in national currencies. The creation of additional international liquidity should be done on the basis of agreed criteria and amounts, so as to exclude the maintenance, over lengthy periods, of disequilibria in the balance-of-payments, except in the case of developing countries, which could cover their deficits by means of long-term capital imports.

### Community's Role Indicated

"I would be disappointing you if I did not say a few words on the role that the Community can and must play in solving the problems I have been speaking about. Its role is already a considerable one. I refer again to our Monetary Committee's recent report.

"It states that 'at the end of 1964, outstanding drawings on the IMF totalled \$2,622 million. Of this total, \$857 million was financed by IMF sales of gold, while of the balance of \$1,765 million, \$1,437 million—more than 80 per cent—was in the form of drawings on Community currencies.'

"The Community's opportunity for action at world level would be considerably enlarged if its own monetary unity were reinforced. This is already a reality, but it may still be called in question again. I quote the Monetary Committee once more:

"It (the Monetary Committee) concludes that progressive integration within the EEC, and particularly the tendency for the respective prices of a growing number of products to settle at much the same level throughout the Community, will make a devaluation or revaluation increasingly difficult and unlikely. The establishment of a single agricultural market will strengthen this trend. However, the Committee considers that even so it would still be possible for a State to adjust the exchange rate of its currency, should this prove necessary in order to safeguard, for example, the smooth working of the Common Market itself."

"This description of the present situation corresponds to the facts. Our task is now to ensure that devaluation or revaluation, which today are only difficult and unlikely, shall become impossible and useless."

### Move toward Monetary Union Considered Essential

"The Executive Commission is already at work on this. It is seeking a solution along several lines at the same time, realizing that in each of them decisions will have to be taken which together will form an indivisible whole. At this stage I shall do no more than indicate the lines we are following:

"1. We are seeking, on the basis of methods already used last year to deal with economic imbalances, to intensify co-ordination of the economic and financial policies pursued

in the Member States by endeavoring to work out common norms for such matters as budgetary policy, credit policy and, as soon as possible, incomes policy.

"2. We are seeking to achieve complete unity as regards capital movements, whether for long-term or short-term investment.

"3. We aim at harmonizing progressively the instruments of monetary policy.

"4. We are seeking to strengthen the solidarity of Member States in the matter of international liquidity reserves and their co-operation in international monetary operations, until the day when the reserves of each country can be considered as part of a single reserve.

"The movement toward monetary union is essential for the Community itself, and also for the future of the international monetary system, for if monetary cohesion reaches the point where the Common Market is looked upon from the outside as a single unit, the search for international equilibrium will be simplified by a reduction in the number of decision-taking centers and by the opportunities stemming from partnership among equals.

"I propose to make a statement later to the Parliament on the action program the Commission is to adopt in order to achieve the aims I have just summarized."

## COMMUNITY NUCLEAR ENERGY TARGETS FORECAST FOR 1970-2000

### Euratom Commission Proposes Community Nuclear Industrial Policy

THE COMMISSION OF THE EUROPEAN ATOMIC ENERGY COMMUNITY published in March in Brussels nuclear energy production and investment targets for 1970-2000.

These predictions form the basis of a recent Commission proposal for a Community industrial policy to combat possible obstacles to nuclear expansion.

The forecasts were made in compliance with Article 40 of the Euratom Treaty. The Treaty requires the Commission to publish periodically "programs indicating, in particular, the production targets for nuclear energy and the various types of investment required for their attainment."

Both the production program and industrial policy proposal will be discussed during the next two months by experts from the Community's nuclear industry. The Commission will publish its final findings and recommendations after consultation with the Economic and Social Committee.

### Commission Indicates Production Goals

The Commission predicted that at least two-thirds of all electric power capacity installed in the Community between 1980 and 2000 will be nuclear. Total installed capacity of nuclear-produced electricity is expected to reach 370,000 MWe by the year 2000.

This estimate is regarded as a minimal hypothesis, however, since all new power-station capacity constructed after 1980 or 1990 could be nuclear. Thus, nuclear capacity would reach at least 500,000 MWe in 2000 to furnish approximately two-thirds of Community-produced electricity fulfilling one-third of total energy needs.

The report predicted the following annual Community

electricity consumption during 1965-2000 (billions of KWh):

1965.....	409	1975.....	789	1990.....	1,930
1970.....	574	1980.....	1,080	2000.....	3,450

Nuclear energy's role in satisfying this demand is based, for the near future, on previously announced projects and programs. Nuclear power production targets for 1970-2000 were indicated as follows by the Commission:

	Total installed power on 1 January ( <sup>000</sup> MWe)	Load factor (hours/year)	Annual production (billion KWh)
1970	3.7	6,000	22
1975	12.0	6,000	72
1980	40.0	6,000	240
1990	140.0	5,500	770
2000	370.0	5,000	1,850

The realization of these objectives would result in stabilizing energy imports after 1975. Energy imports have increased from 5 per cent of energy needs before World War II to 27 per cent in 1960 and 46 per cent in 1964 through the growing use of petroleum products. This year, the proportion of energy imports to the Community is expected to reach about 50 per cent (of which 80 per cent would come from the Middle East and North Africa).

Energy imports should rise to between slightly over half and a little under two-thirds of total energy requirements in 1975 despite the recourse to nuclear power, the Commission pointed out. Imports will still furnish nearly 50 per cent of

the Community's energy needs in 2000, even if the production targets are met, the report said. However, the recourse to nuclear power will prevent too great a dependence by the Community on external sources.

### Electricity Costs To Be Cut

Introduction of nuclear power along the lines of the production targets (17 trillion KWh before and 34 trillion KWh after 2000) will cut electricity production costs by \$23 billion or 30 per cent in real values, taking into account both plant and fuel costs.

The Commission assumed, for the purpose of the study, that the nuclear power stations will be equipped with "proven" reactors until 1975 (natural-uranium fueled gas-graphite reactors and enriched-uranium fueled light water-cooled reactors). They will be complemented from 1975 on by the installation of advanced converters now in the development stage.

Fast breeder reactors, added in 1980, would represent half of the Community's installed capacity by 2000. The installation of "proven" reactors is expected to cease in about 1990, when they will produce one-half of total capacity.

The role of each main reactor type in MWe was summarized as follows:

By end of period	"Proven" Graphite-gas	Water	Advanced Converters	Fast Breeders	Total
1970	2,000	1,500	200	.....	3,700
1970-74	5,500	5,000	1,500	.....	12,000
1975-79	17,000	17,000	5,000	1,000	40,000
1980-84	25,000	25,000	19,000	6,000	75,000
1985-89	35,000	35,000	51,000	19,000	140,000
1990-94	35,000	35,000	98,000	60,000	228,000
1995-99	35,000	35,000	115,000	185,000	370,000

According to the above figures, graphite-gas and water reactors would capture 56 and 40 per cent of the nuclear power market, respectively, by 1970. They would each have 42½ per cent by 1980 with 12½ per cent going to advanced converters and 2½ per cent to fast breeder reactors.

By 1990, the share of advanced converters and fast breeders would rise to 36 per cent and 14 per cent, respectively, and by 2000, fast breeders would take 50 per cent of the total market.

This program is expected to require the lowest possible investment because it is based on the progressive introduction of fast reactors for the most efficient use of the Community's limited resources of nuclear materials.

The report made a number of observations concerning the outlook for the reactors to be installed.

- Proven reactors—Neither the gas-graphite nor light water-cooled reactor will have a decisive advantage over each other. They have both reached the same stage of industrial development in the Community. Their economic prospects are similar as well as their consumption of fissile materials.
- Advanced converters—Among the numerous types of advanced converters, heavy-water moderated and high-temperature gas reactors appear most interesting for the Community, the report said. One example of the heavy-water concept is the *Orgel* reactor using organic liquid as a coolant. It is being developed by the Community at Ispra, in Italy. Euratom is also participating in high-temperature gas-reactor research through the ENEA *Dragon* project at Winfrith, England, and the "pebble-bed" reactor at Juelich, Germany. Both types are technically and economically promising and their possible use of thorium as fuel is envisaged. Although the relative advantages of the two types appear roughly equal, it is impossible to estimate the shares either will take in the program, according to the report.
- Fast-breeder reactors—The report assumed that fast breeders will be perfected toward 1980, depending on the availability of plutonium and the speed at which they can be proven industrially and economically advantageous.

### Implications Cited for Nuclear Industry

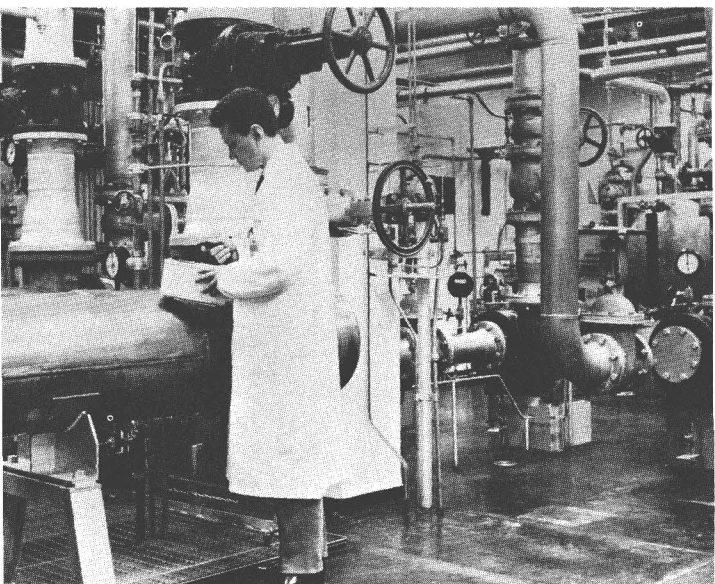
The report estimated that the total volume of investment required to install nuclear power stations from 1970 to 2000 would be about \$60 billion. In line with the production targets, the cost would be divided as follows: \$7 billion in the 1970's; \$17 billion during the 1980's and \$37 billion during the 1990's.

The Commission also predicted that a total natural uranium fuel element capacity of 4,000 tons per year and highly enriched uranium elements of about 1,000 tons a year will be needed by 1980.

### Industrial Policy To Combat Brakes on Expansion

The Commission has proposed the following measures to overcome possible obstacles to the expansion of Community nuclear power production:

- Formation of a Community nuclear insurance market.
- Reciprocal consultations on national nuclear policies.
- Mutual assistance agreements between electricity producers.
- Construction of prototype power reactors.
- Common funds for nuclear industrial development and to guarantee the performance of nuclear fuel elements.
- Establishment of a joint enterprise for the industrial-scale reprocessing of fuel elements.
- Community policy for industrial property, nuclear supplies, and export credits and guarantees.



*Orgel Project: This scientist measures the level of radioactivity in the heavy-water system at the Euratom Research Center, Ispra, Italy. Heavy-water will be used as a moderator in the Orgel reactor predicted for installation in 1975.*

# DUTCH GROUP ADVOCATES AN ATLANTIC POLICY

## British Participation in European Political Unity Talks Urged

THIRTY-EIGHT PROMINENT DUTCHMEN expressed their disapproval of the political trend within the "Europe of the Six" in an open letter March 2 to Joseph Luns, the Netherlands foreign minister.

The message from the Dutch group also urged British participation in European political unity talks and an Atlantic policy.

The signers included two former prime ministers, William Drees and Jan de Quay, historian Pieter Geyl, economist Jan Tinbergen, leading businessmen and former government ministers.

Following are highlights of the Dutch message:

"The maintenance and strengthening of the Atlantic alliance have been the cornerstone of Netherlands foreign policy since the North Atlantic Treaty Organization came into being. . . . The integration of Europe is also an essential element in our foreign policy, but because our country has always taken the view that this integration should strengthen the Atlantic alliance, the Netherlands is now faced with a serious choice between priorities.

"In defense and the most important issues of international policy . . . the basic conception of Dutch policy has always been that . . . the whole of western Europe can only be secure and strong inside an Atlantic organization in which the full power of the United States comes into play.

"The Netherlands has always rejected as disastrous the concept of a united Europe as a third power between America and the Soviet Union. . . .

"The efforts to give the European Communities an open character received a heavy blow from the French veto on January 1963 of the admission of the United Kingdom. . . . The admission of the United Kingdom would certainly have constituted a guarantee of an Atlantic orientation to the process of European integration.

"The current French efforts to organize Europe in the spheres of defense and foreign policy are, on the contrary, aimed at loosening the links with the English-speaking countries. . . . Moreover, this continental European policy is being pursued on the basis of the continuing sovereignty of the participating countries. . . . Such a policy . . . represents a serious threat to the essential cohesion of the West. It leads to a revival of nationalism. It would seriously affect the ability of Europe to defend itself. It threatens the achievements of post-war Western co-operation.

"The process of erosion has already begun. A solution to the nuclear problem on an Atlantic basis has been postponed and, if appearances are not deceptive, unhealthy ideas are spreading on an increasing scale about the role of Europe in Western co-operation.

"The positive results which are being achieved in the economic Communities, and which, as such, must be accounted very favorable, are no adequate compensation for this.

### Urge Participation of U.K.

"In the present situation we urge that at the earliest possible point in any discussions on political union a renewed



*"Positive results in the EEC are not adequate compensation for political union."—  
JAN DE QUAY, former  
Dutch prime minister.*

demand should be made for the participation of the United Kingdom. Without wishing to underwrite the policy which British governments have followed since 1945 on European integration, we are convinced that it is in the interests of Europe that the United Kingdom should be brought into the process of European integration. . . .

"We entirely reject the setting up of a political union of the Six on the basis of a treaty, if only because there is no agreement between the Six on the fundamental objectives of foreign policy, in particular as regards their attitude toward the United States. . . . There is no identity of view on the foundations of a common defense policy, and in addition the military potential is lacking for an independent European defense system. . . .

"Only NATO can guarantee our security, for, thanks to the participation of the United States, it forms the framework within which defense can be effectively organized, and therefore the only one deserving consideration.

"We urgently appeal to the government . . . to hold with all its might to the basic principles of its policy and not allow itself to be dragged along, under the label of European Union, on a course which would cause irreparable damage to European integration and to the cohesion of the Atlantic world.

"A strengthening of the links between Europe and America and concerted action by the countries joined together in NATO deserve both now and in the future to retain the highest priority in Dutch policy."

### Dutch Minister Replies to Letter

In his reply to the letter, Dr. Luns said that he shared the concern of the signatories about political trends in Europe.

"I do not want to hide the fact that I share your disquiet in the face of the danger, stressed in your letter, which threatens a healthy development of European unification and transatlantic co-operation," he said. "I am grateful for the view set out by this group of eminent Dutchmen. It is a valuable support for the policy followed by the government, with the full backing of Parliament."

### Luns Endorses Atlantic Cooperation

Mr. Luns further endorsed Atlantic co-operation March 11 in the French newspaper, "Le Monde."

His remarks follow:

"The European Economic Community in its present form

*(Continued on page 15)*



# CAPITULATION PROVIDES NO POLICY FOR EUROPE

## Dutch Letter Makes Diagnosis; Prescribes Disappointing Cure



*"We must carry out a struggle to decide what form Europe shall take."*

by **ALFRED MOZER**, Executive Assistant to  
EEC Commission Vice President Sicco Mansholt

A POLITICAL ATTITUDE limited to criticism and to pointing out possible dangers is not in itself sufficient.

Criticism ought to open up new prospects, but the ultimate effect of the policy advocated in this letter would be capitulation. It urges a foreign policy which, in fact, gives up having any foreign policy at all.

To avoid any misunderstanding, let me repeat what to me seems quite obvious:

- The "Europe of the Six" is not identical with free Europe. However great or small one's hopes of the readiness of the British government to reopen talks on Britain and other democratic countries entering the Community, a statement must first be made by the Six reversing the French veto of January 1963.
- A political union in Europe which lacks a democratic structure, which seeks a place for Europe between east and west, which is militarily independent (in the nuclear fields as well), and which loosens or finally breaks the Atlantic links is quite unacceptable.
- The establishment of common political institutions is also quite clearly out of the question in view of the lack of even the broadest agreement with regard to their structure and content.

If this letter had done no more than review the dangers, the threats and the policies which are unacceptable to us, there would have been no great difficulty in signing it.

### Proposed Remedies Questioned

But what of the remedy it prescribed: The choice between Atlantic and European policies; the choice perhaps between Paris and Washington and perhaps between Brussels and Washington. The lack of precision on this point contrasts sharply with the over-all clarity of the letter.

One wonders whether the signatories of the letter have learned anything from two years of meandering policies in Bonn. Surely to pose such a "choice" is to lead into and not out of the morass. This "choice" implies as a permanent feature that, in this "little Europe," decisions would be made only by Paris. I consider this a capitulation to de Gaulle.

But this "choice" would also represent a failure for Washington. Official opinion in Washington holds certain reservations about European policies and wants to wait and see

how Europeans sort out their own affairs. According to this letter, the Dutch response to this policy of wait-and-see should be to surrender the whole of the European field to Paris and to look only to Washington. By doing this, we should actually be failing to do what is now more than ever necessary for these transatlantic ties: to speak out clearly on what we in Europe think desirable and essential for this Europe of which we are a part.

Almost simultaneously with the veto on British membership of the Community, Paris was able to neutralize the strongest of the "other five" through the so-called French-German treaty of friendship and to forestall any political conception of Europe opposed to its own ideas. There remained nothing for the Netherlands to do for a time but say "no."

### Time Is Ripe for Political Plan

Since then, however, the limited effectiveness of the French-German treaty has become clear and now that Bonn understands the impossibility of making a choice between Paris and Washington, the time has now come to launch a clear political plan for Europe that is opposed to the Paris view. This opposing plan would certainly not be implemented today or tomorrow, and there is no hurry to reach political union. But it must be made quite clear in Washington that we are not running away from European unity but are fighting for a place for Europe within a wider Atlantic entity.

Washington is not in any way helped by the mere voicing of sympathy for Atlantic cooperation by a country which is not itself prepared to take part in this lengthy and still unsettled dispute over the political course that Europe is to follow. The only way that a country like the Netherlands—small, but with a worthwhile political reputation—can successfully exert any influence is not by "choosing," not by just saying "no," but by playing a leading part in shaping a united Europe.

### Dutch Obligated to Europe

There is above all one final real danger raised by the "choice" offered by this letter. The problems of the maintenance of the peace and the security of Europe, and of the greater or lesser independence of the real and the pseudo nuclear powers, have by no means been settled in a way that rules out the danger of a nuclear agreement between London and Paris—with the approval of Washington. To run away from Europe and to end up by accepting Washington's approval of nuclear decisions made in Europe by Britain and France does not appeal to me at all. To my mind, there is no choice open for Dutch policy, but only the obligation to carry on the hard struggle to decide in Europe what form Europe should take.

With all due respect to the signatories, this letter makes an excellent diagnosis but prescribes a disappointing cure.

Guest authors and speakers cited in *European Community* express their own views and are presented to enlarge the forum of Atlantic opinion.

# POSTMASTERS MAP COMMON MARKET IN COMMUNICATIONS

## EEC Commission To Act on Proposals for A 'Postman's Europe'

by E. de la Taille, *Correspondent for Agence France Presse*

THE FIRST EUROPEAN COMMUNITY POSTAGE STAMP will go on sale in post offices of the six member countries within a few years.

The stamp will be available in six versions identical in format, design and color but differing in denomination until a single European currency is developed. Until that time, the value will appear in national currencies but the stamp will be usable anywhere in the Community.

Its appearance will be a major event for stamp collectors. For other Community citizens, the stamp will symbolize the indissoluble links which the Common Market is forging between the member countries.

### Political Problems Posed

Decision on the stamp's design is fraught with political implications as to whether an inspiring allegory or a famous person should appear on the historical seal. Consequently, the six ministers responsible for postal and communication services are concentrating first on the practical task of organizing a common market in mail and telecommunications. The appearance of a "European" stamp will be only one sign of their success.

The postmasters general of the six Community countries meet regularly at conferences of the Universal Postal Union (UPU), one of the oldest worldwide organizations soon to celebrate its hundredth birthday. Ministers and experts from 23 countries in Western Europe, including Vatican City, confer regularly in one of its regional groups.

Although their field of operations extends far beyond the boundaries of the Community, the postal authorities of the Six are equally concerned with building a "postman's Europe." They met as a group for the first time in Brussels on September 7-8, 1964.

### Common Mail Service Planned

The six postmasters' first measure will be designed for immediate impact on the man-in-the-street. It is a common service for ordinary letters and postcards—85 per cent of all mail. They plan to extend to the other five countries the



domestic postage rates of each member country so that a letter can be sent from any place in the Community for the same basic charge, whether from Brunswick to Bremen, from Biarritz to Brussels, or from Brest to Bari.

Such a service first demands agreement on a uniform charge, and secondly, acceptance of a revenue loss by all six countries. The external postage rate, generally double the domestic rate, is a valuable source of revenue which the national post office, under constant pressures from the Treasury, would abandon reluctantly.

Nevertheless, major advances have been made in the past few years through bilateral agreements. A Parisian can send a letter to any Community country but the Netherlands for the same amount as to Marseilles. A Belgian or a Luxembourger has a similar agreement for every country but Italy. The exceptions in these cases arise because of differences in the equalization of postal rates. For example, French businesses mailing in large quantities find it cheaper to send mail in bulk to the Netherlands to be posted back to their customers in France than to send it out directly.

However, the equalization of postage rates should not prove very difficult. Five of the six member states have a domestic rate of approximately 18 gold centimes (about 6 cents) in which the UPU still calculates postal rates. However, the Netherlands charges only 12 gold centimes (or 10 Dutch cents) per letter. The Hague postal authorities feel that a 50 per cent rise in postage rates would be a poor advertisement for European unity. A solution might be found in a special Dutch rate for letters to the rest of the Community for a limited time.

A uniform postage rate for letters would be followed by a similar measure covering all other classes of mail from printed matter to large packages. This would still be only a modest prologue, however, to the six postmasters' other ambitions to unify the mail services of the Community countries.

### Night Air Mail Service To Be Established

The next step would be to establish a night air mail service throughout the Community. Such a service exists in France via a postal air fleet of 18 piston-engined aircraft soon to be

joined by short-haul jets. Germany has begun to use Luft-hansa for a similar service and Italy is following suit with Alitalia aircraft. The ministers have appointed a committee of experts to investigate the coordination and extension of these systems to the other Community countries.

Paris, Lyon, Frankfurt and Milan thus form the pivots of an overnight mail service network which is missing only in Amsterdam and Brussels. The details will require split-second planning. The time for trans-shipping mailbags from one aircraft to another has been cut to a minimum. Stretching this period to handle intra-Community mail as well could easily upset the operation of present flight schedules. Electronic experts and computers will be needed to work out all the necessary timings and additional jet aircraft will be required to provide the necessary transit speed.

Sorting and delivery will also have to keep pace with the speedup of mail carrying. All the Community countries are installing automatic sorting machines. This automation will require the use of zip code numbers in addition to addresses. Each town will be assigned a code number and each year the telephone directory will list zip codes for other towns and cities. Unlike the United States, however, the operation will be planned on a European rather than national scale.

### Telephone Communication Policy Proposed

Frontiers between the six Community countries will also disappear for telephone communication. Automatic international connections, already commonplace, will be extended within the Community. In particular, all charges will be made on the basis of distance, irrespective of whether the call crosses national borders.



A joint Community policy with the United States is envisaged for telecommunication satellites. Agreement will be needed on the common use of control centers presently operating in France and Great Britain and soon to enter service in Germany and Italy. This policy, with its worldwide implications, will be consistent with the role of the postman who has always gazed across the frontiers, for any "postman's Europe" is an integral part of a "postman's world."

The EEC Commission is presently conducting a study of the postmasters' proposals for postal harmonization in the Community. These proposals would be formulated under Rome Treaty Article 100 which calls for directives to be unanimously adopted by the EEC Council, on a Commission proposal, for coordination of national laws.

## Council Adopts Community Road Quota for Transport Policy

THE EEC COUNCIL OF MINISTERS moved toward a common transport policy March 9 in Brussels by adopting a Community quota to liberalize road haulage.

The application of the quota on January 1, 1966 is contingent on a decision by the Six to organize the market, including minimum and maximum rates for goods transported by road, rail and inland waterway between Community countries. However, this measure is unacceptable to the Netherlands for transport on the Rhine. The transport ministers of the Six are scheduled to discuss this problem May 6 in Brussels.

The Community quota, requiring adaptation of bilateral quotas presently existing between the Six, would grant 800 licenses to trucks transporting goods in the Community. This figure is higher than the 750 licenses proposed by the Commission to the Council in May 1963.

The progress achieved at the meeting resulted from untying a "package deal" arrangement which would have required simultaneous adoption by the Six of measures harmonizing competition between transporters, liberalizing the transport industry and organizing a Community transport market.

The Council adopted a definite timetable to eliminate disparities between national regulations which could distort competition in transport by road, rail and inland waterway. Implementing measures must still be adopted by the Council on the basis of Commission proposals.

Conditions of competition would be harmonized by the following measures concerning taxation, state intervention and working conditions:

- Abolishing double taxation on motor vehicles.
- Standardizing rules for duty-free entry of fuel contained in fuel tanks of motor vehicles.
- Standardizing the basis for calculating vehicle tax.
- Adapting the systems of special taxes for the transport of goods for the carrier's and other accounts.
- Including transport taxation in a future common turnover-tax system.
- Maintaining public service obligations to provide adequate transport services.
- Compensating expenses resulting from public service transportation.
- Standardizing railway accounts.
- Harmonizing progressively rules governing the financial relations between the railway and the member states to ensure the financial independence of the railways.
- Defining an aid system applicable to transport.
- Harmonizing gradually provisions concerning working conditions in rail, road and inland waterway transport.
- Standardizing provisions relating to the composition of crews.
- Harmonizing provisions for working hours and rest periods.
- Harmonizing overtime rules.

The Council will discuss in June proposed weights and dimensions for commercial road vehicles and other technical conditions for these carriers.

# APPRENTICES RECEIVE DIVERSE TRAINING AMONG THE SIX

## Community Industry Obtains Skilled Workers through State, Company Plans

by COLIN BEEVER

Research Officer, Amalgamated Engineering Union

CONCRETE COOPERATION BETWEEN COMMUNITY COUNTRIES in the field of vocational training is being forged this year through a new program to exchange young workers.

The Rome Treaty provides for close collaboration between the member countries in matters relating to occupational and continuation training. Article 128 urges the preparation of "general principles for the implementation of a common policy of occupational training capable of contributing to the harmonious development both of national economies and of the Common Market."

Member countries are also urged by the Treaty to encourage the exchange of young workers (see story, page 13). These young apprentices will experience different training methods in the member countries. However, vocational training programs are similarly organized throughout the various industrial occupations within each country.

### Germany Offers Diverse Training

A young man planning to become a skilled worker in the Federal Republic of Germany leaves school at 14 or 15 years of age. He may choose on-the-job training immediately in a firm, factory, or office. After a probationary period of one to three months, he becomes a contractual employee and receives a special allowance. Apprentice wages are negotiated with or specified by the local chamber of industry and commerce.

Training for skilled workers lasts three or three and a half years. Apprenticeship for a semi-skilled worker may last only one and a half to two years. Standard practical, oral and written examinations are required for an apprentice to qualify as a skilled worker. The examinations are devised and administered by vocational organizations in cooperation with the government.

Under the contract, an apprentice must also record each week details of his training for comments by the employer. His workbook is subject to inspection at any time by an official of the local chamber. The employer is legally bound to fulfill the contract terms. An apprentice can collect damages from the employer upon proving that his final examination failure resulted from defective instruction or treatment.

An apprentice between 14 and 18 years of age is required to attend a vocational training school for general education and theoretical courses. While attending classes, the skilled labor apprentices are paid working-day wages.

### French Government Supervises Program

French apprentices also receive negotiated allowances rather than wages and are subject to a probationary work period of two months before signing a contract. Skilled worker status is also recognized by a certificate awarded after a three-year training period and successful completion of tests.

The government is primarily responsible for vocational training in France. Many apprentices are trained in gov-

ernment-sponsored technical schools. Vocational education either on-the-job or in technical schools is state-financed and supervised in cooperation with labor union representatives. A number of large companies operate and finance their own technical schools. Other employers must pay 0.4 per cent of their total wage costs to the state to subsidize vocational education. School attendance is compulsory in France until a student reaches the age of 16. The apprentice then chooses between the four following training methods:

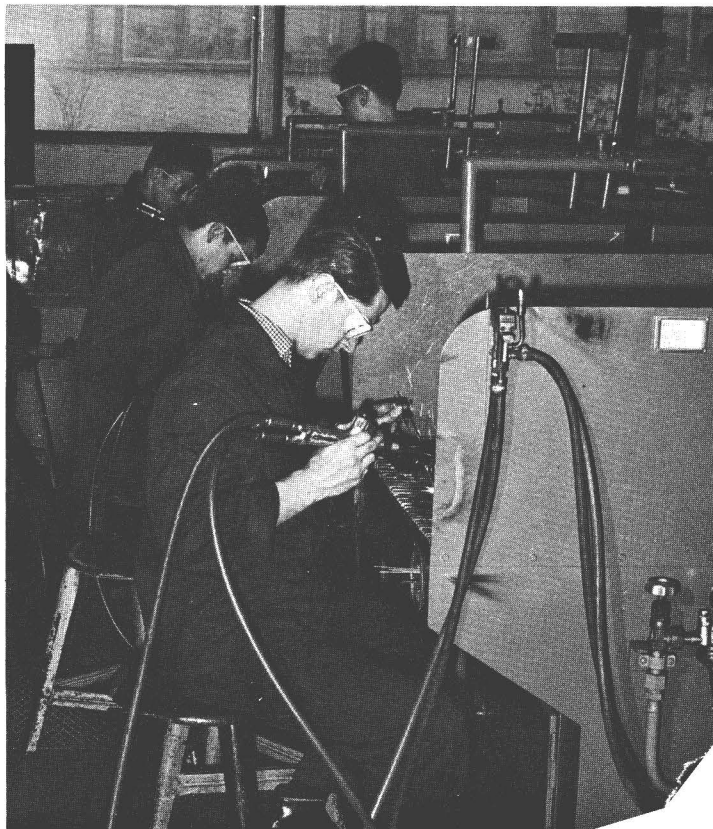
- Two years general education with a vocational emphasis to prepare for a high grade semi-skilled job.
- Three-years education in a state technical school to prepare for a skilled position.
- On-the-job and special workshop training in a factory school.
- An indentured apprenticeship in an industrial firm for on-the-job training while attending school for general education during the training period.

Employers who fail to give proper training can be prohibited from training apprentices in the future. French law generally prohibits using an apprentice for production work so he will not be considered as a form of cheap labor. The government also grants a special allowance to the families of apprentices attending theoretical courses to encourage additional training.

### Italy Pilots New Program

Passage of the 1955 Apprenticeship Act involved the Italian government in vocational training for the first time. This legislation requires companies to train only those

*Apprentice laboratory: Skilled worker trainees practice their newly-learned techniques in a Community factory's workshop.*





*Community apprentice: This young worker is being taught to operate a drill at the Krupp factory in Essen, Germany.*

potential apprentices listed on a special register at the local ministry of labor. Small firms, employing less than 10 persons, may choose any apprentices listed. Larger firms, however, can select only 25 per cent of the number needed. The remainder are allocated to these firms by the labor office after considering applicants' preferences.

Apprenticeships are limited by the lack of industry in many parts of Italy. Workers, who have passed a physical and occasionally a psychological aptitude test, are usually trained between 14 and 20 years of age.

Employers are required to free apprentices for part-time classes. The government also pays family allowances during an apprenticeship period and relieves the employers of a major part of social security contributions for apprentices. Pay is governed by Ministry of Labor decree and is not subject to collective agreement.

Apprenticeship lasts a maximum of five years at which time the trainee must pass a proficiency test. The test result appears on the apprentice's personal employment record along with his new occupational title. A national apprenticeship advisory board, composed of representatives from labor unions and employers' organizations, controls the apprenticeship program. Vocational training centers, guidance services and part-time classes are financed by the

government through a special fund administered by the Ministry of Labor.

The Apprenticeship Act still serves mainly as a goal for vocational training due to the recent enactment of the state regulations and arrangements. Many apprentices seeking skilled labor positions are still trained under programs provided by large industrial firms.

### Dutch Training Similar to Germany's

The Netherlands offers a training program similar to that existing in Germany. It differs in that apprentices receive collectively negotiated wages and are required to attend technical classes one day or four evenings a week. The government also subsidizes all industrial training programs.

An apprenticeship varies from two to three years depending on whether prior education was obtained at an extension of primary school or at a junior technical school. Although required education ends at age 14, an apprentice must be 15 years old to begin training.

### Artisans Apprentice in Belgium

Apprenticeships are available only for artisans in Belgium. Artisans train for three years to learn a particular skill and study business administration subjects for three additional years.

A skilled worker in Belgium spends four years in a vocational or technical school. His course work is divided into two years of general education and two years of trade instruction. The student is awarded a diploma at the end of the schooling which records his standard of achievement. Neither practical nor theoretical training is required by industries although some firms encourage night school attendance.

The EEC Council of Ministers adopted on April 2, 1963 a Commission proposal outlining general principles of a common policy for vocational training. These objectives were expanded in a 1964 Commission action program. Each member state would retain its own methods and organization. The Community program would ensure the acceptance of job qualifications by all member states, harmonizing skill requirements and a possible financial system of support for vocational training.

## Community Lowers Frontiers To Train Young Workers

YOUNG COMMUNITY CITIZENS will cross national frontiers this year to gain working experiences in other member countries under a new Community exchange program.

A total of 4,455 trainees are tentatively scheduled to participate in the first exchange program to be conducted under Article 50 of the Rome Treaty. The article specifies that "member states shall, under a common program, encourage the exchange of young workers."

This program was approved May 8, 1964 in Brussels by the EEC Council of Ministers. The Commission has recently outlined practical steps for its operation in a memo to the member states.

Member states will contribute toward travel expenses, allowances for wage losses, language courses and other expenditures. Statistical data will be collected on the results of the new venture.

The Community program, replacing bilateral arrange-

ments between member countries, doubles the number of young workers previously exchanged among the Six.

### Exchanges of Young Workers

Country	Trainees accepted in 1963 under bilateral programs	1965 program (tentative figures)
Belgium	193	400
Germany	547	1,500
France	1,208	2,300
Italy	10	30
Luxembourg	....	25
Netherlands	98	200
Total	2,056	4,455

Lionello Levi Sandri, EEC Commission Vice President, outlined the political, cultural and professional aims of the

program to employers' representatives meeting March 9 in Brussels.

"Everyone knows what great educational benefits young people can derive from a stay in a foreign country," he said. "Slowly but surely we are creating conditions under which the young people of the Community . . . can be imbued with the European spirit. We must do all we can to promote contacts. They are already far more frequent than some decades ago but they are still insufficient for our purpose."

He stressed the cultural and professional goals as being equally important. "The best way of improving one's knowledge of a foreign language is to . . . stay in the country where it is spoken," he said. "History, both ancient and modern, is better understood if one visits the places in which

it was enacted. . . . The concept of a common European civilization becomes more alive and realistic if it is consolidated by wider and more direct knowledge of the countries in which it has taken shape."

In the industrial sphere, Vice President Levi Sandri pointed out that exchanges between the Community countries tend to multiply as integration advances.

"The need to satisfy the requirements of a wider market, with keener competition, with eventually complete freedom of movement for workers, and with technical and social progress developing at an extremely rapid pace, makes it imperative, above all for the young, to acquire greater proficiency, enriched by experience and knowledge gained in differing work situations," he said.

## EEC Commissioner Signs African Project Agreements in Washington

HENRI ROCHEREAU, member of the Commission of the European Economic Community, signed March 29 in Washington agreements between the European Development Fund (EDF) and the International Development Association (IDA) to finance highway projects in Somalia and Mauritania.

George Woods, President of the International Bank for Reconstruction and Development and IDA, and the ambassadors of the two recipient countries also participated in the signing ceremonies at the Bank.

Mr. Rochereau, EEC Commissioner responsible for policy toward developing countries, met in Washington with William S. Gaud, deputy administrator of the Agency for International Development, and Samuel Z. Westerfield, deputy assistant Secretary of State for African Affairs. Mr. Rochereau was accompanied on his one-day visit by Jean Chapperon, his chief executive assistant, and Paul Ripoche, head of financial operations for the EDF.

The agreements provide for joint financing of the Afgoi-Baidoa road in Somalia and the Nouakchott-Rosso road in Mauritania.

The Afgoi-Baidoa road project, costing \$13.945 million, is part of Somalia's five-year development plan. It will benefit a population of approximately 220,000 in the agricultural area of central Somalia. Funds are being supplied by the European Development Fund (\$4.85 million), the International Development Association (\$6.2 million), the United Nations Special Fund (\$2.095 million) and the government of Somalia (\$0.8 million).

The Mauritanian road will enable transport of supplies and goods between ports and the center of the country. The \$10.02 million is divided as follows: EDF (\$3.22 million), IDA (\$6.7 million) and the Mauritanian government (\$0.1 million).

The European Development Fund is assisting the projects through grants. Financial aid is being provided by the International Development Association in the form of loans.

The European Development Fund's contributions were approved by the EEC Commission March 9 in Brussels, along with aid to seven other African projects.

The other projects provide the following:

- The first annual allotment of \$10.5 million to a five-year aid program in Senegal.



*Left to right: Somali Ambassador Omar Mohallim, George D. Woods, President of the International Development Association (IDA), and Henri Rochereau, EEC Commissioner, are shown signing an agreement between the European Development Fund and the IDA for a highway project in Somalia.*

- \$1.6 million to construct the Scialambot-Goluen Road in Somalia.
- \$810,000 for building four secondary schools in the Congo (Brazzaville).
- \$3.2 million to supply two dredgers to the Congo (Leopoldville).
- \$223,000 to build a health center in the Comoro Islands.
- \$250,000 for famine relief for Somalia.
- \$1,180,000 for school construction in Mauritania.

These decisions bring to \$65.2 million the total commitments authorized under the European Development Fund since the Yaoundé Convention between the Community and the 18 African associated countries became effective June 1, 1964.

## ECSC Floats Loan in Germany

The High Authority of the European Coal and Steel Community concluded in March an agreement with a German banking syndicate to float a \$37.5 million loan on the German capital market.

This issue is the largest High Authority loan raised on a single European market, bringing the High Authority's total borrowing since 1952 to \$542 million. The loans have been used to finance investments in the Community coal and steel industries.

## Recent Books on Community Topics

EUROPEAN COMMUNITY will periodically list books dealing with Community and Atlantic topics. This presentation does not indicate approval or recommendation of the publications. It is intended as a service to readers.

Jensen, Finn B., and Walter, Ingo, *The Common Market: Economic Integration in Europe*, Philadelphia: J. B. Lippincott Co., 1965, pp. 278.

A general study of the development and policies of the European Economic Community. The authors discuss the major aspects of the customs union and economic union as well as relations with the United States, Great Britain and other third countries. Emphasis is on the present operation of the EEC economy and the necessary changes resulting from integration.

Albrecht-Carrié, René, *One Europe: The Historical Background of European Unity*, Garden City, New York: Doubleday and Co., 1965, pp. 346.

A look at the historical developments, mainly since 1815, which have given impetus to the idea of European unity. Dr. Albrecht-Carrié delves into the principal characteristics which are unique to Europe and the ways in which these characteristics lead toward unity.

Hartley, Livingston, *Atlantic Challenge*. Dobbs Ferry, New York: Oceana Publications, Inc., 1965, pp. 111. An essay which analyzes the meaning the Atlantic Partnership. Mr. Hartley divides his remarks into three sections, a long range survey of the challenge facing the U.S., a description of major Atlantic problems and American attitudes, and a consideration of four possible solutions.

Edwards, Anthony, *Investment in the European Economic Community: A Study of Problems and Opportunities*, Prepared by the Economist Intelligence Unit for Frederick Praeger, Publisher, New York, 1964, pp. 75.

An examination of the flow of American and British capital into the EEC. The author presents the reasons for this investment in chapters on demand growth, tariffs and imports, and costs in the Community. He concludes with a discussion of the choice for business between investing in or importing to the Community.

Austria's decision concerning its membership in the European Free Trade Association will depend on the scope of the agreement with the Community. To safeguard its neutral status, Austria would not participate in the Community institutions but would be linked to the Community through special bodies.

## EEC-East African Countries To Resume Talks in June

The Common Market and the East African Commonwealth countries, Kenya, Uganda and Tanzania, will resume formal negotiations in June for a special association.

The first round of formal talks was conducted March 1-8 in Brussels.

The association is expected to form a free trade area between the East African Common Services Organization and the Community. However, East African exports to the Community competing with products from the present EEC associates (cloves and coffee) would be regulated by tariff quotas.

## Dutch Group Advocates An Atlantic Policy

(Continued from page 8)

is not the only organization which links the Netherlands with France, nor does it constitute the final target of our ambitions. Other European countries are waiting to join in the unification of our part of the world. In the common struggle against oppression, the free peoples of our ancient continent rediscovered the essential values of the western civilization which unite them.

"The trials which they underwent together in war have brought them closer together in peace. These same values are equally the heritage of the great nations across the Atlantic, the United States and Canada. After having had to intervene in the defense of liberty in two world wars, the United States allied itself permanently with Europe in 1948. This development—of truly historic importance, in that it put an end to a long period of isolation from our continent—led to the conclusion of the North Atlantic Treaty.

"Co-operation between the countries of North America and Europe constitutes a vital element in Dutch foreign policy. We escaped disaster by the skin of our teeth, and we owe our escape in large measure to the tenacity of the British people and the decisive support of the countries across the Atlantic. Indeed, it is our destiny to be united.

"New world powers with totalitarian governments have entered the scene and threaten the very foundations of our way of life. In these circumstances, we believe it highly desirable that the slow process of European unification should take place within the framework of Atlantic co-operation. We believe that the unification of Europe and Atlantic co-operation are complementary concepts. As the late President Kennedy stated, there is nothing to prevent a united Europe from taking part in an Atlantic Community. Europeans must work for the unity of a Europe in which all the free and democratic peoples find their place.

"France and the Netherlands are each called upon to play their part in the movement for European unity and cannot draw back from their responsibilities before history. I hope that one day a synthesis will emerge from the different concepts of Europe and its future. On that day, a great step forward will have been made."

## EEC-Austria Open Formal Talks

The European Economic Community and Austria began negotiations in Brussels March 19 to discuss a possible economic link.

The opening meeting revealed Austria's willingness to abolish tariffs reciprocally with the EEC while aligning its external tariff with that of the Common Market. The Austrian delegation also indicated a desire for harmonization of its agricultural policies with those of the EEC.

Austria would be prepared to coordinate its economic policies with those of the EEC to an extent necessary to avoid distortion of competition. However, it desires to retain the right to conclude tariff and other commercial agreements with third countries after consulting with the EEC.

## PUBLICATIONS AVAILABLE

INITIATIVE 1964, *Community Topic No. 15*, European Community Information Service, Brussels, 12 pages ..... free

The EEC Commission's proposals for speeding up implementation of the Common Market.

LABOR IN THE EUROPEAN COMMUNITY, No. 7, European Community Information Service, Washington, February 1965, 16 pages ..... free

This issue contains articles on vocational training in Germany and the Commission's recent proposals for increasing the effectiveness of the European Social Fund.

TABLEAUX COMPARATIFS DES RÉGIMES DE SÉCURITÉ SOCIALE APPLICABLES DANS LES ÉTATS MEMBRES DES COMMUNAUTÉS EUROPÉENNES (Régime général—situation au 1 juillet 1964), published jointly by the EEC Commission and the High Authority of the ECSC, 69 pages .....\$1.20

SOCIAL STATISTICS. A periodical published at irregular intervals by the Statistical Office of the European Communities in French, German, Dutch, and Italian. Price per issue \$2.00; annual subscription \$6.00.

The following issues are now in stock in the bilingual or multilingual editions indicated:

- 1964, No. 1: CASH WAGES IN COAL MINES AND IN THE STEEL INDUSTRY COMPARED WITH THOSE OF OTHER INDUSTRIES 1953-1962. French/German/Dutch/Italian
- 1964, No. 2: EEC WAGES 1961 (A survey of 13 industries). French/German
- 1964, No. 3: ECSC WAGES 1962. French/German
- 1964, No. 4: ON-THE-JOB ACCIDENTS IN THE STEEL INDUSTRY, 1960-1963. French/German
- Supplement, 1964: EMPLOYMENT 1962-1963. French/German/Dutch/Italian

LES PROGRÈS DANS LA CONSTRUCTION EN ACIER, *Bulletin de la CECA*, No. 51, Luxembourg, 1964, 74 pages .....\$0.60

A summary of speeches and reports presented at the Steel Utilization Congress held in Luxembourg October 28-30, 1964.

INDICATIONS SUR LA CONJONCTURE ÉNERGÉTIQUE DANS LA COMMUNAUTÉ, *Bulletin de la CECA*, No. 52, Luxembourg, 1964, 39 pages .....\$0.60

Introduction to the 1965 annual report on energy trends, drawn up by the High Authority in collaboration with the EEC and Euratom Commissions.

MAP OF EUROPE AND AFRICA, European Community Information Service, Washington, December 1964, 8½" x 11" (two sides) .....free

Maps showing the member states of the European Community and its European and African associates. Other non-European associates are indicated in the text.

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*Paris:* 61, rue des Belles-Feuilles, Paris

*Rome:* Rome, Via Poli 29

*Bonn:* Bonn, Zitelfmannstrasse 11

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