Parliamentary Assembly
Assemblée parlementaire
https://pace.coe.int

COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

Doc. 362
02 July 1955

Policy of the Council of Europe - European integration

Report
tabled by the Committee on Political Affairs and Democracy

Draft recommendation [1]

The Assembly recommends that the Committee of Ministers invite the Governments of the Member States participating in the preparatory Committee envisaged in the communiqué issued at the close of the Messina Conference to transmit the conclusions of this Committee, which are to appear by the 1st October at the latest, to the Consultative Assembly, with a request for its Opinion.

Draft order of the Assembly [2]

The Assembly instructs the appropriate Committees, whose work should be co-ordinated by agreement between their Chairmen, to present in the month preceding the opening of the second Part of the seventh Ordinary Session a draft Resolution on the further development of the integration of Europe, including, in particular, the Opinion of the Assembly with regard to :

the work of the preparatory committee envisaged in the communiqué issued at the close of the Messina Conference, and in which the Secretariat-General has been invited to participate ;

the general principles which should govern the creation of a joint authority in the field of nuclear energy, endowed with real powers of decision, and subject to an appropriate form of democratic control ;

the conditions in which representatives, independent of any one Government and responsible to the European authority appointing them, shall be nominated for each particular field in which integration is envisaged, so that a continuous political impulsion may be given towards European unification.

Introductory report (presented by Mlle. KLOMPÉ, Rapporteur)

Most Europeans are aware that the present structure of Europe, with its fragmentation of sovereign States, is out of date in an age when technical developments, tend more and more to do away with oven the frontiers of continents. The man in the street feels that a change must come, yet he has no clear idea of what form the new Europe should take. Thus the stiil deep-rooted conception of the national State alone continues to influence men's minds. Hence the necessity of making a serious effort once more to win public opinion over to the idea of a United Europe, and to seek fresh means of attaining that end.

I. OUR OBJECTIVE

1. The creation of a European Political Authority with limited functions but real powers, as specified by the Consultative Assembly in Resolution 2 (1949), remains the Assembly's aim.

2. The arguments for European unification are so clear that it is only necessary to review the more important of them in these pages.

---

1. See 4th Silling, 6th July, 1955 (Draft Order adopted), 6th Silling, 7th July, 1955 (Draft Recommendation adopted), Order No. 68 and Recommendation 72.
2. See 4th Silling, 6th July, 1955 (Draft Order adopted), 6th Silling, 7th July, 1955 (Draft Recommendation adopted), Order No. 68 and Recommendation 72.

3. Man in our times is assailed by problems the solution of which lies beyond his grasp. He wants to live in a community in which he can develop to the full his material and spiritual potentialities. To most of these problems a solution can no longer be found within the bounds of the nation-State; only within the United States of Europe can the European of today enjoy the sensé of security he needs.

4. The interdependence of the European States in political, economic and social matters is a fact. Every important political decision of one Government has repercussions upon the situation of others. Thus the abandonment of the policy of European integration by one major State would prevent the pursuit of that policy by the other States. In the economic sphere, certain countries, thanks to their privileged situation, can make progress within their national boundaries; but for even the richest country this is at best a short-term policy. The economy of one country can expand only if there is a similar expansion among its neighbours. Economic isolationism in one country may have such serious effects on the others that it will sooner or later have a boomerang effect. The same is true of social questions. Though certain countries can achieve some progress independently, the growing contrast between their standard of living and that of neighbouring countries would in the long run compromise the stability of all.

5. Since the First World War, the position of the European countries in the world has been constantly on the decline. In terms of industrial production they are being left far behind by today's Great Powers, the United States and the Soviet Union.[3] This is becausethe United States and the Soviet Union, albeit by different methods, are developing their economies on a continental scale, which allows of the rational exploitation of modern technical processes. In contrast, the economies of the European countries remain separated. With their eyes wide open, they are thus depriving themselves of the surest method of increasing their production and raising their standard of living.

6. In the interests of world peace, which is their common desire, the European peoples have a twofold task. They must first eliminate the conflicts among themselves. Yet, so long as they cling to unchecked national sovereignty, all the old causes of conflict between them remain virulent. One cause of friction between peoples is a disparity in their living standards. Broadly speaking, there are three standards of living in the world today, that of the United States and Canada, that of Europe and a few other countries of essentially European civilisation, and that of the rest of the world, containing some two-thirds of the world population. It is the duty of the countries in the first two categories to help the others to improve in their turn their standard of living; as former colonial Powers, the European countries have special responsibilities in this matter. In so far as their past record still causes apprehension among the populations of these countries, the union of Europe would make it possible to found relations with them on a new basis.

7. While the European countries maintain their present nation-State structure, each looks askance at the progress of other countries, since they cannot benefit from it, at least directly; and it may be damaging to their interests unless they can achieve similar progress themselves. When a situation has been brought about similar to that within a national State, where all citizens henefit by whatever progress is made by the community, every opportunity for progress can be exploited to the full without hesitation. The countries of Europe must one day form a genuine community of interests embracing all their main political, economic, financial and social activities. This in no wise implies that the European community should have the structure of a unitary Slate. The European countries must retain a sufficient degree of autonomy to conserve their spiritual heritage, which by its very diversity has so largely contributed to the progress of civilization.

II. METHODS

8. The objective thus defined cannot be attained overnight. The building of Europe is a long and laborious task, which we must carry out in successive stages, utilizing all methods of integration likely to achieve progress. We must keep an open mind as to our choice of method. At the present juncture three distinct methods are open to us, together with certain intermediate or mixed forms of integration.

9. The first of these consists in the national Governments transferring powers of decision in a specified field to a common institution. This marks a radical departure from the traditional method of intergovernmental collaboration. Experience in the E. C. S. C. has shown that the plans adopted in common by the Governments

---

3. Indices of general industrial production in the U. S. S. R. and the rest of Eastern Europe inevitably contain a largo element of estimation. The latest United Nations statistics availablo yield the following figures : 1948 - 1953 - 1954 Western Europe 100 143 U. S. S. R - 100 - 213 - 280 Rest of Eastern Europe. 100 - 303 - 327 (Calculated from E. C. E. Economic Bulletin for Europe, vol. V, No. 2, page 84 and vol. VII No. 1. p. 37) The O E E C statistics yield the following figures to compare industrial production in Europe and the United States : - 1950 - 1953 - 1954 O. E. E. C. countries - 100 - 116 - 126 U.S. A 100 - 120 - 112 (O. E. E. C. General Statistics, May, 1955, page 8.) The low 1954 figure lor the U. S. A. is duo to the recession of that year.

can only be carried out by an independent authority, and that only such an authority can overcome the difficulties involved, find appropriate means of economic re-adaptation, and render possible the institution of an appropriate form of democratic control.

10. This method makes it more easy to achieve integration in successive economic sectors—" vertical integration ", as it is called. There are limits, however, to the application of this formula. Integration in a particular sector may have harmful effects on other sectors, where integration may then become impossible. Horizontal integration must remain our aim, since only thus can that community of interests be established without which it will never be possible to make the United States of Europe a reality.

11. By the second method the implementation of decisions taken by the national Governments is. confined to a common instil tution. While not so radical as the first, it still enables results to be obtained, since it places in the hands of a European executive authority powers hitherto the prerogative of national Governments.

12. Finally, there is the purely intergovernmental method, which by itself has proved insufficient. More might be achieved in this Avay, hoAvever, if the Governments would agree on projects which could be carried out by concerted action, (for example, the establishment of European companies), or if they Avould appoint a representative or reiDresentatives to AA'ork out plans for unification in specific fields, thus forming an organ capable of supplying the necessary political stimulus. These representatives Avould be independent of any particular Government and responsible to the European authority nominating them.

13. Whichever of these three methods of integration be applied, the principle must be that any and every project that takes shape must be open to all the European countries. We shall never succeed in building Europe by means of small exclusive groups.

14. Provided that this principle is respected, it Avould be a great gain to our common enterprise if countries willing to delegate authority here and now to common institutions Avould take the plunge, so that the diffident may be inspired to follow their example. The present dynamic group of the Six will have to continue to provide a continuous stimulus to the idea of general unification. For countries unAvilling to participate fully Ararious forms of association must be sought.

15. Furthermore, all negotiations concernr ing further steps toward integration should be conducted iii the Avidest possible frameAvork, alloAA'ing for the participation of the largest possible number of countries. It is of great importance that Governments Avhich desire to set up common institutions-on a supranational basis should not be prevented from so doing by those which at present are not ready to go so far.

16. Lastly, at the stage now reached in European unification, we must, above all, reinforce the existing organisations—-the Council of Europe, with its general competence, the E. C. S. C, the O. E. E. C. and the W. E. U. in their specialized domains. In so far as the future rôle of the Council of Europe is concerned, the Committee has expressed its views in the Opinion on the Special Message of the Committee of Ministers (Doc. 334). The present report therefore reaffirms the wish of the Assembly that the Council should serve as the general framework for European jmlicy.

III. THE PLANS IN ACTION

17. The following paragraphs contain a number of concrete suggestions, under four different headings. The first group concerns plans which should be put into effect within the framework of the Council of Europe and the O. E. E. C. The second concerns W. E. U., the third the E. C. S. C, while the fourth relates to the proposals of the Messina Conference.

The Council of Europe and O. E. E. C.

18. In spite of the considerable results so far achieved through the Council of Europe and O. E. E. C. by the intergovernmental method, it must be recognised that the results have not been fully adequate. This is due to the lack of any organ at ministerial level capable of providing a imlitical stimulus towards European unification. It should be noted here that the Council of Europe took a valuable step towards remedying this situation when it appointed a Special Representative for National Refugees and Over-population.

19. The practice might with advantage be extended. A special representative or representatives, who would be independent but responsible to the Governments as a whole, might be appointed in all the other European organisations in their particular fields. Thus special representatives of the Council of Europe could be appointed for work in the social and cultural fields, etc. The O. E. E. C, for example, has recently appointed a committee of independent experts on fuel and power. In the field ol transport, the " Lemaire Plan " and M.

Kapteijn's scheme both provide for a group of independent advisers. The Assembly might suggest the adoption of this practice in all fields of European unification, and indicate a preference for the appointment of a single representative in each sphere, as being more effective than the nomination of a committee.

20. ff in the following paragraphs your Committee has considered it useful to make certain precise suggestions, by way of illustration, this by no means reflects a desire to encroach upon the spheres of the other competent committees. Moreover, certain of the proposals made have already been examined by these Committees. Their detailed study by all the competent committees is proposed in the draft Order of the Assembly above.

21. With a view to consolidating the progress made by the O. E. E. C. towards tbe liberalisation of trade, it has been proposed [4] to set up a committee independent of Governments which should alone have competence to adjudicate on applications to waive obligations under the Liberalisation Code. In present circumstances, any country is free to reduce its percentage of liberalisation, and can thus place the entire system in jeopardy. If a country were obliged first to refer the question whether its economic situation was such as to justify a lower percentage of liberalisation to a committee with appropriate powers, the system as a whole would operate more effectively. Obviously, arrangements would have to be made to prevent Governments from evading the consequences of a refusal of their application by raising their tariff barriers.

22. The Consultative Assembly has long sought—in particular in the Strasbourg Plan— to bring the overseas territories into a single economic system together with the Member States with which they are associated. In this connection, Governments might, for instance, envisage that the Member States of the Council of Europe should jointly finance the exploitation of the mineral resources of the Sahara, and the implementation of desert development schemes by utilizing new sources of energy.

23. An Economie and Social Council set up under the aegis of the Council of Europe would he of great value in promoting economic and social unification. A plan to set up an Economic and Social Council is at present under consideration in the Committees on Economic and on Social Questions. Through such a Council, the European idea might be promulgated among sections of the population where it has not so far deeply penetrated, e. g. trade unions and employers' associations.

24. Moreover, the Assembly has in past years made numerous proposals which have not hitherto been implemented by the Governments of Member States. The Assembly recalls among others the proposals for the creation of a Low Tariff Club (Recommendation 11, 1951) for a Postal Union among Member States (Recommendation 9, 1951), and for a European Manpower Board (Recommendation 3, 1951). The Assembly urges the Committee of Ministers to take up again forthwith the study of these proposals, so that some concrete results may soon be visible.

Western European Union

25. The W. E. U. has a partly political, partly military function to carry out in the framework of N. A.T.O. Its rôle is to endeavour to harmonise the policies of its Members in these fields, not forgetting their economic, social and cultural aspects. In so far as general unification is concerned, the experience of recent years[5] tends to prove that what is acceptable to seven countries is equally acceptable for eight, nine or ten, or indeed all the Members of the Council of Europe.

26. With regard to the Assembly of W. E. U., it would be desirable to find means whereby it may influence the decisions of the Council of Ministers effectively. It would thus be possible, to some extent at least, to remedy the drawbacks inherent in the fact that decisions, by majority, in the Council of Ministers are exempt from scrutiny or censure by the national parliaments.

The Coal, and Steel Community

27. The Common Assembly has recognized the necessity of turning to better account tbe provisions of the E. C. S. C. Treaty, and of widening the sphere of competence of the Community so as to embrace certain economic activities ancillary to the coal and steel industries. In view of the interdependence of these activities, this extension of competence is essential if the aims of the Treaty are to be fully attained. After having taken cognizance of tbe proposals of the Common Assembly in this respect, the Consultative Assembly will no doubt wish to support them energetically.

---

4. See Extraordinary Session of Common Assembly : M. Blaisse, 9th May, 1955; and Report of the Committee on the Common Market, presented by M. Pohle, Doc. 19 (1954-1955) of the Common Assembly.

5. Nearly all the Conventions on social and cultural matters concluded within the framework of the Brussels Treaty Organisation have boon extended to the " Fifteen" as Council of Europe Conventions.

The Messina Conference [6]

28. In its study of the results of the Messina Conference, your Committee realised that in the present stage of European unification a special task falls to the Committee on Economic Questions. This report only touches upon the outlines of the problems considered at Messina. The draft Order of the Assembly above instructs the competent committees to examine these problems in the months immediately ahead.

29. It should be noted in the first place that the Messina Conference in no way prejudged the number of countries which might participate in the projects that are to be studied.

30. With regard to unification sector by sector, the question of atomic energy calls for urgent action by all European countries if they want to make up for lost time. This will necessitate the pooling of technical, scientific and financial resources under a common executive authority endowed with real powers of decision. In the development of atomic energy it should not be difficult to achieve a high degree of integration, since there are no national traditions to place obstacles in the path. Furthermore, a joint investment plan would be more economical : a point none of our countries can afford to neglect.

31. The question of orthodox sources of energy is so closely linked with that of coal and steel that a common policy for the latter industries must he accompanied by a similar policy for the former. The close relationship of the two problems has led the E. C. S. C. to consider whether the Community might not be charged with defining and directing a common policy for the development of these forms of power, and for the co-ordination of capital investment in mines, hydro-electric and gas works. On the larger scale, there is an urgent need to co-ordinate investment in gas and electricity plants, and to develop the international grid-system among as many countries as possible, in particular Austria and Switzerland which are important producing countries. The Committee of independent experts recently set up at O. E. E. C. might well consider putting forward proposals to this effect,

32. The field of transport, in particular, is one which demands progressive co-ordination and integration. In this connection the Assembly will have before it the detailed proposals presented by M, Lemaire on behalf of the Committee on Economic Questions.

33. The Assembly has done much work in the preceding years on the different problems arising from the removal of obstacles to the freedom of movement of manpower, goods, services and capital. The member countries of the E. C. S. C. declared at Messina that the aim of their economic policy was to establish a generalized common market freed from customs duties and quantitative restrictions. From the constitutional viewpoint, the Assembly should urge that any new delegation of powers to a joint institution should be accompanied by the establishment of effective European democratic control.

34. Here, again, progress must be made step by step. New attempts at unification should bear successively on the following points: the alignment of social and fiscal policies, the gradual abolition of customs duties and quotas, the free movement of manpower, and, finally, the solution of the problems of economic readaptation. The Assembly might specifically call the attention of the Governments to the following concrete problems :

the setting up of a common investment fund to promote general economic unification, which would advance capital for the development of the economic potentialities of Europe as a whole, and in particular the less favoured areas of member countries ;

the creation of a joint re-adaptation fund under an authority with powers of decision. The object of this fund would be to promote and facilitate the modifications necessary in the national economic structures ;

the harmonisation of national regulations in social matters with regard to certain specific problems such as hours of work and payment for overtime.

CONCLUSIONS

In the present situation, the policy of European unification should, then, be based on the following principles :

a. The development of a community of interests among European countries and the establishment of common institutions subject to democratic control remains the long-term objective of the Consultative Assembly.

---

6. See Appendix for text of the Messina Communiqué.

b. Since the member countries are not agreed on the means of attaining this objective, there must be nothing doctrinaire in our choice of methods. In each particular case the method adopted must be that most likely to lead to progress.

c. Whatever European institutions may be brought into being, whether they be of a supranational, or of an intermediate or mixed character, they must be open to the accession of all democratic European countries.

d. While appreciating the impetus towards general unification provided by the six Member States of the E. C. S. C, the Assembly expresses the wish that all Members of the Council take the steps necessary to ensure real progress towards European unity within the Council.

e. Negotiations concerning any new step towards integration should be conducted in the widest possible framework, to allow of the participation of the largest number of countries. It is important that Governments which desire to set up common institutions on a supranational basis should not be prevented from so doing by those which at present are not ready to go so far.

f. To avoid dispersal of effort and maintain general co-ordination, more recourse should be had than in the past to the method of " partial agreements " within the framework of the Council of Europe.

g. Our first concern must be to reinforce the existing organisations. Among the suggestions put forward.in the present report, particular attention should be paid to the appointment of special representatives, who would be independent of individual Governments but responsible to the European authority appointing them, as in the case of the Special Representative of the Council of Europe for National Refugees and Over-population. These would provide, in each particular field, a continual political stimulus towards unification.

h. With regard to unification in successive sectors, efforts should be concentrated on the institution of a joint authority with powers of decision in matters of atomic energy.

i. Further progress must be made towards creating a generalized common market. Steps should be taken to expedite the studies which have been in progress for some time in various European organisations concerning the harmonisation of social and fiscal policies, the gradual abolition of customs barriers and quotas, the free movement of manpower and the problems of economic re-adaptation, so that the first practical results may soon be registered. From the constitutional viewpoint, it should be strongly recommended that any new delegation of powers to a joint institution be accompanied by the establishment of effective democratic control.

Appendix APPENDIX

Communiqué issued at the conclusion of the Messina Conference, 3rd June, 1955

The Governments of the Federal Republic of Germany, Belgium, France, Italy, Luxembourg and the Netherlands believe that the time is now ripe for the next stage in the construction of Europe, and that it is first of all in the economic field that new steps should be taken.

The aim of establishing United Europe must be pursued by the development of common institutions, the gradual merging of national economies, the creation of a common market and the progressive harmonisation of social policies.

This general policy is essential if Europe is to maintain its position in the world, to recover its influence and prestige and steadily improve,the standard of living of its peoples.

The six Ministers have accordingly agreed on the following objectives :

1. The expansion of trade and travel calls for the common development of main lines of communication. A joint study will be undertaken of such' development schemes, centring upon the establishment of a European network of canals, trunk roads and electric railways, the use of standardised equipment and the improved cor ordination of air transport.

2. An essential factor in economic progress in Europe is the availability of cheaper and more abundant sources of energy. , Arrangements must be made to develop the exchange of gas and electricity in order to reduce the cost of supplies and ensure better économie prospects for investment schemes. Plans must be worked out for the coordinated development of energy production and consumption and for the pursuance of a.general common policy in this field.

3. The development of atomic energy for peaceful purposes will shortly open up prospects of a new industrial revolution on an even greater scale than that of the last hundred years. Preliminary studies must be put in hand for the establishment of a joint organisation with the necessary powers and means at its disposal to promote the peaceful development of atomic energy, with due regard for the special arrangements made between certain signatory Governments and third countries.

The means of attaining these aims are as follows :

a. the establishment of a common fund by contributions from each of the participating countries, which will provide capital for installations and research work in progress or contemplated ;

b. free and adequate access to raw materials, free exchange of scientific knowledge, technicians, by-products, and special equipment ;

c. pooling of the results achieved and financial assistance for their exploitation ;

d. co-operation with non-member countries.

The Common market

The six Governments agree that the aim of their activities in the field of political economy is to set up a common European market free from customs tariffs and quantitative restrictions. The establishment of this market will be a gradual process and will require the study of the following questions :

a. the procedure to be followed and the timing of the gradual removal of obstacles to trade between the participating countries, and arrangements for the progressive unification of tariff policy in respect of third countries ;

b. measures for the harmonisation of the general policy of the participating countries in the financial, economic and social fields ;

c. methods for ensuring adequate coordination of monetary policy in the member countries so as to permit the establishment and development of a common market ;

d. a system of saving clauses ;

e. the establishment and operation of a re-adaptation fund ;

f. progressive steps towards the free circulation of manpower ;

g. rules to ensure competitive conditions in the common market, and particularly to exclude national discrimination ;

h. the institutions and machinery required for the establishment and operation of the common market.

The question of a European capital investment fund will be examined. The object of this fund would be the joint development of the economic potentialities of Europe, in particular the less favoured areas of the participating countries.

In the social field, the six Governments believe it essential to study the progressive harmonisation of regulations concerning hours of work, overtime pay (night shifts, work on Sundays and holidays) and holidays with pay.

The six Governments have decided to adopt the following procedure :

1. Conferences will be convened to work out the appropriate agreements or arrangements ;
2. The texts will be elaborated by a committee of Government delegates, assisted by expert advisers, presided over by a prominent statesman responsible for co-ordinating all branches of the work ;
3. This committee will call upon the assistance of the High Authority of the E. C. S. C. and on the Secretariats-General of the O. E. E. C, of the Council of Europe and of the European Conference of Ministers of Transport ;
4. The general report of the Committee should be in the hands of the Foreign Ministers at latest by 1st October, 1955 ;
5. The Foreign Ministers will meet in advance of that date to study the interim reports of the Committee and issue the necessary directives ;
6. The Government of the United Kingdom, which is a Member of W. E. U., and associated with the E. C. S. C, will be invited to take part in this work ;
7. The. Foreign Ministers will decide in due course on the issue of invitations to other States to participate in the conference or conferences referred to in the foregoing paragraph.