'Discrimination in Luxembourg?' from the Frankfurter Allgemeine Zeitung (7 February 1953)

Caption: On 7 February 1953, three days before the European common market in coal and iron ore is introduced, the German daily newspaper Frankfurter Allgemeine Zeitung reports on the fixing of coal prices within the ECSC.

Source: Frankfurter Allgemeine Zeitung. Zeitung für Deutschland. Hrsg. Baumgarten, Hans; Dombrowski, Erich; Korn, Karl; Sehle, Paul ; Welter, Erich. 07.02.1953, Nr. 32. Frankfurt/Main: FAZ Verlag GmbH. "Diskriminierungen in Luxemburg", p. 9.

URL:
http://www.cvce.eu/obj/discrimination_in_luxembourg_from_the_frankfurter_allgemeine_zeitung_7_february_1953-en-1b93a3a9-ef5f-480b-a39a-892bae0926e6.html

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Discrimination in Luxembourg?

Possible coal price adjustment by the High Authority

Bonn, 6 February (wire report from our own correspondent).

Although the opening of the Common Market on 10 February is only a few days away, certain differences, particularly between France and the Federal Republic, have not been smoothed out yet. Dr Preusker declared to our economics correspondent in Bonn that he would draw the attention of the High Authority to the fact that, if it acted with any kind of avoidable discrimination as regards coal, iron ore and ferrous scrap, it would be responsible for the probable destruction of the very idea of the European Coal and Steel Community before it even got off the ground. On Sunday, at the meeting of the Market Committee of the European Coal and Steel Community's Common Assembly in Luxembourg, Dr Preusker will set out the German position. It is well known that the German Member of Parliament is Vice-Chairman of this Market Committee, whose Chairman is the Frenchman, Paul Reynaud.

According to further reports, the President of the High Authority, Jean Monnet, has informed the Federal Minister for Economic Affairs in writing that France would not accept the arguments in favour of increasing the price of German coal exports by DM 5 per tonne and the ensuing rise to the level of the present domestic price. Mr Monnet announced at the same time that the High Authority would carry out an adjustment of the German pricing after 10 February. It would be unreasonable to expect the Community to share the cost of the 'individual subsidies' for the Federal railways, energy production and domestic fuel. In response to this, Dr Preusker explained the German point of view that the German coal price would have had to be fixed even higher if it were to reach the average coal price within the European Coal and Steel Community, always assuming that these prices were not rigged. This would have required an increase of DM 8 to 10 per tonne. It was not the consumer who had to bear the burden of this difference, it was the German mines. This was a sacrifice that would have to be acknowledged. It has been announced in this context that the High Authority would fix the maximum prices for coal not according to coalfields but to categories.

The German delegation would also have to remain resolute on the subject of ferrous scrap, Dr Preusker continued. Otherwise the preparatory period for the common market in steel, which is due to enter into force on 10 April, would represent a 'delicate discrimination' for all participants, except France, and especially for the Federal Republic. Not only were there plans for lower coal prices than the German coal price, but also cheaper starting positions, for France, for ferrous scrap and, hence, subsequently also for steel. In this context, Mr Monnet was planning to set up a collection and distribution centre for ferrous scrap. There could, however, be no 'centrally-controlled market economy', but either a planned economy or else a true European market economy, as advocated by the German delegates. Opinions also seem to diverge as far as the fixing of steel prices is concerned: while the Germans exclusively support the fixing of a gross price, i.e. one including individual national taxes, Mr Monnet advocates the idea of a simple net price.