'Between Euratom and the OEEC — a third way' from La Nation Belge (10 March 1956)

Caption: On 10 March 1956, in the daily newspaper La Nation Belge, Maurice Masoin, Professor of Economics at the Catholic University of Louvain, considers the proposal from the Federation of Belgian Industries (FIB/VBN) which, entirely in the interests of Belgium, seeks to reconcile the proposed Euratom Community with the scheme backed by the Organisation for European Economic Cooperation (OEEC).

Source: La Nation belge. Journal d'union nationale. dir. de publ. NEURAY, Paul. 10.03.1956, n° 70; 39e année. Bruxelles. "Entre l'Euratom et l'OECE - une troisième solution", auteur: Masoin, Maurice, p. 3.

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Between Euratom and the OEEC — a third way

Supporters and opponents of Euratom and the OEEC met last week in Paris. Their discussions ended with the conclusion that there was no incompatibility between the two organisations. This is obvious, if one means that the six European nations that form Euratom may carry on working with the other countries of the OEEC and vice versa. It could hardly have been otherwise. However, this statement of principle must not lead to the organisation of the nuclear industry within the Europe of Six being judged too hastily.

The debate on this subject remains wide open. Should the future of the nuclear industry be entrusted to an intergovernmental organisation, arrogating to itself from the outset more than a High Authority but an actual monopoly in the entire field — with the right to cede areas of activity to third parties as in a system of concessions?

Or should we trust industry to cooperate on an international as well as a national level in order to achieve what is beyond their individual capacity, leaving an international organisation the responsibility for promotion, coordination and overall control?

There lies the heart of the question. The debate was about to go on for ever, each party repeating its own arguments ad infinitum and not listening to the others.

At this point, a third way appeared. It was put forward by the Federation of Belgian Industry (FIB/VBN) in a note that it has recently published.

A new factor

The FIB represents the whole of Belgian industry and, specifically, all the companies involved in the development of nuclear energy from the production of raw materials to the processors and the end-users. It combines many skills in an industry that is highly demanding. Its opinion is, therefore, particularly valuable.

It might have been feared that, in an area of such important economic interest, the Belgian industrialists would have tried to make the most of the special position that Belgian occupies in the nuclear field i.e. access to British and American know-how. But it did not. Belgian industry resolutely placed national interest within the confines of the collective good of the Europe of Six, believing it to be just the first step towards a wider Europe and that European solidarity was essential.

It became clear that two assumptions dominated the issue, two assumptions which may be summed up in two words: interdependence and control. These themes have now been fully accepted. The FIB proceeded to give details of its proposals.

Now, if these assumptions are also those of Euratom and the OEEC, how do the FIB's proposals differ?

Neither OEEC nor Euratom

Concerning the OEEC first.

The FIB accepts the need for much closer cooperation between the six countries of 'little Europe' than the 16 of 'big Europe'. This cooperation is based on the European Common Market framework and is subject to the same principles. There should be complete freedom of movement for goods, persons and capital of interest to the nuclear industry; the market should be supplied under normal conditions; in the event of a fuel shortage, all countries of the Union should be subject to the same rules concerning rationing.

Concerning Euratom next.

The FIB does not think that the cooperation required in the nuclear field may be organised by a single entity that owns and controls everything: in other words it does not believe that the time is right or that it is



necessary for an international monopoly. On the contrary, it thinks that in a fledgling industry that will need to expand enormously, private enterprise should prevail. Cooperation should occur spontaneously as and when the need arises. According to this view, there still exists a very important role to be played by a European Atomic Energy Commission, both in the promotion of initiatives and private deals and in the undertaking of additional activities that do not fall naturally within the private sector.

To sum up, the whole discussion comes back to the issue of a collectivist vision of nuclear energy, where the state, or rather states, have ultimate control, and a liberal, or rather neo-liberal, vision where the matter would be in the hands of private enterprise, with supplementary state intervention.

In the final analysis, the decision is between nationalising the nuclear industry or keeping a controlled but coordinated free market.

The question of control remains to be discussed. It should cover economic, military and health issues. One of the merits of the FIB study is that it made some valuable proposals in this area which should reassure the most doubtful. It suggested the creation of a team of international and national inspectors, the establishment of a system of vetting companies authorised to stock fissile fuel, the keeping of a permanent inventory of products, changes in ownership and technical status.

An encouraging proposal

The FIB's proposals came at the right time, because those who wanted to give Europe a new impetus were searching for a way forward.

Protagonists of either system agree that the subject of Euratom provokes doubt and valid objections not only in Belgium but elsewhere, in Germany for example. The enthusiasm of some countries, such as France, for Euratom, in the Armand version, is enough to make them wary. When one country has too much to gain from a decision and others too much to lose, the decision cannot be right.

The revival of Europe should not start with unilateral advantages and disadvantages. It must be a collective work to which everyone agrees whole-heartedly. This is not the case with Euratom, but it is with the FIB's proposals.

Nor should the revival of Europe once again divide supranationalists and nationalists. As devised by Mr Armand, Euratom was definitely supranationalist. The FIB took a less controversial line, one proposed by like-minded market experts. A Council of Ministers should make unanimous decisions together with a Committee of Alternates and the help of an international 'Board' having responsibility for maintaining contacts between governments, initiating enquiries and giving advice based on its substantial moral authority. If one replaces the word 'Board' by the words 'European Atomic Energy Commission', one has the main elements of the FIB proposals on this special subject.

This is still not the end of the matter. The organisation of the European nuclear industry cannot be a matter just for the State or separately for private enterprise, for the suppliers or for workers. The FIB's proposals provide for the setting up of consultative committees at an international level as well as at different national levels which would involve suppliers, workers and end-users.

The FIB report therefore appears to have a conciliatory tone that unites rather than a divisive one.

It would be nice if everyone dropped their prejudices and undertook to reconsider these proposals with an open mind.

Maurice Masoin

