

'Britain and the Schuman Plan' from The Manchester Guardian (19 April 1951)

Caption: On 19 April 1951, commenting on the signing of the Treaty establishing the European Coal and Steel Community (ECSC), the British daily newspaper The Manchester Guardian ponders the United Kingdom's future relations with the ECSC.

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Britain and the Schuman Plan

I—Political Aspects

From a Correspondent

The Schuman Plan has now been completed and signed in Paris by the European countries engaged in it: France, Western Germany, Italy, Belgium, Holland, and Luxembourg. The time has come to decide what Britain's relations with the Schuman Community are to be. The Continental statesmen, especially the French, still hope that Britain will join the Community or, failing that, be "associated" with it. "Upon establishment of the High Authority," says Section 14 of the Convention containing the Transitional Provisions for the creation of a single market, "the member States shall undertake negotiations with the Governments of third countries, and particularly with the British Government, on over-all economic and commercial relations concerning coal and steel." Can these hopes be fulfilled?

The British Government began by refusing to join in the working out of the plan, because the French insisted that it should commit itself in advance to accept whatever conclusions were reached. It has not ruled out the possibility of taking part in the scheme, once its form was clear. During the discussions it has been careful not to intervene or to press any objections, even where—as in the delicate matter of reorganising Germany's coal and steel industries—British views differed from French and American, especially on the deconcentration of German industry. This reticence had two reasons: first, that a failure to come to terms might have endangered the plan indirectly, and the British did not wish to offend the French by causing this; second, that there was no practical alternative. For if the Schuman Plan were to fail there would be no guarantee that the German coal and steel industries would not revert to the old monopolist structure.

True, the agreement breaking up the old concentrations and cartels is to be written into the Federal Republic's basic law. Legally, the Allies may interfere in Germany when this is violated. But Western Germany is rapidly slipping out of the occupiers' hands, and it is not mere legal rights that could prevent adverse changes (from the Western point of view) in its basic law. The Schuman Plan, by absorbing German industry without injustice in a wider organisation, does provide a more substantial check on the power of the Ruhr.

BRITISH SUSPICIONS

Why then was the British Government suspicious of the plan at the start? What disadvantages did it fear if Britain had undertaken to take part? Its fears were of three kinds. It suspected, first, that the political power of the High Authority (to be set up under the plan as the chief executive organ of the Coal and Steel Community) would be too great, that its edicts could override the decisions of a member country and upset its economic policies. The second fear was that, apart from specific decisions by the High Authority, its own plans for the social and industrial structure of Britain would be jeopardised by the ordinary working of economic forces, if Britain was brought into a free market for coal and steel in close association with several economically "liberal" Governments. A third fear underlay the second. Even if in normal times it was thought the nationalised British coal and steel industries could hold their own in a single European market, in an abnormal time—that is, in an economic recession—Britain would suffer more by an association with other countries, whose ways of meeting a recession would be different from our own, than if she stood alone.

All these points are serious. How far does the draft of the Schuman Community, just completed in Paris, go to meet them?

Take the political side first. It is clear that the High Authority is not to rule by edict, like an emperor; it is not the autocrat which the French seemed to want last summer. This managing board of nine members cannot help being powerful. It will have considerable financial resources, it will see that the rules of the single market are observed, and will clearly in the process tend to interpret and administer them. But Article 5 of the draft treaty says that it shall "accomplish its mission ... with limited direct intervention." This spirit

pervades the plan (as will become apparent when the details of social and economic policy are discussed). The High Authority's terms of reference are in fact negative in their basis: to prevent infringements of the single free market. They are positive only when it acts to avoid the "creation of fundamental and persistent disturbances in the economies of the member States."

CHECKS AND BALANCES

This still leaves latitude for abuse of power. But the institutions of the proposed Coal and Steel Community are designed to circumscribe the danger. The Council of Ministers, on which the Economic Minister of each member nation will sit, act as the liaison channel with the Governments and have in "times of crisis" power to insist on (or alternatively to prevent) the institution of a system of allocations and controls by the Authority. It could also put an end to a period of controls—all this by unanimous vote. The Court of Appeal will judge in all matters where a party, national or private, thinks itself ill-treated within the terms of the treaty. The Common Assembly (more or less representative, somewhat in the manner of the Council of Europe), to which the High Authority must present its yearly report, may reject it and eject the Authority at the same time. And finally, though more vaguely, there is a web of provisions tending to bring the Community's affairs into the full light of day.

A Consultative Committee with employers, trade unions, and consumers represented upon it in equal numbers will it is hoped be inseparably associated with the Authority. Similar, but voluntary, regional associations (covering areas probably much like the N.C.B.'s present regions) would be encouraged. They must in certain circumstances be consulted, and may always cast their word upon the waters. While firms must give all necessary information to the High Authority (one of the main functions of which would be as a study group) the Authority must publish "justifications" of many of its decisions.

The net effect of these provisions will be to make the High Authority a co-ordinating rather than a directing body. That is in a sense the role for which its father, M. Jean Monnet, has cast it. He wants it, for all its powers, to be a small body with a small staff (if that is possible). Such a structure would tend to reverse the temptations of the Community. That is to say, the High Authority, instead of weaving in the dark compelling plots that would lay nations at its feet, may find itself in practice dependent on the willingness of Governments to co-operate and hampered by the glare of publicity. These, however, are the better risks to run.