

Jean Degimbe, Memories of a former ECSC official


Caption: Contribution by Jean Degimbe, former civil servant of the High Authority of the European Coal and Steel Community (ECSC), to a joint publication produced by the European Commission in 2002 on the occasion of the 50th anniversary of the ECSC. In his text, Mr Degimbe recalls the method of operation and the activities of the High Authority from 1953 to 1967.

Source: Commission européenne. CECA EKSF EGKS EKAX ECSC EHTY EKSG 1952-2002, Cinquante ans de Communauté européenne du charbon et de l'acier, trente-quatre témoignages. Luxembourg: Office des publications officielles des Communautés européennes, 2002. 287 p. ISBN 92-894-2072-3. "Souvenirs d'un ancien de la CECA", auteur:Degimbe, Jean, p. 93-96.

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URL: http://www.cvce.eu/obj/jean_degimbe_memories_of_a_former_ecsc_official-en-76f45b34-ef81-4ba2-9921-a5212128e46a.html

Last updated: 05/07/2016



Memories of a former ECSC official

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I spent almost 10 years working for the ECSC as the Principal Private Secretary for Roger Reynaud, a French member of the High Authority (and former trade unionist), from 1 January 1958 to 30 June 1967, after which I joined the Private Office of Raymond Barre, Vice-President of the new Commission, in Brussels, at the time when the three European executive bodies (the ECSC High Authority, the Common Market Commission and the Euratom Commission) were being merged.

The ECSC High Authority as a college operated only for some 15 years (1953–1967), after which the Treaty, which was to last for 50 years, became the responsibility of the Commission.

The ECSC and its executive body, the High Authority, were complete innovations, with a number of original aspects. The High Authority, a supranational executive body, was concerned with just two industries, coal and steel, employed a total of some 900 staff, and was entrusted with powers that guaranteed it a considerable measure of independence. It developed highly collective working methods and maintained with the two industries ongoing relations that might be regarded as regular tripartite social dialogue.

The ECSC High Authority

The High Authority had nine members, eight appointed by the governments and the ninth co-opted by the other eight. The co-opted member was always a trade unionist, the first being Paul Finet, the former Secretary-General of the Belgian *Fédération Générale du Travail* and President of the International Confederation of Free Trade Unions (ICFTU).

The members of the High Authority, and, in particular, Jean Monnet, its first President, wanted to make it clear from the outset that they felt that it was important for the college to include one of their peers who had in-depth knowledge of industry.

The High Authority operated on a highly collegiate basis. Each member was, of course, responsible for a particular area of the ECSC's activities (coal market, steel market, loans and investments, general objectives, social issues, etc.), but, at the weekly Wednesday meetings, they all discussed all of the issues dealt with by the High Authority, each of which formed just part of the overall coal and steel remit that was the responsibility of the college as a whole.

There were also a number of working parties consisting of a member of the High Authority responsible for a given field and one of his colleagues, whose task it was to prepare the work of the college. Officials played an active role in these working parties. An A7 or A6 official was just as free to speak as his superiors, the hierarchy being much less formal than the one that I came to know and subsequently implement at the Commission.

There was, therefore, an ongoing 'cross-fertilisation' within the college and between it and its various departments.

Another reason for this direct relationship between the college and the departments was that the college members had a Private Office of only two staff (a *Chef de cabinet* and a deputy *Chef de cabinet*) who themselves relied on the departments to prepare the ground for often highly technical decisions requiring detailed knowledge of the market and the steel industry. The better the technical grasp a *Chef de cabinet* had of the various issues, the more influence he had.

There were no meetings of *Chefs de cabinet* to make preparations for meetings of the ECSC High Authority, the only exception being the Administrative Committee of four *Chefs de cabinet*, whose meetings were also

attended by staff representatives responsible for monitoring all issues to do with the administrative management of the ECSC. Lastly, the *Chefs de cabinet* did not attend meetings of the High Authority even in their superiors' absence, whereas the Directors-General were often invited to meetings.

This was how things were done at the High Authority: a fairly informal hierarchy, encouraging fairly direct relations between the various levels. The High Authority also had considerable powers of its own.

The powers of the High Authority

Apart from powers in the fields of competition, restrictive agreements and concentrations, prices and intervention in the event of manifest crisis, the ECSC's most politically significant power was that it had its own financial resources. Article 49 of the Treaty empowered the ECSC to procure the funds that it required to carry out its tasks, either by imposing levies on the production of coal and steel or by contracting loans.

The levies were effectively a Community tax on coal and steel (Article 50(2)) assessed annually according to the average value of the two products, up to a maximum rate of 1 %, which could not be exceeded unless previously authorised by the Council, acting by a two-thirds majority.

The result was that the High Authority enjoyed a great deal of freedom to grant loans or guarantees to undertakings in order to facilitate investment in the retraining of workers, which formed part of its policy, and in the development of technical (including health and safety) and economic research.

From an institutional point of view, although the Common Assembly (as the European Parliament was called at that time) could adopt a motion of censure against the High Authority, its power was much more advisory than supervisory in nature. As for the Council, its decisions were taken by an absolute majority of its members. That majority had to include the vote of one Member State producing at least 20 % of the Community's coal and steel output.

It is clear that, within this context, the members of the High Authority enjoyed wide-ranging freedom of action, and all the staff had a very strong feeling of belonging to a supranational body with significant powers in relation both to the Member States and to the two industries. Because the High Authority's powers related to coal and steel undertakings directly, it had close links with the coal and steel industries in the ECSC Consultative Committee and the Joint Coal and Steel Committees.

The ECSC Consultative Committee

This Committee survived the merger of the executive bodies in 1967, but it was particularly influential before the merger. It was composed of producers, workers, and consumers and dealers, each group accounting for one third of the Committee, and it brought together all the leading employers from the coal and steel industries in the six Member States, either at enterprise level or from the chambers of industry, and all the leading figures from both industries.

The Consultative Committee held a plenary meeting every month, attended by and with the active participation of the nine members of the High Authority. These meetings led to in-depth and sometimes very lively discussions between the European executive body and the three groups of leaders from the two industries (producers, workers, and consumers and dealers). All the issues involving the common market for coal and steel that were to be considered by the Commission were debated in the Committee and in numerous bilateral contacts that took place on the margins of the official meetings. The arguments put forward by the High Authority were discussed and assessed by those with economic and social responsibilities in the two industries, people who had experience of the day-to-day reality of the market. The discussions, far from being theoretical, reflected the actual concerns of people on the ground. And the fact that these were professional people of the highest standing in the two industries gave their opinions an authority that ensured that they had genuine influence with the High Authority, which was at pains to take due account of the views expressed.

There was, therefore, regular dialogue between the two industries and the High Authority which was actually

much more like consultation than an exchange of views: it was a form of social dialogue.

This social dialogue continued in various technical committees involving technical experts from the two industries and ECSC officials, in the Joint Coal and Steel Committees, and in a body set up after the Marcinelle mine disaster in 1957, in which more than 264 miners were killed: the Mines Safety and Health Commission.

The Joint Coal and Steel Committees and the Mines Safety and Health Commission

The rules of the two Joint Committees, which were set up by the High Authority at the request of the Consultative Committee, state that they are agencies for dialogue, mutual information and consultation between the social partners and that they are to assist the High Authority in the development and implementation of the social policy provided for in the ECSC Treaty, in order to promote better living and working conditions for workers in the coal and steel industries.

This was the first formal expression of social dialogue at Community level.

The two committees continued to operate after the executive bodies merged in 1967.

As for the Mines Safety and Health Commission, in whose work the social partners were also involved, its task was to submit to the governments proposals designed to improve the health and safety of mineworkers. Its proposals were often widely adopted by the Member States, and, even today, they form the basis of most of the Community directives protecting the health and safety of workers in all the extractive industries.

The retraining of ECSC workers

Another of the ECSC Treaty's innovations was a completely new social policy for the benefit of coal and steel workers. The authors of the Treaty, aware that the completion of the common market for coal and steel would entail major restructuring, particularly with regard to employment in the regions concerned, introduced a very interesting and progressive system. Article 56(1) of the Treaty allows the High Authority to provide non-repayable aid for the workers affected in the form of tideover and resettlement allowances and to pay for retraining.

In a preliminary version of Article 56, this aid was to be paid where the policy applied by the High Authority might adversely affect employment, but, in the late 1950s, competition from oil caused serious disruption to the coal industry. Accordingly, a revised version of the Treaty (26 January 1960) allowed the High Authority to intervene when undertakings were forced to discontinue, curtail or change their activities permanently. Allowances could also be paid to undertakings forced to lay off their staff temporarily as a result of a change of activity.

This aid was financed from the ECSC budget, which was itself funded by levies on the coal and steel industries.

The High Authority was directly and entirely independently responsible for managing this policy for retraining workers, that policy being the subject of bilateral agreements between the High Authority and each Member State concerned. It was partly thanks to this policy that it was possible to close as many mines and even coalfields without serious industrial unrest.

The ECSC subsidised housing programme

A further expression of the ECSC High Authority's independence was its funding of accommodation for coal and steel workers.

Although there is no reference to it in the Treaty, the High Authority felt that the development of the coal and steel industries should include the provision of good living conditions for the workforce. It therefore set up a

‘special reserve’, using part of the investment income from the levy funds, the yield from fines (for breaching the provisions of the Treaty on prices, restrictive agreements and concentrations) and interest on arrears.

This special reserve helped to finance (through a combination of Community and private funding) more than 100 000 dwellings in the mining and steelmaking areas. The programme also continued after 1967.

This review of some of the innovative aspects of the ECSC Treaty clearly shows the visionary approach of Europe’s founding fathers, the men who assumed political responsibility for the Treaty and who wanted a strong executive body with the power to be genuinely independent, involving the social partners in defining policies and developing an innovative social policy.