

'Troubles in sight!' from Die Freiheit (9 January 1953)

Caption: One month before the common market for coal and iron ore entered into force on 10 February 1953, the West German newspaper Die Freiheit considers the dangers that might harm the economy of the Federal Republic of Germany (FRG).

Source: Die Freiheit. 09.01.1953. Mainz. "Unheil in Sicht".

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Troubles in sight!

Dangerous economic aspects of the Schuman Plan become evident

On 10 February, the provisions of the Common Market within the framework of the Coal and Steel Community will come into force

A day harbouring considerable danger is fast approaching the German economy and the German worker. If the German Government does not take advantage in the next few weeks of the opportunity that it has been given, the provisions of the Schuman Plan for the Common Market will come into force on 10 February.

To date, the government parties have always considered this to be a worthwhile aim. Today, however, even most of their supporters among the captains of industry no longer share this opinion, for they know precisely what the exact consequences will be. Most notably concerning the domestic market, there will be a rise in coal prices of DM 4-5 per tonne. Even if attempts were made to exclude domestic fuel this winter (next winter it will cost DM 14 more), this measure could not prevent spiralling prices and a greater wage-price gap with all its consequences. Finally, the profit situation for energy supply companies (electricity and gas) is so strained that they will have to pass on the price increases! This will affect not only the small consumer but the consumer goods industry as a whole and, more importantly, local transport.

Federal Railway also under threat

The Federal Railway, however, would be faced with a different situation. With the introduction of the Common Market, its efforts made over the last two years to balance the budget will be under attack from two sides. On the one hand, it is being heavily affected by the rise in coal prices and, on the other, by the stipulation that, for coal exports, it may only calculate freight tariffs on continuous routes from the aforementioned date onwards, and that will result in a considerable loss of income.

Social security at risk

In addition to these dangerous economic aspects, there are social ones that will give rise to the dissolution of the German coal sales agency, a measure which must likewise take place by 10 February. The consequences that the withdrawal of this compensation fund will have on the miners have already become rather apparent over the last few days. The various mining companies had individually fixed their Christmas bonus, i.e. without any compensatory arrangements, according to their profit situation. This led to differences in various towns of up to DM 100 for basic amounts, with the result that, in most cases, it was still the men with the toughest working conditions who came off worst.

Given the bad experiences that Germany has suffered in the past, it is not at all necessary to point out the dangers that these obligatory measures in the Common Market set out in the Schuman Plan are bound to have on the nation's social security.