

but also through the North Atlantic Council and the Canadian Delegation to the Organization for European Economic Co-operation, of which Canada is an associate member.

4. Western and Northern Europe

In most Western European countries, 1955 was a year of economic expansion and political stability. There were some changes of governments but no significant alteration in the general direction of national policies. In the atmosphere of *détente* which followed the Geneva Conference of Heads of Government the Communist parties of Western Europe, particularly in France and Italy, endeavoured to make hay while the sun was shining.

During the year the Spanish Government showed greater interest in participating more fully in institutions for regional and international co-operation.

In French North Africa important changes occurred which were followed with interest in Canada, not only because North African questions were discussed in the United Nations but also because of Canada's close relations with France. In June the Franco-Tunisian conventions were signed and they came into force in September, transferring to Tunisia a large measure of internal autonomy. For this reason relatively tranquil conditions prevailed in Tunisia, in sharp contrast with the outbreaks of violence in both Algeria and Morocco, where the nationalists demanded a greater degree of independence from France. A degree of harmony was restored in Morocco when the French Government reinstated Ben Youssef as Sultan of Morocco in November. It was also announced that French Morocco would, in due course, become independent, although closely linked with France. At the year's end violence was continuing in Algeria and Morocco.

In Northern Europe, Finland was welcomed in October as the fifth member of the Nordic Council, and further steps were taken towards integration of the policies of the Nordic nations and their institutions, with special emphasis on social and economic projects such as the mutual extension of welfare benefits and the development of common markets.

5. Central Europe

In May the Austrian State Treaty was signed by the Four Powers and Austria. By October, in accordance with the treaty, Austria had become an independent sovereign state, and found itself free of foreign troops for the first time since 1938. The conclusion of the treaty had been made possible by the sudden reversal of the Soviet Union's previous stand that it would not sign the treaty unless Soviet troops were permitted to continue the military occupation of the Soviet Zone of Austria until the conclusion of a peace treaty with Germany. On October 26 the Austrian parliament adopted a constitutional law declaring the perpetual neutrality of Austria, as agreed by the Austrian negotiators of the State Treaty. Austria's new international status has been officially recognized by the Four Powers, by Canada, and by a number of other countries. The Chancellor of Austria, Dr. Raab, has interpreted Austria's neutrality as essentially military, leaving Austria a free hand in the political and economic spheres.