

Telegram from James E. Webb to Dean Acheson on the Schuman Plan (11 May 1950)

Caption: On 11 May 1950, James E. Webb, Acting US Secretary of State, sends a telegram to Dean Acheson, US Secretary of State who is visiting London, in which he outlines the positive aspects of the Schuman Plan.

Source: Foreign Relations of the United States, 1950. Volume III: Western Europe. Washington: Department of State, 1977.

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The Acting Secretary of State to the Secretary of State, at London¹

SECRET WASHINGTON, May 11, 1950-2 p. m.

Tosec 1701. Initial reaction Dept to Fr proposal re coal and steel industries is to welcome it as imaginative, useful and having considerable merit. Probable area of difficulty will be in working out proposal in such manner as to accomplish its politically and economically desirable objectives while minimizing econ dangers inherent in monopolistic enterprises. Dept agrees however that at this stage comment shld be complimentary of Fr initiative and leadership in making constructive proposal which has potentiality of being important contribution to Franco-Ger *rapprochement* and closer European assoc and can have major psychological appeal in West.

2. Other favorable features as seen at this stage include:

a. Wld give Fr greater sense of security by ensuring their intimate participation in management and development of Ger basic heavy industry, thus relieving a preoccupation which has been in forefront Fr mind since end war, *vide* importance attached Arts 18 and 19 Ruhr Agreement.²

b. Wld considerably diminish heat involved in controversy re Saar mines.

c. Since Auth wld have power to make decisions binding equally on Fr and Ger, arrangement wld be attractive to Ger as counterweight to Ruhr Agreement and security controls which operate against Ger alone. Agreement might also provide basis for obtaining Fr consent to reducing restrictions on steel industry in PLI Agreement³ and to substantial revision or elimination of Ruhr Agreement.

d. Might provide framework within which Ger production wld contribute to NAT military production without raising difficulties that separate Ger activity wld entail.

e. Proposal for equalizing "conditions of life and work in these industries" would require at minimum closely parallel domestic political policies with possible result of spreading *rapprochement*.

f. If effective wld go further than anything hitherto contemplated in tying Ger economically to West.

3. Major difficulties include:

a. Strong tendency which will develop to use mechanism to limit competition and protect marginal producers by usual cartel methods.

b. Domestic polit and security incentives of Fr wld tend to lead them to attempt to choke technological development and expansion in Ger.

c. Provision for appeals from decisions may give precedence to polit considerations in decisions over econ.

4. Dept in consultation with ECA, discussing aspects of proposal which are unclear and questions which shld be answered before econ or other analysis of proposal possible. Both agree however that initial reaction US Govt shld be favorable to far-reaching Fr effort to advance Franco-Ger *rapprochement* and Eur assoc generally while reserving judgment on econ aspects until we know more about character and details of scheme.

WEBB

¹ Repeated to Paris, 2132, and Frankfort, 3300.

² The Agreement for the International Authority for the Ruhr was completed on December 28, 1948, at the conclusion of the London Conference on the Ruhr, November-December 1948. The Agreement was formally signed by the United States, the United Kingdom, France, Belgium, the Netherlands, and Luxembourg on April 28, 1949. The text of the Agreement and documentation on its preparation are presented in *Foreign Relations*, 1948, vol. II, pp. 448 ff.

³ See footnote 3, p. 172.