

# **The European Community**

1950

1960



**Ten years' progress towards unity**



**The European Community 1950 - 1960**



**Ten years' progress  
towards unity**

**European Community Press and Information Service**

# 1950

## a new idea is born

**In a revolutionary proposal announced to the world on May 9, the French Government proposes that the coal and steel industries of Europe pool their resources. The way to European unity is opened up.**

**May 1945** The war has ended. Europe, cradle of our modern civilization, lies in ruins and divided into two parts; one liberated, one enslaved. Following the second of two devastating world wars which arose largely out of aggressive, extremist nationalism, the continent is paying a heavy penalty. In Eastern Europe the Soviet administration is already showing ample signs of the suppression of freedom which is to come.

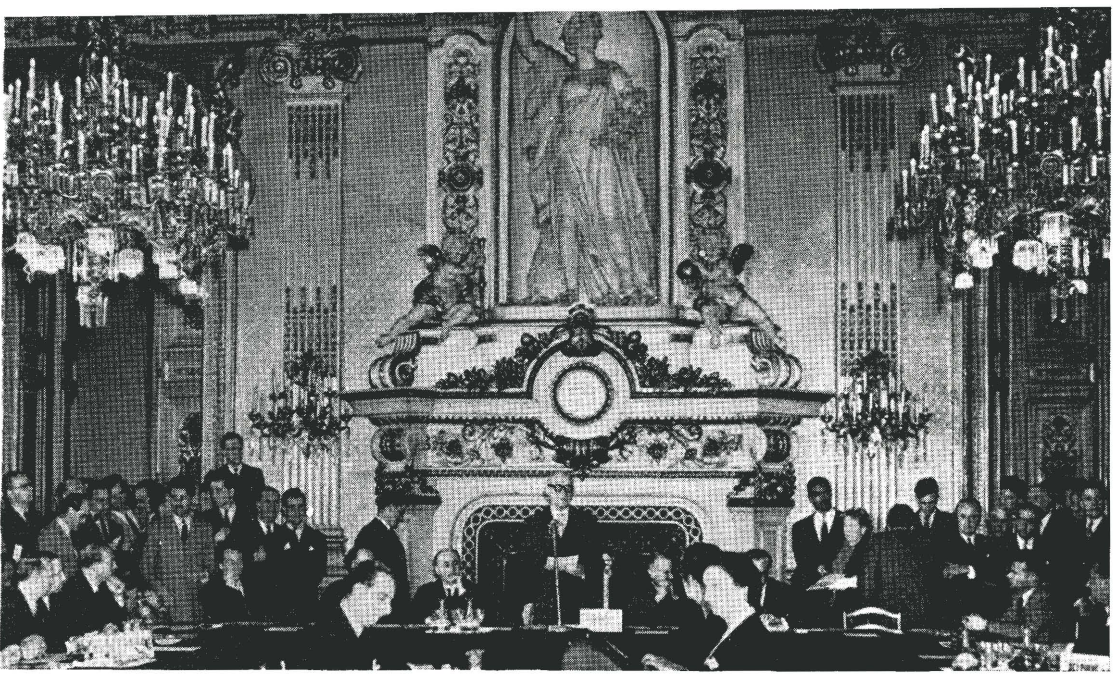
**1948** A bright ray of hope from the other side of the Atlantic illuminates the dust of destruction and the darkness of misery and hunger: the Marshall Plan and its offshoot – the Organization for European Economic Co-operation (OEEC) – set Europe on the road to economic recovery.

**1949** In the political field, a forum of opinion for Western Europe's parliamentarians is set up in Strasbourg in the form of the Council of Europe.

**1950** Convinced that co-operation and discussion, though necessary, are not sufficient, the French Government makes a bold and startling move towards unification. It offers full reconciliation to Germany and calls on Europe to unite its forces and resume its place in the councils of the world. The result of this historic reversal of traditional French policy towards Germany, which becomes known as the Schuman Plan, is the creation of the European Coal and Steel Community.

Six European countries – France, Germany, Italy, Belgium, the Netherlands and Luxembourg – take the first momentous step along a road which later leads to the creation of Euratom and the Common Market.

**The European revolution – which will one day lead to a United States of Europe – has begun.**



In the Salon de l'Horloge of the Quai d'Orsay, Robert Schuman reads the French Government announcement to the representatives of the world's press; on his right, Jean Monnet.

## The Schuman Plan

In the afternoon of May 9, in the great Salon de l'Horloge at the Quai d'Orsay, French Foreign Minister Robert Schuman reads to the representatives of the world's press a proposal from his Government which is described by Walter Lippman as 'the most audacious and constructive initiative since the end of the war'.

This revolutionary announcement, which signals the beginning of the European Community, urges that:

**the contribution which an organized, living Europe can make to civilization is indispensable to the maintenance of peace;**

**if the European nations are to draw together, the centuries-old struggle between France and Germany must be brought to an end;**

**the pooling of French and German coal and steel production under a common authority, in an organization open to all the countries of Europe, will assure the immediate establishment of common bases for economic development – the first step in European federation.**

## The World is Startled

The Schuman declaration echoes round the world. Immediate reactions come from:

**Bonn**, where Chancellor Konrad Adenauer accepts the

Schuman proposal, terming it 'a magnanimous step of the greatest possible significance';

**Rome**, where Italian Foreign Minister Count Sforza declares that Italy is 'ready to join in';

**Brussels**, where Government sources welcome the proposal: 'Belgium has always supported initiatives aimed at consolidating peace and avoiding the risk of war';

**London**, where Prime Minister Clement Attlee states that his Government is examining the proposal sympathetically.

**Washington**, where Secretary of State Dean Acheson speaks of 'a most important development'. The objectives of the Schuman Plan have long been favoured by the United States, he states.

## The Negotiations

The French Government's invitation is speedily followed by negotiations aiming at a treaty.

By May 31, the Belgian, German, Italian, Luxembourg and Netherlands Governments have all officially accepted the French invitation in principle. The British, however, reply that they will 'reluctantly be unable to accept . . . a commitment to pool resources and set up an authority with certain sovereign powers as a prior condition to joining in talks . . .'

# 1951

## ECSC treaty signed

After ten months of negotiation,  
the six Governments sign the Treaty  
setting up the  
European Coal and Steel Community.  
Fourteen months later,  
the Treaty has been ratified by all  
six national Parliaments.

### An entirely new form of Organization

In signing the draft Treaty of the European Coal and Steel Community (ECSC) on April 18, the six Governments declare themselves 'resolved to substitute for historic rivalries a fusion of their essential interests; to establish, by creating an economic community, the foundation of a broad and independent community among peoples long divided by bloody conflicts; and to lay the bases of institutions capable of giving direction to their future common destiny.'

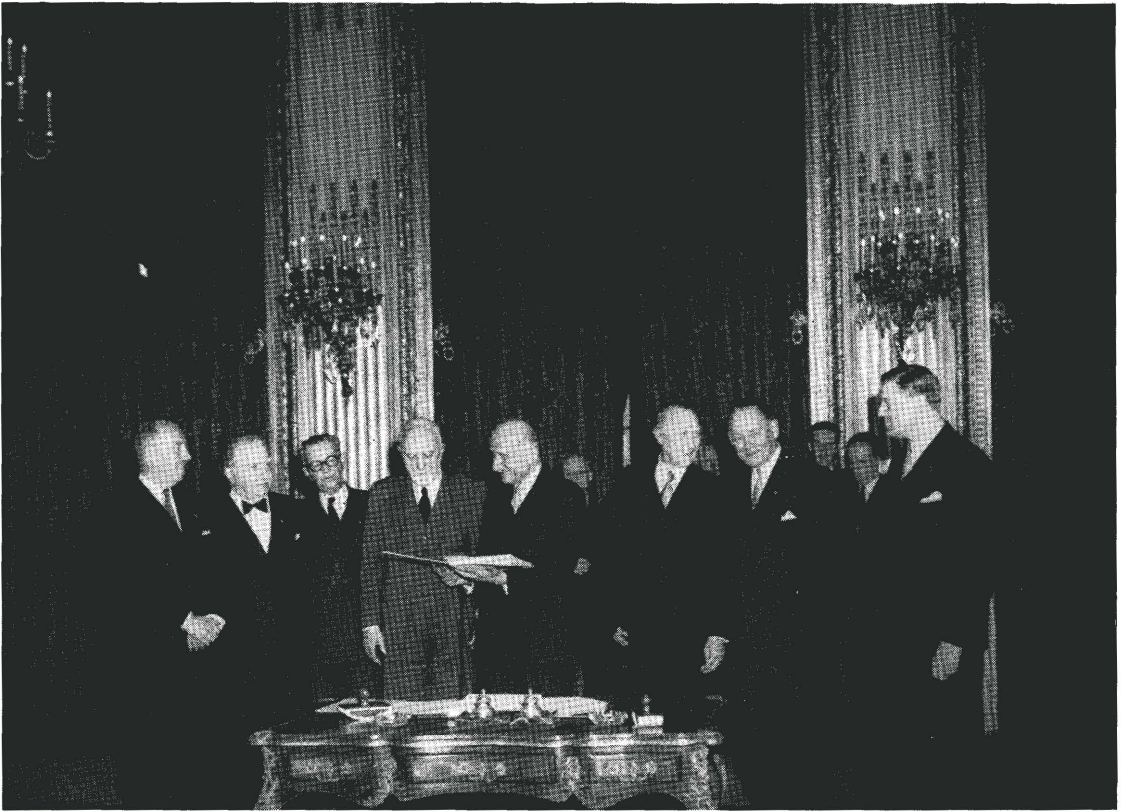
The Treaty sets up the first European organization with a federal type of structure.

Previous international organizations were composed of representatives of the member states: their decisions were the result of compromises between national viewpoints and national interests. For the first time, the Coal and Steel Community sets up a **common European authority**, independent of the Governments and able to take its own decisions. To this body the Governments have transferred part of their sovereign powers.

The Treaty provides for democratic control over this authority through a **Common Assembly**, composed of members of the six national parliaments, and for the rule of law through a **supreme Court of Justice**.

### ratifications

Country		for	against	abstentions
Germany	Bundesrat	43	–	–
	Bundestag	378	143	–
Belgium	Senate	102	4	58
	Chamber of Representatives	191	13	13
France	National Assembly	377	232	–
	Council of the Republic	182	32	–
Italy	Senate	148	97	–
	Chamber of Deputies	265	98	–
Luxembourg	Chamber of Deputies	47	4	–
Netherlands	Upper House	36	2	–
	Lower House	62	6	–



The Foreign Affairs Ministers of the Six, MM. Van Zeeland (Belgium), Joseph Bech (Luxembourg), Count Carlo Sforza (Italy), Robert Schuman (France), Federal German Chancellor Konrad Adenauer (Germany) and Dirk U. Stikker (Netherlands) after signing the ECSC Treaty.

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## The tasks of the Coal-Steel Community

### the aims

To set up, supervise and guide a single market for coal and steel throughout the area of the six member states.

To raise living standards by promoting an expanding economy through healthy competition in a market of 170 million consumers.

To ensure, by enabling workers to move smoothly from one job to another without loss of income, that the expansion and modernization of production is not held up for social reasons.

To close the gap which had been opening between Europe and the other advanced industrial countries of the world; from 1913 to 1950, steel output in the United States tripled, whereas in Western Europe it rose by only 63%.

To take the first step towards the uniting of Europe.

### the means

By abolishing trade barriers (customs duties, quota and currency restrictions, discriminatory transport rates, the sharing-up of the market by cartels, etc.).

By submitting all producers and users in the Common Market to common rules of fair competition.

By guiding economic expansion and social progress through a high rate of productive investment.

# 1952

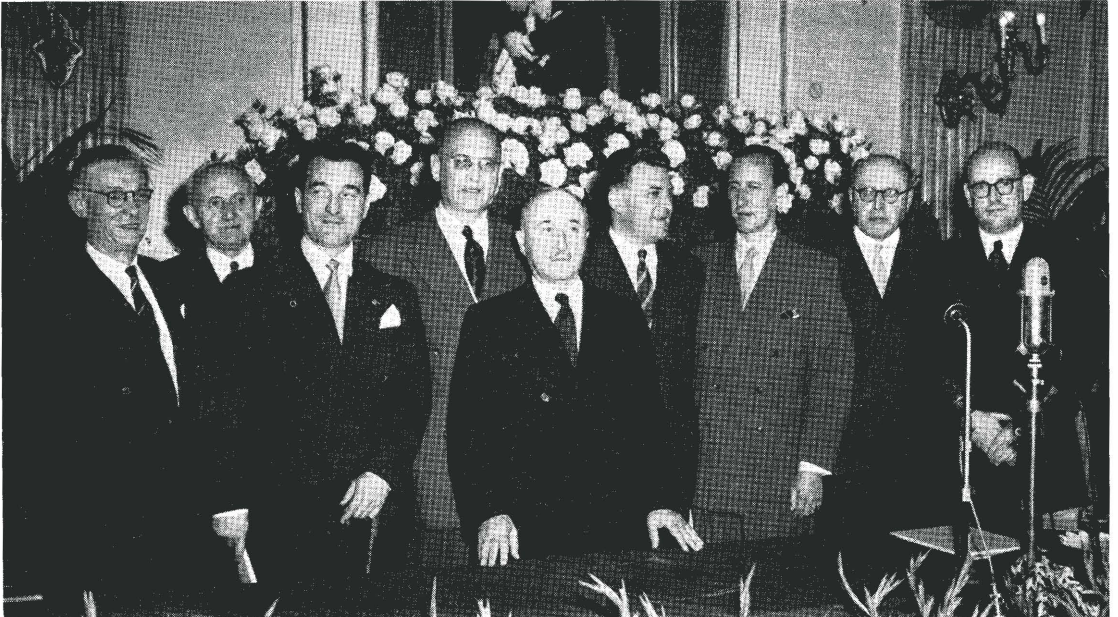
## first community set up

**Under the bold leadership of Jean Monnet, the first European Community gets into its stride. The detailed study and preparation necessary to open the common market is rapidly carried out.**

With the Treaty ratified by all six member countries, the Foreign Ministers of the Community's countries announce the entry into force of the ECSC Treaty on July 15. They choose Luxembourg as the provisional headquarters of the Community institutions.

**On August 10** the HIGH AUTHORITY (nine members—eight named by the Governments and the ninth co-opted) meets for the first time in Luxembourg. Its President is Jean Monnet, who played a decisive part in drafting and negotiating the Treaty. The new body—the first peacefully-achieved government on a European scale—comprises three parliamentarians, two trade unionists, an industrialist, and three high officials. Apart from M. Monnet, its members are: Franz Etzel, Albert Coppé (Vice-Presidents); Léon Daum, Enzo Giacchero, Heinz Potthoff, Dirk Spierenburg and Albert Wehrer.

The High Authority on the day of its first meeting in Luxembourg. MM. Finet, Daum, Giacchero, Etzel, Monnet, Coppé, Spierenburg, Wehrer, Potthoff.





**On September 8** the COUNCIL OF MINISTERS meets for the first time. It is the only Community institution whose members represent their own countries. Its task is to coordinate the economic policies of the member Governments with the High Authority's policy for coal and steel.

**On September 10** the COMMON ASSEMBLY, composed of 78 members of the six national parliaments, holds its first session and elects Paul-Henri Spaak as its first president. Its task is to assure democratic control over the actions of the High Authority, which it can compel to resign on a motion of censure voted by a two-thirds majority.

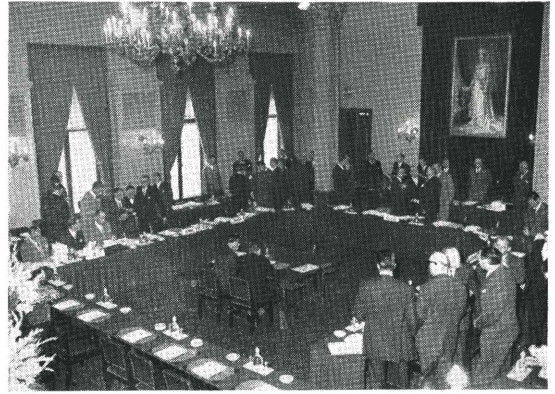
**On December 10** the COURT OF JUSTICE of seven judges, with two advocates-general, is installed. Entrusted with ensuring the rule of law in the Community, the Court has sole power to decide whether decisions of the High Authority should be upheld or quashed. In contrast to other international courts, its judgments are directly binding on all parties throughout the Community—whether individuals, firms, Governments or the High Authority itself.

## **The Community's institutions set to work immediately**

A major concern of the High Authority is to set up a working relationship with Great Britain, which had felt unable to make the sacrifice of sovereignty necessary to join the Community. Ten days after arriving in Luxembourg, M. Monnet flies to London to work out the bases of an association between the Community and Great Britain. A week later, a high-level British Delegation to the High Authority arrives in Luxembourg.

The United States, which has given strong encouragement to the Schuman Plan since the start of the negotiations, in accordance with its policy of supporting unity and strength in the free world, also sends a representative to Luxembourg.

**The High Authority calls together representatives of industry, the trade unions and the Governments to obtain a detailed picture of the Community's coal and steel industries and to prepare for the operation of the common market in ECSC Treaty products.**



Council of Ministers



Common Assembly



Court of Justice

# 1953

## coal and steel: the first steps

Frontier barriers between  
the Six are abolished for coal,  
iron ore, scrap and steel.

The first common market is opened:

**on February 10** for coal and iron ore (maximum prices are fixed for coal);

**on March 15** for scrap (ceiling prices are fixed and a compensation scheme introduced to bring the price of imported scrap down to the Community's internal level);

**on May 1** for steel (steel prices are freed).

With the opening of the common market, customs duties, import and export quotas, currency restrictions and double-pricing – making foreign buyers pay more than buyers in the home market – are all abolished between the Six.

Henceforward, a shipyard in Rotterdam or Saint-Nazaire which finds it profitable to buy its steel in the Ruhr, an engineering firm in Munich which can do better by buying in Lorraine or Luxembourg, can get as many marks or francs as they need; they can bring these goods into their country without fear of Government bans or restrictions on quantities, and they do not have to pay customs duty at the frontier.

The results are soon visible: by the end of the year, trade in coal and steel across frontiers within the Community is already rising sharply.

On May 1, at the Belval works, Grand Duchy of Luxembourg, High Authority President Jean Monnet pulls the lever which casts the first European pig-iron.



# 1954

## stumbling blocks

**While the common market for coal and steel is being consolidated, the wider move towards European integration comes to a grinding halt: the French National Assembly rejects the plan for a European army, and a project for a European political community is shelved.**

### Success

Under the leadership of the High Authority, the ECSC is widely recognized as a success – a going concern. Following Great Britain and the United States, Canada, Austria, Norway and Japan accredit Delegations to the High Authority.

The common market for special steels is opened on August 1; on the basis of the credit standing provided by the levy – the first European tax, levied on the production of the Community's coal and steel industries – the High Authority borrows \$100 million in the United States to aid the development of the Community's resources;

a European labour card is instituted, giving its holder the right to work anywhere in the Community without restrictions based on nationality;

grants for readaptation are made by the High Authority (re-employment, retraining and resettlement) of workers forced to change their jobs by the merging of four steel firms in central France. This is the first of a series of readaptation projects which in eight years have covered 115,000 workers;

an agreement setting up at ministerial level a Council of Association between the High Authority and the British Government is signed in London.

### Failure

While the ECSC makes giant strides, the treaty for a second European Community (European Defence Community), signed by the Six nine months after the ECSC Treaty in order to solve the problem of a German contribution to European defence, is rejected by the French parliament. The project for setting up a political community of the Six is abandoned.

Following this spectacular failure of the second stage in European integration, it seems to many as if the grand design underlying the Schuman Plan is buried for ever.

The rejection of EDC is not the last word, however: it merely serves to set the drive towards European unity moving in a new direction. The direction it takes is the natural outcome of the success of the experiment in economic integration – in a limited but crucial sector – represented by the Coal and Steel Community.

# 1955

## European idea relaunched

**At an historic meeting at Messina, the six Governments decide that the policy of integration inaugurated on May 9, 1950, must lead to the merger of the national economies as a whole.**

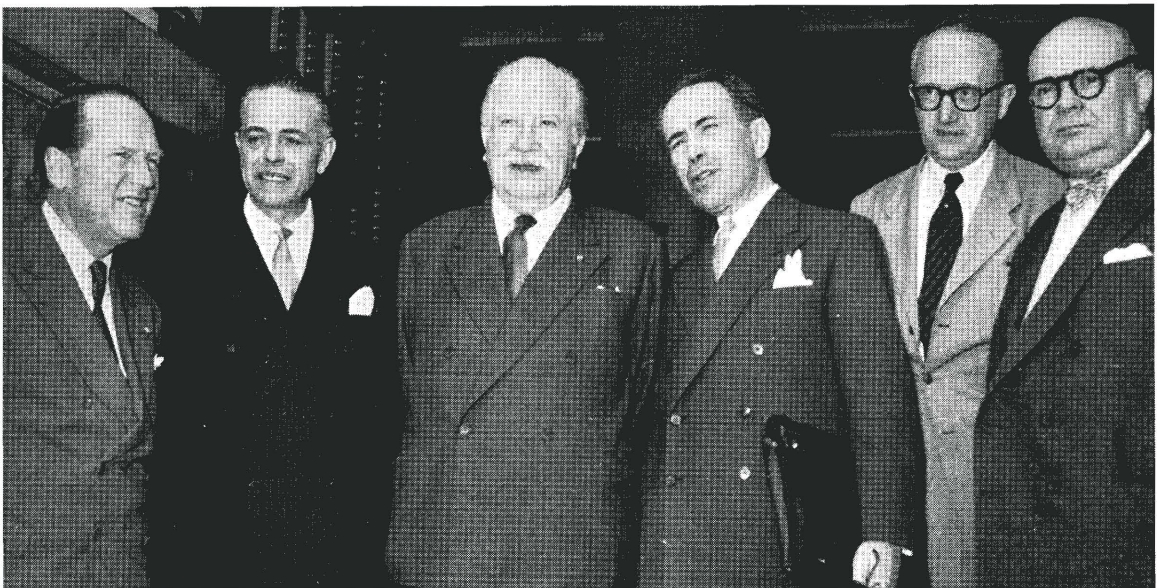
Meeting at Messina, Sicily, on June 1, the Foreign Ministers of the Six switch the European idea back on to the economic line: they envisage a full economic union, on the one hand, and on the other the pooling of efforts to prepare the Community for the atomic revolution. They name a committee of high officials and experts, with Belgian Foreign Minister Paul-Henri Spaak as chairman, to draw up a preliminary report. British representatives also take part at first but feel unable to go as far and as fast as their neighbours in the Six.

The experience of the Coal and Steel Community, pilot plant of European union, has been instrumental in opening up the broad new prospects presented by the Messina decisions. The fearful disasters predicted by many industrialists and politicians as a result of the ECSC have failed to materialize. On the contrary, the pooling of coal and steel have proved a resounding success; partly because of general economic expansion, but partly also because of the effects of the common market, production and trade in coal and steel are expanding rapidly, and firms are re-organizing and modernizing their structure and their production methods.

### Action Committee

Meanwhile, Jean Monnet, who has resigned as High Authority President and been succeeded by René Mayer, sets up an Action Committee for a United States of Europe.

The Committee plays a major part in removing the political obstacles in the way of further integration. It brings together with the representatives of the Christian Democrat, Socialist and Liberal Parties of the Six the representatives of the non-Communist trade-unions.



# 1956

## Common Market and Euratom negotiations

The Six decide to open negotiations with a view to setting up the Common Market and Euratom. The signature of an agreement on the Saar removes the last obstacle to Franco-German reconciliation.

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The representatives of the Six at Messina: MM. Johan W. Beyen, Gaetano Martino, Joseph Bech, Antoine Pinay, Walter Hallstein, Paul-Henri Spaak.

When the Foreign Ministers of the Six meet again in Venice, they decide to go ahead with negotiations on the basis of the Spaak Committee's Report. Their aim is thus to draft treaties which will set up:

**a European Economic Community – the Common Market:** a vast single market for all products, with a broad measure of common economic policies; this would bring into being a powerful production unit, generating a steady expansion, and providing greater stability and a more rapid rise in living standards;

**a European Atomic Energy Community – Euratom:** to further the use of nuclear energy for peaceful purposes and ensure that Europe does not lag behind in the coming atomic revolution.

### A New Partnership with Africa

The Treaty negotiations proper open in Brussels on June 26 under the chairmanship of M. Spaak.

The heads of the six national delegations are: Maurice Faure for France, Carl Friedrich Ophüls for Germany, Baron Snoy et d'Oppuers for Belgium, Ludovico Benvenuti for Italy, Johannes Linthorst-Homan for the Netherlands and Lambert Schaus for Luxembourg.

The negotiations continue throughout the year. Among the thorniest problems are agriculture, the association of the overseas countries and territories linked with one or other of the six Community countries, transport, the common external tariff, and the harmonization of social charges and economic policy.

The association of the overseas countries and territories – a fundamental question injected into the negotiations at a relatively late stage – holds out the project of a new and equal partnership with Africa, where most of the associated countries are situated.

### Agreement

Meanwhile, France and Germany reach agreement on the last outstanding potential point of conflict between them: the Saar. A decision reached between the German Chancellor Dr. Konrad Adenauer and French Prime Minister Guy Mollet in Luxembourg on October 27 finally ensures the return of the Saar, both economically and politically, to Germany and clears a broad path for the advancement of European unity.

# 1957

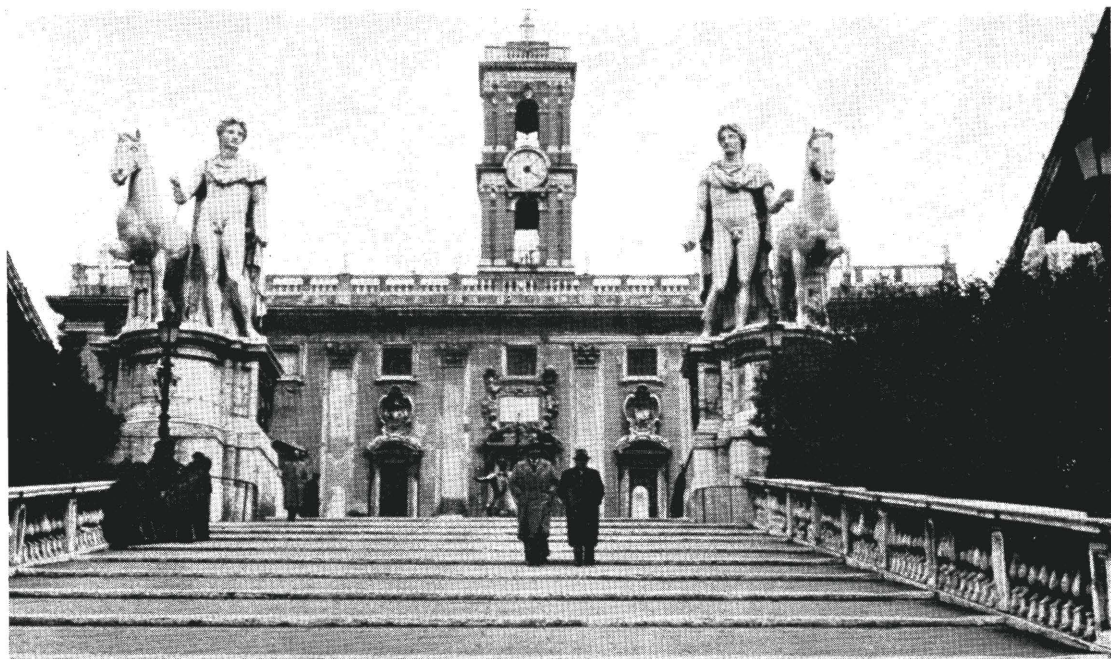
## Rome treaties signed and ratified

**In signing the Common Market and Euratom Treaties, the Six decide to unite the whole of their economies along lines similar to those which have proved their worth in the ECSC.**

On March 25, the six Foreign Ministers, meeting in Rome, sign the Treaties setting up the European Economic Community (Common Market) and the European Atomic Energy Community (Euratom). Before the year's end the two Treaties have been ratified by the parliaments of all six member countries with even greater majorities than the Treaty establishing the ECSC.

The Six Countries thus enter on an irreversible process which will, on the one hand, gradually bring into being a broad unity of common economic policy and a single continental market; and on the other, prepare the Community for the atomic revolution.

The Capitoline Hill, Rome, where the Common Market and Euratom Treaties were signed on March 25, 1957.



## The Common Market towards full economic union

The Common Market Treaty sets up a customs union of the six countries. Over a transition period originally fixed at 12–15 years all barriers (customs duties, quotas, etc.) to the free movement of goods, labour, capital and services are to be removed throughout the territory of the six countries. Thus, within a large single market, not only will goods move freely; workers will be able to take up a job in any of the Community countries; firms will be able to set up new factories, branches and agencies, and insurance companies, banks and wholesale and retail distributors will be able to offer their services anywhere in the Community. Just as it lays down the abolition of all barriers to trade within the six countries, the Common Market also envisages, for imports from the rest of the world, the replacement of the national customs tariffs of its members by a single common external tariff.

The Common Market is, however, more than a customs union. The Treaty also stipulates that the economic policy of the six countries be co-ordinated and common policies applied over broad sectors of the economy.

The Treaty pledges the Community countries to apply common rules to ensure fair competition, and to work out and apply common policies for agriculture, transport and external trade. It binds the member states to consider their economic and exchange rate policies as a matter of common interest and to consult regularly on joint action. For labour policy, investments and overseas territories, special task forces (the European Social Fund, the European Investment Bank, and the European Development Fund) are created.

## Euratom for Peaceful Nuclear development in Europe

The Euratom Treaty aims at promoting the peaceful development of nuclear energy for the 170 million inhabitants of the Community and enabling the Community to build up an efficient atomic industry such as would have been beyond the reach of any of the Western European nations acting in isolation.

At a not-far-distant date, nuclear power will become vital to the Communities industrial future. By 1980, to meet the new needs of an expanding industry, the Community will probably need to produce as much electricity in nuclear power stations as it now produces by all conventional methods together.

Euratom must therefore push forward rapidly with research to make atomic energy competitive. This means not only a big effort in pure research, but also the training of skilled scientists and technicians. For the new technology, new centres of education will be required. That is why Euratom plans a European University and advanced scientific institutes.

### ratifications of treaties

Country		Common Market			Euratom		
		for	against	abstentions	for	against	abstentions
Germany	Bundestag	VOTED BY LARGE MAJORITY ON SHOW OF HANDS					
	Bundesrat	VOTED BY LARGE MAJORITY ON SHOW OF HANDS					
Belgium	Chamber of Representatives	174	4	2	174	4	2
	Senate	134	2	2	134	2	2
France	National Assembly	341	235	–	337	243	–
	Council of the Republic	231	69	–	218	88	–
Italy	Chamber of Deputies	311	144	54	365	144	–
	Senate	VOTED BY LARGE MAJORITY ON SHOW OF HANDS					
Luxembourg	Chamber of Deputies	46	3	–	45	3	–
Netherlands	Lower House	144	12	–	120	6	–
	Upper House	46	5	–	46	5	–

# 1958

## new communities start work

As the institutions of the Common Market and Euratom take up their tasks, a massive change begins in the thinking habits and actions of industry.

Firms, industrial groupings and associations and the trade unions begin to reorganize to face the new conditions of a market of 170 million consumers.

The Common Market and Euratom Treaties enter into force on January 1, 1958. That same month, the institutions of the Common Market and Euratom come into being and start work in Brussels, which is designated as the provisional headquarters of the institutions. The institutional structure set up by the two Treaties is very similar to that of the Coal and Steel Community.

*The executive functions* in each of the two Communities are carried out by:

**a Commission** (composed of nine members in the case of the Common Market and five in the case of Euratom), independent of the Governments, and with the essential task of setting up the machinery of the two new Communities, ensuring that their rules are observed, formulating common policies and in general acting as the dynamo of economic union. For this purpose, it submits proposals to:

**a Council of Ministers** composed of one representative of each national Government; the Council in most cases takes the final decision, but only on the proposal of the respective Commission. It can only modify proposals by unanimous vote.





**Democratic control** is carried out by the **European Parliament** of 142 members. The latter for the time being are nominated by and from the six national parliaments, but they sit in European political parties, irrespective of nationality.

The Parliament's control extends not only to the Common Market and Euratom, but also to the High Authority of the ECSC, in which it replaces the Common Assembly.

**Judicial control** is exercised by the **Court of Justice**: the

ECSC Court is reorganized and its authority extended to the two new Communities.

Various bodies which are to play an important part in the Common Market are also set up; the 101-member Economic and Social Committee—a consultative body in which the workers, producers and other groups of the Community are represented; the Monetary Committee; the European Investment Bank, etc. Further advisory bodies, notably a Trade Cycle Committee and a working party on long-term prospects, are added later.

## Membership of the Commissions, 1958

### EEC (Common Market Commission)

*President* Walter Hallstein  
*Vice-Presidents* Robert Marjolin,  
Sicco Mansholt, Piero Malvestiti  
*Members* Robert Lemaigen,  
Jean Rey, Hans von der Groeben,  
Giuseppe Petrilli and Michel Rasquin

### Euratom Commission

*President* Louis Armand  
*Vice-Presidents* Enrico Medi  
*Members* Hubert de Groote,  
Heinz Krekeler,  
E.M.J.A. Sassen

## A Revolution Begins

The realization that the Common Market has arrived unleashes a flurry of activity in industry and commerce. In industry investment projects are recast in the light of the great new Community market; mergers and specialization agreements are planned and carried out between firms in the six countries; the industrial and agricultural associations and trade unions of the six countries draw together in Community-wide bodies. They base their plans and their actions on a Common Market in full operation; they are planning for the future.

While the Six expect the existence of the Community to contribute to a general expansion in world trade, in some non-member countries, particularly the Community's European neighbours, it arouses fears for their trade with the Six. Great Britain, which felt unable to join the Community, partly because of the surrender of sovereignty involved, partly because of Commonwealth preference, and partly because of the Common Market's agricultural provisions, is particularly concerned. Before the Common Market Treaty was signed, she proposed the creation of a 17-nation free trade area for all goods, except agricultural products. This would have removed industrial trade barriers between the Community and all its neighbours in Western Europe, but would have lacked a common external tariff and common policies. The negotiations for a free trade area break down in November 1958.

# 1959

**1959 marks the start of the irreversible process which will finally weld the Six into one economic unit.**

**A common market for nuclear materials is opened by Euratom, which also begins to co-ordinate nuclear research.**

**For the ECSC, the year is dominated by efforts to deal with the coal crisis.**

## **The Common Market's first lap**

**On January 1, the first steps to remove trade barriers are carried through successfully. Customs duties within the Common Market are cut by 10% and import quotas increased by 20%.**

**In addition, the Common Market adopts a convention on social security for migrant workers, based on the convention drawn up in the ECSC. Workers throughout the Community are thus enabled to retain their benefit rights on moving to a job in another Community country. The Commission also proposes to the Council of Ministers a general program for the removal of restrictions on the right of establishment.**

**Proposals for a common agricultural policy are gradually defined after long discussions and consultations, and are submitted to the Council of Ministers in December. They aim at improving the conditions and efficiency of the Community's agriculture and at a marketing policy which will guarantee price stability while at the same time ensuring a reasonable income for farmers.**

**The European Investment Bank makes its first loans—amounting to \$52 million—for projects representing a total investment of \$288 million—most of them for economic development in the Community's largest underdeveloped region, Southern Italy.**

**More than 50 projects for financing social and economic investment in the associated overseas countries are approved by the Commission, for a total sum of \$30 million. By the end of 1960 this figure will reach over \$120 million.**

**To non-member countries, the Community gives a token of good-will and of the liberalism of its policy by extending the 10% tariff cut, together with the major part of the quota enlargements, to all members of the General Agreement on Tariffs and Trade (GATT).**



## Euratom's First Measures

Euratom's first tasks are to avoid wastage of effort through independent uncoordinated action in the Community's countries, and to bring together the substantial resources of manpower and money required for Nuclear Research. In many instances these resources are beyond the reach of the independent countries.

Agreements are signed with existing research centres in the Community countries for the study of specific problems by joint Community teams.

Euratom also starts on the work of setting up joint research centres administered and staffed by teams of scientists and technicians from the six countries.

To enable the Community to work together with the countries most advanced in nuclear development, Euratom concludes co-operation agreements with the United States, Great Britain and Canada, covering research in particular.

Finally, Euratom gets under way a programme of construction of nuclear power stations based on the co-operation agreement with the United States.

## The ECSC and the Coal Crisis

Though the year 1959 features a record expansion in the steel industry, it is dominated for the Coal and Steel Community by the grave difficulties which beset the coal industry. Coal stocks at pithead grow apace and short-time working becomes a common feature in some of the Community's coalfields. The coal crisis is due partly to the slackening in economic expansion in 1958 and early 1959, and growing efficiency in the use of coal and coke, but mainly to the mounting competition of oil and natural gas. The High Authority's overall Community plan to cut production and imports is rejected by the Council of Ministers in May; the High Authority thereupon renews its efforts in three main directions:

**In the first place**, it turns to the most pressing problems – above all the reorganization of the Belgian coal industry, where many of the pits are no longer competitive.

**Secondly**, it rapidly pushes through a large number of re-adaptation projects, above all in Belgium and Germany, to ensure that miners who lose their jobs are given additional financial help and retrained for new jobs.

**Thirdly**, it attacks the root of the problem by speeding up its work, in conjunction with the Common Market and Euratom executives, on the co-ordination of energy policy. (The High Authority was asked by the Council of Ministers in October 1957 to work out proposals for co-ordination of the Community's energy policy.)

# 1960

## **Spurred on by the Common Market and favourable world conditions, economic activity expands rapidly. The Community decides to speed up the Common Market timetable.**

In 1960, Western Europe's economy moves into top gear. Industrial production in the Community grows at a spectacular rate – 7.5% between 1958 and 1959, 11% between 1959 and 1960. The reasons which, when the Treaty was being drawn up, had made a long running-in period appear necessary before the full operation of the Common Market, no longer seem valid. In particular:

**The currency reserves** of the Six have greatly increased since convertibility was decided on in December 1958;

**Similar economic policies** are now being followed by all the countries of the Community.

**The first reductions in trade barriers** have been followed by rapid increases in trade within the Community – 19% higher in 1959 than in 1958 and 34% higher in the first half of 1960 than in the same period of 1959;

**Industry and commerce** are anticipating, and basing their plans on, the full operation of the Common Market.

In May, to bring the timetable for implementing the Common Market into line with current realities, the Community decides to speed it up by additional tariff cuts and quota enlargements.

Following these decisions, the total cut in tariffs by the end of 1961 will be at least 40% and possibly 50% instead of the 30% originally laid down. Quota restrictions between member states will be completely abolished by the end of 1961, eight years ahead of the time originally envisaged in the Treaty.

## **A Single, Liberal Economic Unit**

While the Community is building up its strength by the more rapid dismantling of trade barriers, it shows its determination to become a single economic unit in the eyes of the rest of the world by speeding up the move towards a common external tariff. The first moves towards alignment of the national tariffs of the Six on the level of the common external tariff (based on the arithmetical average of the existing tariffs – those of the Benelux, France, Germany and Italy) are made a year earlier – at the end of 1960 instead of 1961.

In keeping with the Community's liberal policy, these adjustments are also made on the basis of the common external tariff reduced by 20% and the reduction will be consolidated, in whole or in part, depending on the degree of reciprocity obtained from other countries in negotiations in GATT in 1961. Meanwhile, in moves among the countries of the free world to widen economic co-operation and increase aid to the world's underdeveloped countries, the Community plays a major rôle. In particular, it participates as such in the reorganization of OEEC, and in work of the newly-created Development Aid Group.

These actions reveal the three major aims of the Community in its policies to the rest of the world: the strengthening of its economic unity, of which the common external tariff is a major feature; the adoption of a liberal and open trade policy; and the achievement of full world-wide co-operation.

## **Strengthening European Unity**

Three other major developments occur in 1960.

**The first is a move by the European Parliament to implement the Treaty provisions allowing direct election of its members.**

The Parliament approves by an overwhelming majority a draft project, later presented to the Council of Ministers, for direct election of an Assembly of 426 members by universal suffrage.

**Secondly, the Presidents of all three Community executives go publicly on record in favour of the merger of the three executives.**

The Netherlands, Italian, Federal German and Belgian Governments officially state that they would approve such a step, and the European Parliament is overwhelmingly in favour.

**Finally, an intensive series of meetings between heads of Government and foreign ministers in the late summer and autumn promise a measure of political co-ordination in European policies.**

# 1950

In 1950, continental Western Europe was still torn by national rivalries and was recovering only slowly from the destruction left by war. Its national states were no longer the world's leading powers: they could not be compared with the two dynamic superpowers which had emerged. Europe had lost its place in the councils of the world.

## The opening years of the Common Market brought:

a **revolution in the industry and commerce** of the Six – the Common Market has inspired industry to cast off its old restrictive habits and to plan vigorously for a vast single market of 170 million consumers;

a **rapid expansion of production** and trade, and consequently of living standards; there is moreover every sign that this improvement will continue;

a **marked alignment of the economic policies** of the six countries;

a **strengthening of Europe's position** in the world – the European Community is appearing as a unit in world economic negotiations.

## The action of the High Authority and the operation of the Common Market made possible:

a **record expansion in the Community's steel output** – by over 75% between 1950 and 1960;

a **start, in circumstances far more favourable than would otherwise have been the case, on the reorganization of the coal industry** in face of the growing competition from oil and

# 1960

By 1960, only ten years after Robert Schuman had proposed that Europe should set out on the road to unity, a great part of the distance has been covered. Though the final goal is not yet in sight, few would have believed ten years ago that so much could have been achieved in so short a space of time.

natural gas, and on the co-ordination of energy policies; **an improvement in the living standards of the workers**, who benefit from greater real incomes, better housing, and – through the High Authority's readaptation programme – greater security against unemployment.

**the testing and proving of the method of integration** on which the full Common Market was to be based.

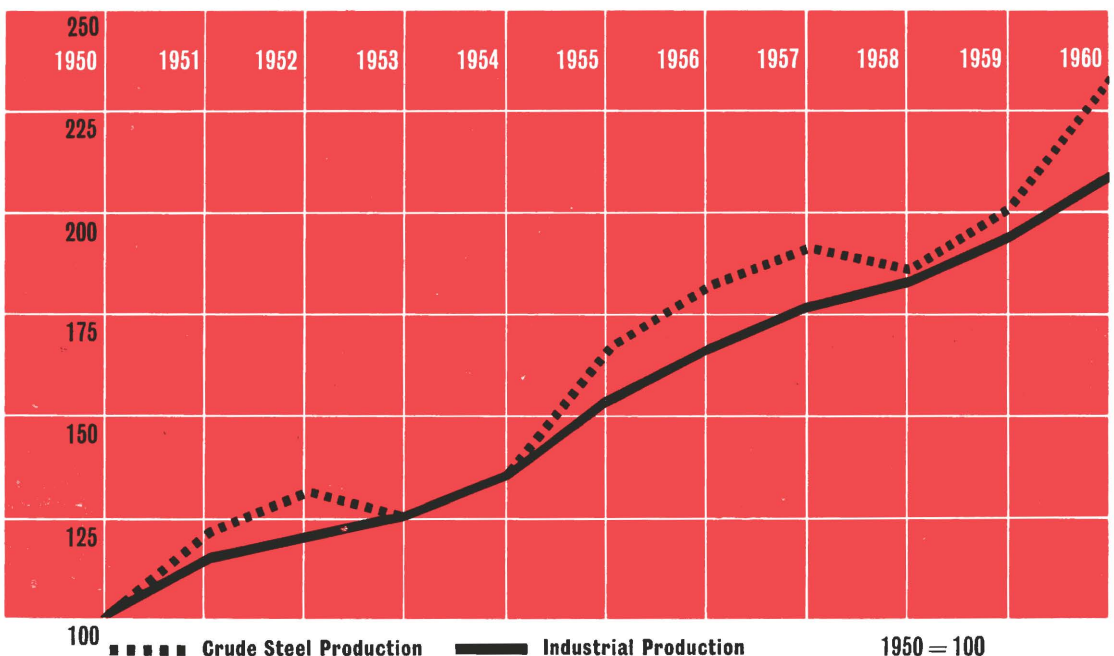
## Euratom has brought the Six to the threshold of the atomic revolution with better prospects than they could otherwise have had:

it has drawn up a joint research program;

joint research centres are operating at Ispra (Italy) Mol (Belgium) and Karlsruhe (Germany). A fourth is to be created at Petten (Netherlands);

plans for the creation of a European University at Florence and the designation of European scientific institutions are before the Council of Ministers;

a power program is under way in co-operation with the United States, and work has started on the first joint enterprise (a Franco-Belgian nuclear power station at Chooz in the French Ardennes).



**into  
1961**

## **a growing community**

**A draft agreement of association with Greece brings the cradle of European civilization into the Community, new bastion of Western values. The Community itself hammers out common economic policies and moves towards closer political unity.**

### **Towards Political Unity**

The political meetings between heads of state and governments culminate in February 1961 in a Community 'summit' meeting in Paris. There the Six decide to set up a committee of experts to report on means of achieving *greater political unity*. Particularly envisaged are regular meetings of heads of State or of Governments, and of Foreign Ministers, and the further development of the existing Communities.

### **Association with Greece**

In March, the Six become seven. The Community and Greece sign a draft agreement of association, based on the formula of a customs union. Over a transition period of 12 years, extended to 22 years for certain Greek imports, trade barriers between Greece and the Community will be gradually abolished and Greece will adopt the Community's common external tariff.

Along the lines of the Common Market Treaty, steps will be taken to free movement of persons, capital and services, and economic, agricultural and transport policies will be co-ordinated. The Community grants Greece credits of up to 125 million dollars over five years to help develop her economy.

### **A still wider community**

Across the English Channel, pressure for Britain's entry into the Common Market rises, and in bilateral trade talks with Community countries the consequences of such a step for the British economy are discussed for the first time. On the subject of possible British membership, the new US administration makes it clear that the political advantages of an integrated European Community continue to outweigh any possible economic disadvantages.

Meanwhile, the determination of the American administration to use the transformed OEEC – now called the Organization for Economic Co-operation and Development (OECD) – as a major instrument for co-ordinating the economic, financial, commercial and development policies of the Western world, is fully in line with Community policy.

### **Common Policies take shape**

Inside the Common Market, the building of economic union around the framework of the Treaties moves ahead, though not without difficulty as the draft policies and regulations formulated by the Executives meet conflicting national and sectional interests. The Executives' proposals for common agricultural and energy policies, for transport, for the right of firms to open branches and factories anywhere in the Community, and for control of cartels, are discussed by the Council of Ministers representing the national Governments.

**Since 1950, the European Community has advanced far along the path to full economic union. Through the difficulties and setbacks, the ideal of European unity has shown itself to be remarkably tough, enduring and resilient.**

# The Declaration of May 9th, 1950

World peace cannot be safeguarded without the making of constructive efforts proportionate to the dangers which threaten it.

The contribution which an organized and living Europe can bring to civilization is indispensable to the maintenance of peaceful relations. In taking upon herself for more than twenty years the rôle of champion of a united Europe, France has always had as her essential aim the service of peace. A united Europe was not achieved, and we had war.

Europe will not be made all at once, or according to a single, general plan. It will be built through concrete achievements, which first create a *de facto* solidarity. The gathering of the nations of Europe requires the elimination of the age-old opposition of France and Germany.

The first concern in any action undertaken must be these two countries.

With this aim in view, the French Government proposes to take action immediately on one limited but decisive point. The French Government proposes to place Franco-German production of coal and steel under a common 'high authority', within the framework of an organization open to the participation of the other countries of Europe.

The pooling of coal and steel production will immediately provide for the setting-up of common bases for economic development as a first step in the federation of Europe, and will change the destinies of those regions which have long been devoted to the manufacture of munitions of war, of which they have been the most constant victims.

The solidarity in production thus established will make it plain that any war between France and Germany becomes not merely unthinkable, but materially impossible. The setting-up of this powerful production unit, open to all countries willing to take part, and eventually capable of providing all the member countries with the basic elements of industrial production on the same terms, will lay the real foundations for their economic unification.

This production will be offered to the world as a whole without distinction or exception, with the aim of contributing to the raising of living standards and the promotion of peaceful achievements.

Europe, with new means at her disposal, will be able to pursue the realization of one of her essential tasks, the development of the African continent.

In this way there will be realized, simply and speedily, that fusion of interests which is indispensable to the establishment of a common economic system; and that will be the haven from which may grow a wider and deeper community between countries long opposed to one another by bloody conflicts.

By pooling basic production and by setting up a new high authority, whose decisions will be binding on France, Germany and other member countries, these proposals will build the first concrete foundation of the European Federation which is indispensable to the preservation of peace. . . .



## **The Community Executives, 1961**

### **ECSC High Authority**

*President:* Piero Malvestiti

*Vice-Presidents:* Dirk Spierenburg, Albert Coppé

*Members:* Albert Wehrer, Paul Finet, Heinz Potthoff  
Roger Reynaud, Pierre-Olivier Lapie, Fritz Hellwig

### **EEC Commission**

*President:* Walter Hallstein

*Vice-Presidents:* Sicco Mansholt, Robert Marjolin, Giuseppe Caron

*Members:* Hans von der Groeben, Robert Lemaignen, Lionello Levi Sandri  
Jean Rey, Lambert Schaus

### **Euratom Commission**

*President:* Etienne Hirsch

*Vice-President:* Enrico Medi

*Members:* Paul de Groote, Heinz Krekeler, Emmanuel Sassen