

## 'Six European nations begin to study the Schuman Plan' from Le Figaro (20 June 1950)

**Caption:** On 20 June 1950, as negotiations on the Schuman Plan open in Paris, the French daily newspaper Le Figaro considers the political and economic impact of the French plan and analyses the arguments of opponents to the plan to pool European coal and steel output.

**Source:** Le Figaro. dir. de publ. BRISSON, Pierre. 20.06.1950, n° 1797; 124e année. Paris: Le Figaro. "Six nations de l'Europe abordent l'examen du plan Schuman", auteur:Massip, Roger , p. 1; 3.

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## **This afternoon at the Quai d'Orsay**

### **Six European nations begin to study the Schuman Plan**

The delegates of the six powers who approved the principle of pooling Europe's industrial resources will meet today at the French Foreign Ministry, the Quai d'Orsay.

Let us briefly recall the origins of this conference:

In a press release on 9 May, Mr Robert Schuman announced the French Government's intention to form a coal and steel 'pool' with Germany. The French statement expressly invited the other European States to join the 'pool', which will be managed by an international High Authority.

West Germany, Italy and the three Benelux countries welcomed the French proposal. Great Britain, while approving it in principle, expressed serious reservations when asked to subscribe to a joint declaration of the interested States in which they will announce their intention to institute a new authority whose decisions will bind participating countries.

Reluctant to commit itself to an undertaking that entails giving up part of its national sovereignty, the British Government, during lengthy negotiations that continued until 3 June, maintained its reservations. It was agreed, however, that the Foreign Office would be kept informed of the progress of the negotiations. All hope was not – and is not – lost of finally seeing Great Britain join in continental Europe's efforts, starting today, to try to reach a decisive milestone along the road towards unifying the old continent.

#### **Pool and cartel**

Those opposed to the Schuman-Monnet Plan referred to the French project as a cartel. However, no comparison whatsoever can be made between the European coal and steel 'pool' and the pre-war cartels. There are obvious differences between the two concepts. It is important to look at them closely if we wish to assess the full meaning and impact of the French plan of 9 May.

Cartels always seek to maintain high profits and protect established positions. The purpose of the Schuman-Monnet Plan is to increase both production and productivity through improved methods, rationalised production and expanded markets.

Cartels are always established, for reasons that are easy to understand, on the basis of secret agreements. The organisation envisaged by the French Government will be created in the open and will remain under permanent public scrutiny. While on the subject, let us not forget that, in his statement of 9 May, Mr Robert Schuman specified that a UN observer would be invited to monitor 'pool' activity and would be responsible for submitting periodic reports on its operation and the results obtained.

Cartels work by price fixing, granting production quotas and allocating markets, i.e. eliminating competition for the purposes of exploiting the various outlets open to the sector concerned. The new organisation will use allocation and equalisation mechanisms, but only on a provisional basis, in order to make the necessary adjustments in a progressive and seamless way.

Cartels are purely private in nature, strictly sectoral and employer-based, while the planned organisation will be responsible for two industries chosen because of their fundamental character and their importance for the European economy as a whole, as well as for the development of political relations amongst the associated States. The objective is, essentially, to use the coal and iron and steel industries as a basis for developing the resources and conditions that will increase the workforce's standard of living and expand economies.

Unlike cartels, the European 'pool' will focus on ensuring predominance of the very effects that result from perfect competition, all the while providing for the necessary stages, without which the task of establishing competition would meet with insurmountable resistance.

## New prospects

The task at hand will succeed only if the States associated with the 'pool' agree to sacrifice a certain part of their sovereignty for the benefit of a supranational body. Such sacrifice was not achieved on the political level in Strasbourg, where the Council of Europe has remained marking time. It is no doubt more easily achievable on the economic level. In this respect, the Schuman-Monnet Plan opens up entirely new prospects and appears as an unprecedented initiative in the history of the world.

Will empirical Britain, wary of ideas that are not tried and tested, agree to take its rightful place in this long-term undertaking, destined to change the bases of the European economy by 1952, that fateful year when Marshall Plan aid comes to an end?

The Labour Party's recent manifesto, steeped in insularism and mistrust for European unity, encouraged pessimists to answer that question with a resounding 'no'. But the British Government, supported, like European governments, by a public which is intrigued by the French idea, does not fully share the Labour Party's views.

The best proof that Downing Street has a clearer and broader vision of reality than Transport House can be found in this excerpt from Mr Attlee's recent speech to the Commons, in which the British Premier, recalling decisions taken at the most recent Atlantic Conference in London, declared: 'We are embarking on a decisive phase in the organisation of the Atlantic community, which will be achieved by a more efficient "pooling" of participants' resources and the unprecedented relinquishing of each country's freedom to act as it pleases. Her Majesty's Government will be the first to steer that course.'

If these words hold true, then we have reason to hope that the British views will change in the light of very precise indications that will eventually emerge from the technical discussions that are to take place in a few hours' time in Paris.

Roger Massip