

## 'What is the Schuman Plan? (II)' from the Tägliche Rundschau (30 January 1952)

**Caption:** On 30 January 1952, the East German daily newspaper Tägliche Rundschau severely criticises the Schuman Plan and denounces what it sees as the capitalist policies of Western countries in connection with the iron and steel industry.

**Source:** Tägliche Rundschau. Zeitung für Politik, Wirtschaft und Kultur. 30.01.1952, n° 25 (2051); 8. Jg. Berlin NO: Tägliche Rundschau. "Schuman-Plan was ist das? (II)", auteur:H., G. , p. 3.

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## What is the Schuman Plan? (II)

**The European Coal and Steel Community, envisaged by the Schuman Plan, is a cartel of West European coal and steel barons, or rather a poorly disguised arms cartel. This was established beyond doubt in yesterday's article under the above title. The following analysis proves, on the basis of the text of the Treaty establishing the ECSC, that it is solely the monopolists who give the orders in the cartel's High Authority and that they have just one overriding interest: *their profit*.**

Who will now exercise all the powers transferred to the ECSC? The so-called '*High Authority*'. Under Article 9 of the Treaty, the High Authority consists of '9 Members, who shall be appointed for 6 years on the grounds of their general competence.'

Two things are significant: It is not the Member States' parliaments which elect the Members of the 'High Authority'; they are nominated by their governments. The governments are to nominate eight Members, with the ninth Member then being nominated by the other eight. That means that the parliaments are excluded from the establishment of the 'High Authority' from the outset. What is more, the governments are supposed to assess the candidates on the grounds of their 'general competence'. It is not difficult to predict whom the governments will regard as competent: the coal and steel barons, of course, or their servile henchmen, bought with bribes. And, once these 'competent' persons are elected, they are to be given total freedom to do or not do whatever they believe to be in their own interest. Article 9 of the Treaty clearly states: 'They (the Members of the High Authority) shall neither seek nor take instructions from any government or from any other body.' Hence, this High Authority is to be omnipotent; nobody shall be able to interfere with it, no government, no parliament. It will be a '*Council of the Gods*'.

### Backdrop

Alongside the High Authority, a '*Consultative Committee*', an '*Assembly*', a '*Council*' and a '*Court of Justice*' are to be established. All these apparently democratic control bodies cannot disguise the absolute dictatorial power of the High Authority. The '*Consultative Committee*' (which will represent businessmen, employees, consumers and traders) has practically no authority. Article 19 states: 'The High Authority may consult the Consultative Committee in all cases in which it considers this appropriate.' This means that the High Authority may or may not consult the Committee, just as it pleases. Proposals that are not deemed suitable do not even have to be considered. The '*Assembly*' (to which the six countries' parliaments are expected to delegate their representatives) meets once a year and then, under Article 24, may receive a report submitted to it by the 'High Authority'. It has no powers of direction. The Assembly may bring about the High Authority's removal from office only if it secures a two-thirds majority. The '*Council*', consisting of one Minister from each of the six Member States, may merely ask the 'High Authority' to 'verify proposals and measures' of any kind – it cannot, however, require their implementation.

All this shows that *the activities of the High Authority are subject to virtually no public scrutiny*. It has unrestricted powers. All the dreams of power nurtured by the monopolists lusting for dictatorial authority would come true in these institutions.

That much is clear then; the coal and steel barons will be the bosses in the 'High Authority'. That only leaves us with the question: which ones? – West Germans, French or Belgians? The truth of the matter is as follows: French as well as West German monopolists will be allocated two seats in the 'High Authority'. But the West German monopolists would be contributing the greater production capacity to the ECSC. In addition to this, they pay the lowest wages and therefore have lower production costs than others. They would therefore have every reason, in the long term, to assume that they occupy a privileged position within the Community. '*The Times*' was undoubtedly correct when, after the ratification of the Schuman Plan in Bonn, it wrote that it was highly likely that Germany's more efficient industry would guarantee it a head start in the long term, a prospect which had already given rise to trepidation in France. This also explains why the Ruhr barons and their representatives in Bonn are obviously tacitly dismissing any 'concerns' voiced by the SPD leadership regarding the 'German position' in the ECSC. They are obviously counting on the economic factors to override all treaty clauses and formal majority requirements.

## Who pulls the strings?

To add to this, the German monopolists are relying on ‘friends’ in the USA. Although the American coal and steel kings will not be represented in the ‘High Authority’, they nevertheless intend to pull the strings. It has been proved that the Schuman Plan is in actual fact their plan. It was created by the management of the world’s largest steel trust, the ‘United States Steel Corporation’. How do the bosses of US Steel intend to dominate the Western European ECSC? Quite simply by lending them the requisite amount of cash, in dollars. And that is something the ECSC could certainly do with, initially so that it may establish itself financially. Prof. *Hallstein*, Adenauer’s Junior Foreign Minister and Special Commissioner for the Schuman Plan, declared on 15 June 1951 at a special meeting of the West German Federal Council: ‘We require loans of astronomical proportions, so astronomical that we know that the private capital market, even in a united Europe, cannot provide such sums. It will require extra-European sources to provide this type of investment.’

These extra-European sources of which Adenauer’s lackey was speaking so secretively, are, of course, *American sources*. They have, apparently, already agreed to provide the necessary loans, but, as usual, they are making certain minor stipulations: *whoever takes our dollars has to do as they are told*. This answers the question of who will primarily be giving orders in the High Authority.

All this should clearly show what benefits the Schuman Plan would bring the coal and steel barons: *more power and more profit*.

But what benefits would it bring the workers?

## Empty promises

The Treaty establishing the European Coal and Steel Community makes a lot of promises: ‘raising of the standard of living’, ‘establishment of the lowest prices’, ‘free movement of workers’. The propaganda document issued by the Bonn Government, already quoted, proclaims that the Schuman Plan will bring ‘social security, wealth and a better life’.

What do these promises look like in reality? The fact that the main purpose of the ECSC lies primarily in rearmament has already been proven here. But, whenever the imperialists begin rearming, this causes a lowering and not an increase in the standard of living of the people. West German workers are experiencing this for themselves again. Since remilitarisation began in West Germany, prices have been continuously rising, and that has brought about a continuous fall in workers’ real income. The European Coal and Steel Community, which is to allow for a gigantic increase in arms production, can only cause renewed misery for the workers. That is something the corpulent Minister of Finance, Mr *Erhard*, knows only too well, as he repeatedly calls on the West German people to ‘tighten their belts’.

And ‘*freedom of movement*’, so highly praised, also has its drawbacks. Freedom of movement means that every worker may choose to work or live wherever he may wish within the territory of the six Member States of the ECSC. It is most unlikely that workers from the Rhine and Ruhr would wish to move to another country. The arms tycoons, however, are planning to shift workers around, as required. That can be read in their Treaty, which states that within the European Coal and Steel Community: ‘offers of employment [shall be brought] into touch with applications for employment’ (Article 69). How is this to be done? The recipe is well-known: the worker, who is supposed to change his place of work, is made redundant from his present employment on some pretext or other, and then he is told: ‘Sink or swim!’ Take advantage of your ‘freedom of movement’, or starve! This type of ‘freedom of movement’ is intended to establish a poorly disguised system of forced labour.

The arms cartel of Western European coal and steel barons is still only in its planning stages. If the German people does not wish to subjugate itself to the dictatorial forces of the ‘High Authority’ for fifty years, it must reject the Schuman Plan. And that is possible. The united resistance of the German people and the

solidarity of the workers will prevent the implementation of this criminal undertaking.

G. H.