liberalization. The work of the OEEC is based on the principle of co-operation: it has stopped short of any degree of integration that would involve even a partial or limited surrender of national sovereignty. The decisions of the Council have, up to the present, been based on the principle of unanimity, so that any one country which wishes to do so can refuse to accept any given decision and thus veto its adoption.

Benelux

The first countries of Western Europe to take the initial step towards further economic integration were the Netherlands, Belgium and Luxembourg. In 1944, before the end of the war, they had negotiated a Customs Convention which was ratified by legislation in the three countries in 1947 and under which, in 1948, a common tariff was imposed on imports from third countries, thus establishing the entity now generally known as Benelux. The Convention of 1948 did not, however, abolish the tariffs or other existing barriers to the free movement of goods and services among the three countries. Nor did it provide for the institution of a common economic and financial policy towards the outside world (except in the case of tariffs). The Netherlands and the Belgium-Luxembourg Economic Union therefore retained their individual systems of quantitative restrictions, exchange controls and other instruments of both internal and external economic policy. The goal from the beginning was, however, the establishment of a full economic union and though the many complex problems arising from the differences in the economic structure of the partners have delayed its accomplishment, there has been a progressive development over the years towards a common market for goods and services. In February 1958, though a common market was not yet completely achieved, a treaty formally making the Benelux Economic Union was signed.

The European Coal and Steel Community

In 1951, the six countries which are now members of the European Economic Community (Belgium, France, Germany, Italy, Luxembourg and the Netherlands) established the European Coal and Steel Community, which for these important sectors of the economy marked a long step towards economic integration. The treaty provided for the development of a common market for coal and steel among the six countries in which tariffs and quantitative import restrictions for these commodities have progressively been suspended or greatly reduced, together with other barriers to trade such as discriminatory freight rates. The "High Authority" of the Community consists of nine administrators who function as international civil servants, and not as the representatives of the various countries from which they come. The Authority reports to the Common Assembly composed of members chosen, not by direct election, but by the Parliaments of the member countries, and maintains its contact with the governments of the participating states chiefly through a Council of Ministers. There is also a Court of Justice which interprets and ensures observance, by member states and the organs of the Community, of the law laid down in the treaty, and which can hear appeals from the organs of the Community and from private firms. Since the High Authority takes action on its own responsibility, and since all the organs of the Community may in principle take decisions by a majority vote, the European Coal and Steel Community has "supranational" characteristics not shared by the OEEC, and has had considerable influence upon the form