

'Steel and coal industries under one authority' from Het Parool (10 May 1950)

Caption: On 10 May 1950, the day after the Schuman Declaration, the Dutch daily newspaper Het Parool outlines the economic and political implications of the pooling of the coal and steel industries in Germany and France.

Source: Het Parool. Vrij Onverveerd. dir. de publ. Van Norden, W. ; Réd. Chef Van Heuven Goedhart, G.J. 10.05.1950, n° 1.637; 10. Jg. Amsterdam: Het Parool. "Staal- en kolenindustrieën onder één gezag", p. 1.

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Dramatic move by France

Coal and steel industries to be under a single authority

Schuman: 'War with Germany now impossible'

(By our own correspondent)

Paris, 10 May. — France chose the eve of the meeting of the Big Three to make a second dramatic move. Last night, in front of the assembled world press, Foreign Minister Robert Schuman outlined a proposal to combine the iron and steel industries of Germany and France (and the Saarland) under a single administrative authority. Membership of this organisation will be open to other countries (including the Netherlands). This cooperative venture will put an end to the centuries-old rivalry between France and Germany; war between the two will now be impossible because the war munitions industries of both countries will be placed under a common authority and converted to serve peaceful purposes.

The members of the high authority will be appointed by the two governments, and their decisions will be binding on the governments and on the industries in question. There is no plan for trusts, with their associated price controls and restrictions on production. On the contrary: the high authority will set prices officially, equalise and improve workers' living conditions, and modernise and expand production.

The new body will report to the UN on its work twice a year and this, the French say, will provide an adequate guarantee that its activities are peaceful. The authority of the International Authority for the Ruhr and the obligations incumbent on Germany under it will continue. They will be subsumed into the work of the new authority.

This, then, is the proposal which met with immediate enthusiasm in Bonn and a raised eyebrow in London. Both reactions are understandable. The proposal follows a meeting between Robert Schuman and Dean Acheson at which provisional agreement was reached on policy in Indochina, although the most significant figure is yet to be added in: that is to say, the amount of military aid which America will be giving to Indochina and France together. It comes just as Dean Acheson and Ernest Bevin are beginning talks on the problem of Germany.

A lot of questions

The proposal raises a lot of questions that Schuman's detailed declaration did not answer. The new organisation is not to be a trust, but might it not easily become an economic force against Britain?

A mutual agreement may to some degree reduce British competitiveness, perhaps with the result that Britain will be more inclined to cooperate with Europe. But equally possibly, it may widen the divide between Britain and the continent. Some maintain that this proposal is born of a fear of German competitiveness, because in some industries German prices are a third lower than French ones. That may be so, but if the proposed Plan is adopted, that will just mean that the quarrel between France and Germany is transposed to the high authority.

Certainly we cannot imagine French industries simply cutting their prices, to bring them into line with Germany's.

The French Government declaration places great emphasis on the fact that steel production is to be converted to peaceful uses. But these phrases merely give rise to fresh doubts. It is arguable whether recent wars were caused solely by the armaments industries. On the other hand, though, the military potential of an industry is not significantly reduced by conversion to peaceful purposes. The last war showed how easily such industries can be returned to a war footing.

And are we really giving up the idea that Europe's heavy industry should be part of the Atlantic Pact? Was it not the intention that we were to have a say in our own defence? Will not conversion of the European industry to peaceful purposes give the impression that we are giving in to Russian pressure?

Lastly, we are not clear about plans for the Ruhr. Hitherto the Ruhr has been controlled by an international and political authority. Is it the intention to weaken that political control by making it subordinate to economic control by the new authority? Many people view this as undermining security, because both war and peace are political affairs. The work of economic control bodies has scant influence on political decision-making.

This whole declaration by Foreign Minister Schuman is full of an optimism seemingly based on an exaggeration of economic factors. But perhaps the intention is simply to show the world — that is to say, America — that France is not to blame for the slow progress of Atlantic cooperation. At least, at the end of its leader article on the proposal, *L'Aube*, Foreign Minister Schuman's party organ, states: 'We are still a long way from European integration. The world now knows that it is not France's fault'. Are those words perhaps the key to understanding this proposal?