

The position of the French Planning Commission (December 1950)

Caption: In December 1950, the journal Notre Europe sets out for its readership the arguments put forward by the French Planning Commission to counter the criticism levelled at the Schuman Plan to pool European coal and steel.

Source: Notre Europe. Revue européenne. dir. de publ. Ray, Marcel. Décembre 1950, n° 1. Strasbourg: Société européenne d'éditions et de publications. "Cinq objections, cinq réponses", p. 84-88.

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The position of the French Planning Commission (December 1950)

Five objections — five responses

The Planning Commission replies to NOTRE EUROPE (December 1950)

NOTRE EUROPE has decided that it is essential to set out for its readers the Planning Commission's response to the standard criticism levelled at the plan to pool coal and steel.

QUESTION — *The Schuman Plan proposes to 'begin Europe' with the technical merger of markets in two essential products: coal and steel. But what the people want, above all, is a 'European constituent power'. Is there not a danger that the Schuman Plan's approach will disappoint and dampen the enthusiasm of the most committed Europeans?*

ANSWER — Experiences, since the League of Nations, of attempting to establish cooperation between countries have shown that the key to making fundamental progress in this regard is obtaining these countries' consent to transfer part of their sovereignty to a joint body.

The High Authority of the European Coal and Steel Community is such a body. Its main function is to take an overall view of the issues of concern to the Community and to provide a solution that is compatible with its common goals instead of following the approach traditionally taken thus far, which consists of making mere national adjustments.

Common needs deserve a common response. That applies to the fundamental need for an upward stabilisation of the production sectors that form the basis of all economic development and sustain the overall standard of living. It is the case today (and is universally recognised as such) as regards the need for security.

The realisation of a European Coal and Steel Community will mark the start of a gradual organisation of Europe. It will show that revolutionary changes are possible and will open up the way for the establishment of European institutions that live up to people's hopes.

QUESTION — *The Schuman Plan aims to create a community of economic interests. Europe will be more or nothing at all. Is the Schuman Plan offering European people a coherent and comprehensive political future that is both material and moral?*

ANSWER — The aim of the Schuman Plan is not to secure more or less viable arrangements between traditionally competing interests. It is to create the conditions for overall progress within a community of peoples.

Pooling coal and steel production is not an initiative taken solely in the interests of the managers or workers of these industries. It provides manufacturers with the means to coordinate their activities, to gain access to sources of financing and to make the technical progress necessary for the pursuit of common economic goals without serious risk of overinvestment.

It involves workers, by providing them with as much economic information as possible and by ensuring their participation, on an equal footing, within advisory bodies, in the management of joint interests.

It guarantees the consumers of coal and steel, that is, all sectors of economic activity, the best quality at the lowest price.

This will ensure the following:

1. Development — within national markets initially, but gradually within a single market expanded to cover as many products as possible — of mass production, which is the only means of meeting the huge collective and individual demand that we are currently unable to satisfy.

2. The possibility of maintaining a high level of investment and, accordingly, a high level of employment.
3. The guaranteed improvement of living conditions through growth in productivity.
4. The best chance of freely securing economic and social advancement for all workers.

QUESTION — *Will European integration by economic sector not result in a number of cartels, which, by nature, tend to halt economic and social progress?*

ANSWER — Any agreements among producers aimed at restricting production, manipulating prices or organising the market for their benefit alone and to the detriment of the consumer will be prohibited. The High Authority will be charged with ensuring that no such arrangements are concluded. On the contrary, its actions should guarantee that the best production flourishes and that the consumer is free to choose from a range of supply sources. With that in mind, it will:

1. establish free competition under well-publicised rules;
2. make as widely known as possible the decisions it has taken and the economic facts justifying them;
3. call on consumers and workers to cooperate within advisory bodies on an equal footing with producers;
4. gear its actions not to the particular interests of the industries in question but to the needs and general interest of the Community.

QUESTION — *The Schuman Plan seems to require from the outset the transfer of production, which means heavy sacrifices for industry and the workforce. Is there not a danger of turning public opinion against the European idea?*

ANSWER — No, the Schuman Plan will not mean sacrifices but assistance for all:

for consumers, who will be able to choose their supplier freely and benefit from the best price and quality conditions;

for manufacturers, who will have access to significant investment resources when these are required to meet the demand for technical advances and to adapt their company to the needs of the market;

for workers, who, through their trade unions, will have the opportunity to gain knowledge and share in responsibilities.

A transition period will prevent any upheavals that may result from the creation of a single market. It is wrong to think that it will necessarily lead to the collapse of companies. A readjustment fund will help those companies directly threatened by the launching of healthy competition to cope with their transformation and maintain normal employment for their workforce.

The transfer of production that could take place over the long term will bring with it social problems that, far from being left to chance, will be the responsibility of the High Authority. It should ensure, both by means of its own measures and by its actions regarding the states, that revenue is maintained and occupational readjustment takes place, and that those workers affected are employed in another capacity.

It will then be possible to raise the standard of living for the people of Europe, something which is achievable only by means of constant growth in production and productivity, without it being paid for with crises and unemployment. The whole Community will act as guarantor.

QUESTION — *Whether we like it or not, the Schuman Plan will have to go ahead without Great Britain. Does this fact not create an economic and political imbalance that will prove fatal for the future of Europe?*

ANSWER — Britain's participation in the institutions of the European Coal and Steel Community was and remains highly desirable. Nothing in the present arrangements prevents it from joining the Community once it is in a position to accept the principle of devolution of sovereignty.

In the meantime, the six countries are no less capable of forming a balanced and dynamic single market.

With barriers to the movement of products no longer in place and cost prices no longer subject to artificial constraints, internal consumption of steel and coal should rise.

The new grouping will become the world's foremost exporter. The High Authority, in conjunction with the national governments, will then be able to adopt measures designed to achieve an upward stabilisation of trade and to assist the development of under-equipped regions.

With that goal in mind, there is no doubt that a form of partnership between Great Britain and the European Coal and Steel Community should be actively sought. This must be the Community's first act. An agreement of this kind is possible. Experience gained in the workings of the six-country Community, its growing strength and changes in public opinion will make it possible, at a later date — no doubt before long — to put to Great Britain again the question of its participation in a united Europe.