

Final Communiqué of the Six-Power Conference on the establishment of the International Authority for the Ruhr (London, 28 December 1948)

Caption: On 28 December 1948, the representatives of the United States, Belgium, France, Luxembourg, the Netherlands and the United Kingdom, meeting in London, decide to establish the International Authority for the Ruhr (IAR).

Source: United States-Department of State. Documents on Germany 1944-1985. Washington: Department of State, [s.d.]. 1421 p. (Department of State Publication 9446).

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Six-Power Communiqué on the Establishment of the International Authority for the Ruhr, London, December 28, 1948

1. Representatives of Belgium, France, Luxembourg, the Netherlands, the United Kingdom and the United States have met in London to draft a detailed agreement establishing an International Authority for the Ruhr, as provided in the annex to the communiqué issued on June 7th, 1948, at the termination of the London Six-Power talks on Germany. The delegates have completed a draft agreement which has now been submitted to their Governments for approval. The text of the draft agreement was made public on December 28.
2. The meeting, which was held in a friendly atmosphere throughout, carefully examined all aspects of the problems involved. It was recognised at the outset that a number of organisations are being established and arrangements being worked out with respect to Germany. The Ruhr Authority is one of them and should be viewed in this context. To avoid duplication of effort and overlapping of jurisdiction, each of these has its particular functions. Taken together they are designed to accomplish a three-fold objective: to assure the disarmament and demilitarisation of Germany; to further the recovery of the countries of Europe, including a democratic Germany; and to promote that intimate association of their economic life which in the last analysis alone can assure a peaceful and prosperous Europe.
3. Among the arrangements designed to prevent aggression, the Military Security Board is one of the most important. The functions of this Board have recently been agreed upon in principle by the three Military Governors. They include provision for cooperation with the Ruhr Authority. The Board will have general responsibility for the maintenance of disarmament and demilitarisation in the interests of security. As regards industrial disarmament, the Board will act in accordance with agreements which are in the course of completion concerning the necessary prohibitions and limitations on German industry. It was recognised that a ceiling of 10.7 million tons on the production of crude steel is now in effect in the Bizonal Area.
4. In 1946, the United States Secretary of State, Mr. Byrnes, put forward certain ideas for assuring the effective disarmament and demilitarisation of Germany. It is anticipated that the objectives and mechanisms envisaged by Mr. Byrnes' proposal will, to the extent appropriate, form a basis for long-term disarmament and demilitarisation measures to be worked out through and adapted to the Military Security Board or any other organisation established as its successor to perform these functions. These measures will be designed solely to prevent the revival of German aggression.
5. Within this framework it is the purpose of the Six Powers to provide the means by which a peaceful democratic Germany can be brought into the European community to play its part as a fully responsible and independent member. The participation of the Western Zones of Germany in the European Recovery Programme and in the Organisation for European Economic Cooperation already demonstrates the intention of the Western Powers to afford to Germany its place in the economic life of Europe.
6. With these various factors in mind, it has been a main objective of the Six Powers, in establishing the Ruhr Authority, to ensure that the resources of the Ruhr shall in the future be used not for purposes of aggression but solely in the interests of peace, and to provide for a closer coordination of the economic life of the countries of Europe, cooperating in the common good, including a democratic Germany.
7. During the period that the Occupation Authorities are exercising extensive economic functions in Germany, the decisions of the Authority will necessarily be carried out largely by or through the Occupation Authorities. As, however, they relinquish their functions, the Authority will be in more and more direct relationship with the German Government in the exercise of its functions.
8. A principal function of the Ruhr Authority is to make a division of the coal, coke and steel from the Ruhr as between German consumption and export, in order to provide adequate access to supplies of these products by countries cooperating in the common economic good, at the same time taking into account the essential needs of Germany. This division must, of course, be in conformity with existing international agreements. Thus, in the case of coal and coke the sliding scales drawn up in Moscow and Berlin continue in force.

9. The functions of the Ruhr Authority in the above field will be coordinated with the larger and more comprehensive operations of the O.E.E.C. in its work of promoting the economic rehabilitation of the countries participating in the European Recovery Programme.

10. The Authority will have powers to ensure that the German Authorities do not institute, carry out or permit artificial or discriminatory transport, price and trade practices, quotas, tariffs and similar governmental measures or commercial arrangements which would distort the movement of Ruhr coal, coke and steel in international trade, except for measures of protection approved by the Authority.

11. The Authority will furthermore be charged with responsibility for the safeguard and protection of foreign interests in the coal, coke and steel industries of the Ruhr in conformity with international agreements, in so far as these functions are not entrusted to another body for the whole of Germany.

12. Particular attention was paid to the question of giving the Authority powers of supervision over the management and direction of the Ruhr coal, coke and steel industries. The Coal and Steel Control Groups established by the British and American Occupation Authorities now have extensive powers over these industries, including powers over production, investment, development and other matters concerning management and direction. As is known, the French Authorities have been invited to join in the work of these Control Groups. It has been agreed that at the appropriate time such of these powers relating to the supervision of management and direction as the Six Powers consider necessary to achieve their purposes with respect to the security and well-being of Europe will be transferred to the Ruhr Authority or to the Military Security Board or its successor or to some other international body. These would be powers of supervision over production, investment and development and would not be powers of detailed control which would unduly interfere with the normal and regular responsibilities of management. The conditions under which these powers will be transferred, and the manner in which they will be exercised, will be determined as soon as practicable in the light of experience acquired over a period of time under the present Control Groups. It is further understood that any powers transferred to the Authority in this connection under Article 19 for economic as opposed to agreed security purposes will be transferred for the purpose of contributing toward that closer association of the economies of Europe which the Six Powers have set out as one of their objectives in the preamble to the agreement. It was agreed that the powers to be continued should also be adequate to prevent the revival of excessive economic concentration in the coal, coke or steel industries of the Ruhr and to prevent persons who furthered the aggressive designs of the Nazis from acquiring ownership interests or positions of direction and management in those industries. The agenda of the meeting did not include the question of the final ownership of the industries concerned and this question is in no way affected by the discussions or the draft agreement.

13. The Authority will have the right to obtain information necessary to enable it to perform its functions, including adequate rights of inspection and investigation.

14. The Authority will consist of a Council composed of representatives of the member Governments and will have a permanent Secretariat.

15. As soon as a German Government is established, it will have the opportunity of acceding to the Agreement, the vote for Germany being exercised meanwhile by the Occupation Authorities. When a German Government has undertaken the full obligations of its membership, it will enjoy full voting rights except in matters of security and default.

16. The Authority, if its decisions and directives are not properly respected by the German Government, may find the latter in default and make recommendations as to the action to be taken.

17. The Authority will submit an annual report on its work which will normally be followed by a meeting of specially appointed representatives of member governments to review the report and the work of the Authority. Any two or more members, who consider that the policies of the Authority are not consistent with the purposes for which it was created, may call for a special examination of its operations by the member

governments. Germany may not initiate such examinations in matters relating to security.

18. In the past the resources of the Ruhr have been used for the purposes of aggression. The six Governments are determined that, through the security measures referred to above, any recurrence of such a situation shall be prevented. They are equally aware that the political and economic welfare of Europe requires the full and effective use of the industrial production of the Ruhr and the participation of a democratic Germany in the comity of nations, all enjoying a reasonable standard of prosperity. The establishment of the Ruhr Authority is an innovation in the international economic field. It is not being set up to limit free competition by European industries in the markets of the world. It has a constructive function to fulfil in promoting the general economic well-being of Europe and in re-establishing international confidence. If operated wisely, the Ruhr Authority may be regarded as a further contributory step towards a more intimate economic association among the countries of Europe.