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Does Europe Miss the Follow-up?

In the fields of research and development the countries of Europe fall more and more behind the United States. The technological gap shows itself most pronouncedly in nuclear technique and space research but almost equally so also elsewhere, and it appears near enough certain that it will grow rather than shrink in coming years if no aimed measures are taken forthwith. This opinion is expressed by the EEC and Euratom Commissions as well as the High Authority of the European Coal and Steel Community in a joint memorandum.

Thus, even the highest quarters now point at a development that may well be of far reaching consequences for Europe's economic growth. The basic research essential for growth and progress yields continuously new possibilities for cost reductions and the introduction of new methods and thus for improvements of factor allocation. It requires the deployment of highly qualified research teams in suitable research establishments. However, it is particularly these basic pre-conditions that are lacking in Europe to a large extent.

It is obvious that research expenditure in the proportionally small European countries can, as far as the actual sums are concerned, not match those spent in the United States and the Soviet Union. Moreover, research in Europe plays also a relatively moderate part compared with these two large countries. According to available statistics, a much larger part of national income is provided for research and development tasks in the United States as well as the Soviet Union than in the European countries. The personnel engaged in this kind of work, too, is much smaller in number in Europe. Over and above all this, the inadequate research facilities and research methods enhance the exodus of experts to the United States. Approximately 5% of those scientists trained every year "emigrate" for this reason.

Apart from the inadequate financial and personnel preconditions, Western Europe is also largely behind with the necessary organisation and co-ordination of basic research on national and international level, and there are additional shortcomings in the field of intensifying the development activities at companies' level. In the sphere of private enterprise, the traditional conception of perfect competition still largely prevents the formation of large and efficient units which would be much better in a position to intensify research work and thus, at the same time, to enforce the utilisation of cost saving technical progress. For this reason, a reorientation of competition policy does appear inevitable.

Because of the sheer size of the necessary capital spending, however, private research will in future become even more dependent on the state's activities in this sector. This, then, calls for the political recognition of the importance of research and development expenditure for the growth of the entire economy. Under no circumstances should this long-term productive expenditure be cut on account of short-term budgetary considerations. It should, instead, be planned on medium-term basis. The relative size of expenditure in the United States could serve as a guideline for the sums to be spent in the future.

In view of the fact that the meagre resources of finance and manpower in each individual European country are bound to set limits to the success of national research from the very outset, the co-operation at least among the EEC countries should be intensified. But also in this case it should not be the purpose of European co-operation to engage in double research vis-à-vis the United States. A stronger leaning on the American partner will, in any case, be unavoidable. This was obviously recognised at the taking-up of the Italian suggestion for the realisation of a technological Marshall plan envisaging American technological and scientific aid for the EEC countries during the next ten years or so. Setting the aim to participate in the American progress and eliminate the backlog at least in economically decisive fields, it will, as must be pointed out, be necessary to solve these problems swiftly. Any hesitation in Europe increases the danger of finally missing the follow-up.

Dietrich Kobschull