The International Authority for the Ruhr

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The International Authority for the Ruhr

The limits of the <u>quadripartite occupation regime in Germany</u>, established in 1945 after the fall of the Third Reich, soon became clear. Each occupying power tried to impose its own system in its occupation zone, with little concern for what was happening elsewhere. As far as the Ruhr, <u>the most industrialised region of Europe</u>, was concerned, France also made demands which soon proved unacceptable for the other occupying powers. The French Foreign Ministry called for <u>France's security</u> to be guaranteed by means of the internationalisation of ownership of Germany's mines and steel industry. From February 1947 onwards, France therefore proposed to its US and British partners the establishment of an international organisation responsible for the management of the Ruhr's industries and the distribution of output. For Paris, the plan was driven by both security and economic concerns. The French were of course aiming to prevent the resources of the Ruhr from being used for military purposes, as had been the case under Hitler, but they also wanted to prevent the reestablishment of major trusts that would enable Germany to regain its <u>industrial might</u>.

Despite these urgent requests, in November 1947 the British and Americans established a German administration in the <u>Bizone</u>, the *Deutsche Kohlenbergbauleitung* (DKBL), which was given the task of managing the Ruhr mines. As might have been expected, France immediately expressed its <u>dissatisfaction</u>, and there were growing protests from Paris. But in March 1948, the French Foreign Ministry finally obtained US agreement for the establishment of a regulatory authority for the Ruhr on the condition that it would aid the implementation of the Marshall Plan, in which the Ruhr was a key part of the supply base of the Western European economy. But this did not make the dissensions between the Allied partners disappear, particularly because the Americans and the British could not accept that France was contemplating replacing Germany as the only great continental power able to secure the economic and industrial development of Western Europe. On 10 November 1948, the Anglo-American authorities of the Bizone issued a decree — <u>Law No 75</u> — on the reorganisation and deconcentration of the Ruhr's steel and mining industries. But France, which was once again unhappy at being presented with a <u>fait accompli</u>, reiterated its belief that a future German government could not be given the right to regulate the question of ownership. It therefore suggested the establishment of an <u>Allied regulatory body for coal and steel</u>.

After difficult diplomatic negotiations, the representatives of the United States, France, the United Kingdom and the three Benelux countries, meeting in spring 1949 in London, managed to reach agreement on a policy for the organisation of Germany. The agreement between the Six provided for the following measures: the establishment of an International Authority for the Ruhr (IAR) to regulate steel and coal production and trade practice; the development by the three Western powers of security measures; the drafting of an Occupation Statute determining the respective powers and responsibilities of the occupation authorities and of the German Federal Government that was to be formed; and the preparing by a Constituent Assembly of a Constitution for West Germany. The aim of the three powers with these various measures was threefold: to guarantee the disarmament and demilitarisation of Germany; to support the revival of the countries of Europe; and to promote the close association between the economic systems of these countries so as to guarantee peace and prosperity in Europe.

The London Agreement, signed on 28 April 1949 by the representatives of the Six, provided for the coordination of production activities in the Ruhr with those of the Organisation for European Economic Cooperation (OEEC). In the same way, the United Nations Economic Commission for Europe sometimes adopted initiatives in areas that, in Germany, came under the authority of the IAR. Finally, the IAR's role was not strictly speaking one of security; this was the task of the Military Security Board, set up on 17 January 1949 to oversee German disarmament. In practice, even though its powers and financial resources were very limited, the Authority's role can be considered in two ways. From a positive angle, it was responsible for dividing the output of the Ruhr (coal, coke and steel) between German consumption and export. From a negative angle, it was responsible for ensuring that no discriminatory transport and pricing practices affecting trade in the Ruhr's steel and solid combustibles might conflict with the equal status of the countries involved and, in general, that no foreign interests in the Ruhr might be affected negatively.

The IAR, based in Düsseldorf, became operational in September 1949. It was composed of a Council, comprising the representatives of the signatory states and of the occupying authorities, which had a decision-



making role and was responsible for the determining the policy of the organisation; secondly, a Secretariat, which, under the leadership of the Belgian Georges Kaeckenbeeck, took the form of a permanent organisation that carried out all administrative tasks. Within the IAR, the United States, the United Kingdom and France each had three votes, and the Benelux countries a single vote. Germany was officially represented by a British officer. The IAR's decisions were taken on a majority of eight votes. However, the operation of the Authority, despite its apparent good intentions, rapidly met with obstacles. Even though the Six were sometimes quick to point to the IAR as a first step towards a European coal and steel consortium, rifts often occurred between them over the issue of the mutual relations that the IAR had to maintain with the Allied High Commission, formed in spring 1949 to supervise the German Federal Government and the Länder in accordance with the Occupation Statute, or over the conditions for Federal Germany's accession to the London Agreement.

Most Germans were opposed to this new Allied organisation, which had the effect of limiting their freedom of action and maintained the country in a state of political inferiority. Many considered the IAR as an accessory of the inter-Allied occupation structures and as a thinly disguised regulatory body. They could no longer accept Germany's submission to the occupying power and France's exploitation of the riches of the Ruhr for its own gain and its continued dismantling of the competing industries in the region. From November 1949 onwards, the Germans admittedly had the right to send delegates to the IAR, after the Petersberg Agreement put an end to German reparations. But they did not feel that they were represented on an equal basis. The Social Democratic Party (SPD) and the Free Democratic Party (FDP) were particularly irritated. For Konrad Adenauer, former Christian Democrat Mayor of Cologne and future German Chancellor, the only reason for the IAR's existence was as the launch pad for a European federation. He even called for the rapid extension of the IAR to other European industrial regions, in particular the French, Belgian and Luxembourg basins, and made this a condition for Germany's recognition of the Authority. In his view, the IAR should be transformed into an organisation responsible for the cooperative exploitation of Western Europe's essential resources. He therefore recommended the investment of foreign capital in German companies. In November 1949, he called for the Federal Republic of Germany's accession as a full and equal member of the IAR.

It was not long before a number of observers concluded that it would be logical for the IAR to be replaced by a European federation. Germany's calls for the disbanding of the Authority became more and more insistent. The shortage of primary products in Western Europe gradually came to an end, and this, coupled with the overlapping roles of the IAR and the Allied High Commission, also made its existence increasingly problematic. The British preferred to refer any important questions to the OEEC, where the unanimity rule made their vote essential. The IAR, on the other hand, where each State was represented by a government delegate, took decisions by a majority. France was also not entirely satisfied with the results obtained by the IAR, an organisation in which the Anglo-Americans were clearly dominant, but it was nevertheless unable to envisage bringing to an end the international regulation of Germany's industrial basins through the simple removal of the IAR.

Keen to accede to German demands, the French Foreign Minister, <u>Robert Schuman</u>, promised Konrad Adenauer that the IAR would be dissolved once a common market in coal and steel was established at the latest. Despite its structural weaknesses, the IAR therefore played a significant political role, in the middle of the Cold War, in the transition between the post-war occupation of Germany and the beginnings of European sectoral integration. The work of the IAR was abandoned to an increasing extent by France's leaders, who sought new political and economic solutions for Germany's integration into Western camp; this was particularly the case of Jean Monnet at the French National Planning Commission. A policy whose overriding goal had been to weaken Germany economically thus gave way to a new approach based on the development of Franco-German cooperation.

The impact of the <u>Schuman Plan</u> from spring 1950 onwards should therefore be considered in the context of a normalisation of relations between Paris and Bonn. In such conditions, the signing of the <u>Treaty establishing</u> the <u>European Coal and Steel Community (ECSC)</u> on 18 April 1951 in Paris sounded the <u>death knell of the IAR</u>. The planned establishment by the Six of a common European market in coal and steel rendered the IAR's regulatory activities obsolete; they were <u>officially brought to an end</u> on 27 May 1952. The International Statute of the Ruhr consequently also came to an end on 21 December 1951, even if it was only in the spring of 1953 that the *Deutscher Kohlenverkauf* (DKV), the sole selling agency for Ruhr coal, was permanently replaced by



a new system of distribution via smaller, independent companies.

