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THE EUROPEAN AGRICULTURAL COMMUNITY, 1948 - 1954

by

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THE EUROPEAN AGRICULTURAL COMMUNITY, 1948-54

proposals to form a European Agricultural Community have The been ignored by historians since they failed. There exists only one the subject, an unpublished thesis and two published work on articles which essentially are taken from that thesis (1). The author of this work, M. Gilbert Noël, did not have access to the Dutch, German and Italian materials which have been used here, nor he seem to have been able to use the same range of French does addition his work is written from a somewhat materials. In different perspective than this paper. This neglect is hard to understand when there has been so much speculative writing about the agreements which have now formed the basis of the European Economic Communities, especially when it is considered how inordinately large a share of the EC's time and money is taken up Common Agricultural Policy. There are times when with the agriculture seems the raison d'être of the Community, yet the first attempt to regulate western European agriculture in a common policy been ignored, even though it contained many of the framework has subsequent elements of the Common Agricultural Policy.

The origins of the proposals are to be found in two distinct post-war developments. The first is the decision in the French Ministry of Agriculture and in the Planning Commissariat to generate export surpluses of primary products from the French economy. The second lies in the failure of the OEEC trade liberalization programmes to bring any advantages to European agricultural exporters. The attempts of the Netherlands to rectify this situation when coupled to the political effort by French 2 governments to find markets for the surpluses which they envisaged of Reseal led to the attempts at a European-wide solution in the "Community" framework established by the Schuman proposals, attempts which came to complete failure. The reasons for this failure are considered at end. To understand them it is first necessary to consider in the on Cadmus, European Universi greater detail the origins of the idea and then to consider the attempts to put it into practice.

THE ORIGINS OF THE GREEN POOL.

THE ORIGINS OF THE GREEN POOL. Until the Monnet Plan had concerned itself with the "modernisation" of French agriculture. Its activities in that direction had been large by Access insignificant in fact. Modernisation seemed something irrelevant, for the future when the reality was penury. Agriculture was not high on the Plan's list of priorities. It was not one of the "basic which investment would be directed. Farmers followed sectors" to which were controlled only for grains and then mainly prices, 50 price down rather than to increase output. keep the In the uncontrolled animal farming sector output went up more steeply under the influence of high demand. It was the political response catastrophic grain harvest to the of 1947, the worst of the which changed everything. century, The political crisis was so serious that for once agriculture moved to the forefront of government policy-making. Pierre Pflimlin who became Minister of Agriculture and Food Supply on 24 November 1947 had one obvious and immediate task. to increase domestic food supply by all means Digitised version possible and for once the government was prepared to provide cash

for such a cause. In January 1948 Pflimlin was able to obtain a government credits to the agricultural threefold increase in sector. Planning the expenditure of these funds at first started in ill-equipped Ministry of Agriculture. When the Americans the insisted in July 1948 that the European countries prepare a mediumplan for economic recovery, however, planning for the term agricultural sector moved into the Planning Commissariat which was only better-equipped but had in any case to prepare for the not OEEC the figures for the medium-term plan on which the Americans were insisting.

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The event that marked this change was the listing of agriculture as one of the six "basic sectors" of the economy into which the Plan's Investment Committee would channel furds, now including Marshall Aid funds. According to Pflimlin Monnet accepted this change once the great regional infrastructural inequalities in French agriculture were demonstrated to him, particularly the relative backwardness of his own Charentes, and he was then able to envisage a higher level of expenditure directly on farms themselves aspect of France's "modernisation" (2). This is a wholly as an plausible story, but there were other influences, probably even compelling, led not only to this decision but also to more which the radical changes in the way the Plan envisaged the post-war economy, of which this decision was but a part.

The most important was probably the acute dellar shortage. Until summer 1947 France, like all other west European countries had been able to assume that it was moving rapidly along the right path to a balance of payments equilibrium and that the dellar deficits were merely the obvicus consequence of the rapid economic

Research Repository expansion of 1946. These illusions had been shattered by the imports in 1947 and by spring 1948 increase in dollar enormous Aid had established a state of affairs where these dollar Marshall would not need to be eliminated or paid off through a deficits payments equilibrium until 1952. One element in the balance of was dollar food imports; North America was the only food deficits area in the world. France was in the clear position that surplus any food grown in France or in the overseas territories, no matter its real cost compared to American food, was a saving in what The planners thus had an obvious motive, as did all other dollars. Cadmus. governments, for increasing the output e European west domestically-produced food. The revision of the Plan in 1948 was concerned with using the agricultural sector to overcome France Access balance-of-payments difficulties. The target now set was to feed Open France and the Saarland at a level of food consumption 15 per cen? higher than before the war and yet at the same time to eliminate as possible dollar imports. It was envisaged that in future far as largely confined to fats and tropical food imports would be produce. For the first time since the 1860s France would cease the food importing country. Not only that, but the be balance a agricultural sector would now have to generate a sufficient volume agricultural exports to cover France's balance-of-payments of net on commodity trade by the end of the Marshall Plan. This deficits was a variable target of course, but by the end of December 1948 it > taken to mean that agricultural exports in 1952 should reach a was \$560 million! (3) When the first official version of the level of Digitised version Monnet Plan was published in 1946 it had been accepted that improved productivity might mean higher output, but if that

resulted in occasional commodity surpluses the problem of disposal was simple, "they would serve to combat malnutrition in North Africa" (4).

If we ask why, instead of being content with a target which sought to eliminate dollar food imports the Monnet Plan reversed all its original assumptions and planned for a future in which France would be a net food exporter, we cannot, however, accept that the change was concerned solely with France's balance of payments position. It is also apparent that Monnet was accepting a set of political realities which he had chosen to ignore in 1945.

Earlier versions of the Plan seem to have relied on the idea that a rapid improvement in the agricultural sector would be induced simply by pouring out a stream of tractors (French a rapid redistribution of the pattern tractors) anu by of landholding. By 1948 this looked politically naive. The first post-Agriculture, Tanguy-Prigent, Minister of himself a war "moderniser", had created the Confédération Cénérale d'Agriculture (CGA) to replace the former Vichy Corporation Paysanne as an government policy to help in this modernisation instrument cf process (5). The CGA was supposed to serve as the highest, federal, policy-making structure of a series of democratically-elected, agricultural syndicats for producers, cooperatives, technicians and on. Of these the producers' synaicat, the Pédération Nationale SO des Syndicats d'Exploitants Agricoles (FNSEA), would obviously be most important, and here the troubles for government policy the began, for the peasant vote and peasant support which had once gone the Vichy regime did not support Tanguy-Prigent or the CGA. The minister was suspected of being in league with the planners to

Soviet-style reform from above on French impose some sort of the voting for the <u>syndicats</u> took place the agriculture. When representatives returned to the FNSEA were men whose spiritual allegiance remained firmly with the Corporation Paysanne and "La France éternelle" and who displayed a deep suspicion of any process improving productivity by reducing the agricultural labour of of farms, or subjecting the sector to any force, realigning intervention in its workings outside the area of \Box_{0}^{\Box} governmental prices and stocks.

Pflimlin was able to bridge the political gap, most obvious because of the great increase in public money poured into agriculture; 4.5 per cent of total public investment in 1947, 750 per cent in 1949 (6). It was also under Pflimlin that French agriculture moved progressively towards the system, widespread elsewhere in Europe, of public, guaranteed prices for a range of "key" crops which guaranteed farmers' incomes against the risks of over-production, at least in the arable sector. Pflimlin had to a react to the political power of the agricultural vote and secure it centre through a complicated compromise between for the agricultural modernisation and public subsidies for farmers, while increasing output. Because livestock and dairy product prices had a been left free, high demand, in a situation of very restricted supply, brought higher profits to farmers in that sector than any other. When animal farming prices collapsed in 1951 as a result of the improvement in supply, the general election of June 1951 returned about 60 deputies with official backing from the new syndicats. Of these 27 were actually officials of the PNSEA. The Digitised versi MRP, to which party Pflimlin belonged, counted only eight of these

ranks (7). Pflimlin's tenure at the Ministry of deputies in its Agriculture came to an end and from July 1951 onwards the minister from the loose parliamentary alliance of the FNSEA always came the other peasant-bloc members of the Assembly, the deputies and Parlamentaire Agricole. After Pflimlin's successor, Paul Amicale in protest over the increases in public resigned Antier, had expenditure occasioned by the rearmament programme, the next minister was Camille Laurens, described by the General Secretary of the CGA tc the Dutch agricultural attaché in Paris as "a cattlemerchant, but not stupid" (8). Laurens had actually been an elected official of the Corporation Paysanne.

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it was these inescapable political realities that Monnet That was accepting when the Plan was revised appears most clearly from revised Plan's ambiguity on the subject of the size of the the labour force. The Commissariat now argued that agricultural the long run improved productivity for although in French agriculture was the real goal, as it was for every other sector of and that eventually labour must be released, in the the economy, short run the present labour force must be retained to achieve the higher output figures. It would be preserved in its present size 1952. Even when the second national plan was until the end of drafted in 1952 it was based on the publicly-stated assumption that employment in the agricultural sector would decline only slowly. In reality, however, the loss of labour to other sectors was high from 1945 cnwards, not surprisingly in a period of absolute full 110,000 workers left employment. About the agricultural sector annually over the period 1945/9 and about 130,000 annually over the period 1950/4 (9). Both first and second Plans aimed at retaining more labour on the land than was actually retained. The reason must had in fact become more important than be that exports productivity. This was not only because of their importance to the balance of payments position but because export increases, given the political balance of power, were easier to obtain than productivity increases, while being at the same time a target which could be presented as an immediate economic advantage. In the second national plan it was proclaimed that a further increase in exports was the only way of sustaining a further increase in productivity. This idea had already been present by 1949 and was formulated by Libert Bou, mainly responsible for drafting the agricultural sections of the Plan. He held that exports were essential, "because it is a fact attested by history that there can en Access only be true progress in agriculture in countries crientated towards the export market." (10). "No other western European country", he wrote, "has the same possibilities as France to effect the technical revolution which would allow it to satisfy Europe 's food needs. She has effectively only so far realized in the elite farming sector the fundamental transformation which in the last fifty or a hundred years has allowed certain countries to take the lead in agricultural development." (11) The argument that exporting would force French agriculture to higher levels of productivity influence of international competition was completely through the uncompetitive nature of western Europe's intraboqus given the trade in agricultural products and reveals once more the cosmetic covering up of the fact that centrist governments could not live on pr without support from the agricultural sector and that the only Digitised versi sensible thing to do politically was to accept this and then try to

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improve productivity in this less promising framework. Agricultural exports thus came to have an inherent role in the French political process independent of their economic value in covering balance of payments deficits.

But what should be exported? Any attempt to answer this from the historical evidence shows that exports were not question selected because of their export potential but because certain were being produced at home in excess of present and commodities future consumption. The lists of commodities envisaged as future exports and the quantities which it was thought could be absorbed by foreign markets vary from one estimate to another to suit the changing circumstances of the French economy. Only wheat appears as a consistent factor and even there the quantity estimates of future exports had little in common with the production increases actually achieved. Table 1 shows the changes in the public planning targets agricultural output as they evolved over the period from the for hesitant beginnings of the first national plan to the revision of second national plan in 1954, the date when it was finally the accepted. Apart from wine plans were for a constantly rising output trend. In three areas of output in particular, wheat, sugar and dairy products, the revision of agricultural targets went well beyond self-sufficiency. The import needs of other west European countries for these products, as presented in the OEEC medium-term plan, were large enough, it was considered, to "guarantee French against the risk of bad prices" and to "liberate them from farmers all fear of over-production" (12).

But what the public planning calculations did not so clearly reveal is the emerging meat surplus, generated by leaving meat

Research Repositor prices free. Pierre Maestracci, Pflimlin's chef de cabinet, insisted that the planners also incorporate into the OEEC figures a plan for exporting meat (13). In 1948 when the problem was first approached statistically the plan was to export 1.5 m tonnes of wheat by 1952, not, it was suggested, a difficult target if account were taken "of the needs of the countries of central Europe, needs actually unsatisfied because of the growth of the population of these countries, the increase in their standard of living and, equally, of the difficulties which these populations have of acquiring in the dollar zone the foodstuffs which they need." (14) Applying the same criterion, the forecast import need of other west European countries, to meat exports, led to the assumption that exports of 200,000 tonnes of meat in one form or another were possible (15). The third possibility was dairy products. This was more difficult, especially if butter was chosen, because it led to direct competition on the British market with Danish and extra European exporters, who had a firm and well-established grip on the market. What was left from their share of the British market was fought for by the Netherlands, Ireland and Switzerland. The German market was dominated by Dutch and Swiss imports, with Denmark rest. To avoid this competition, it was argued, France taking the should aim for cheese and powdered milk exports. In soft cheeses the competition was less strong, and although the United States dominated the European powdered milk market this might, as in the Digitised version produced by case of wheat, be France's opportunity to replace dollar imports in other western European countries. "It suffices to say that markets exist and that the rest will be a function of the aptitude of the French in presenting good quality products at normal prices on the

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market and what will not be realizable in 1952 certainly will become so later" (16). Wheat exports would therefore go mainly to Germany, meat exports to Germany and the United Kingdom, cheese could go to several different markets and powdered milk to Germany. The long-run importances of the German market to these plans was inescapable. By contrast, Italy, with which country negotiations were still in progress to form a customs union, appeared as being of no use whatsoever.

Monnet's first idea was that these exports would be achieved through long-term bilateral export contracts. The French government would sign contracts guaranteeing delivery. The representative interest groups for agriculture in France and in the importing country would sign corresponding contracts stipulating prices, arranging for the administration of stockpiling programmes to prevent too great a range of price fluctuations, and guaranteeing, through their influence on their own members, that there would be protectionist barriers erected to this trade. Within no further syndicats would thus bind themselves to the government France the produce and export the necessary quantities (17). In this way to Monnet could have achieved several objectives. Firstly he could have turned the new post-war representative structure for French agriculture into an instrument of the Plan, its executive in fact. Secondly, he could have used these groups to link with their European counterparts, thus capitalising on their post-war political strength while extending the mechanisms of indicative planning onto the European level (18). Thirdly, he could then hope to create at that level a European-wide interest-group structure. This would resemble the representative committee structure for the Digitised version produced by the EUI Library in 2020. Available Open Access on Cadmus, European University Institute Research Repository

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coal and steel industries and would underpin a future European Agricultural Community once the Schumar. Plan negotiations had actually set up the High Authority, which he began to envisage also as directing an Agricultural Community (19).

support these ideas the Planning Commissariat drew up a detailed plan of exactly what these contracts might cover to the end of 1952 (20). Once the commodities had been specified and the inter-governmental trade contracts passed down to the representative interest groups for executive action, it would then the task of the Planning Commissariat to provide the investment be necessary to enable France to compete in standard-quality exports cheese, meat-products, powdered milk and, if necessary, every of butter. Wheat, of course, was less of a problem in this respect? The markets that counted in these plans were the United Kingdom and Cermany, not surprisingly since they were responsible for about two-thirds of Europe's food imports between them, with some help from a market vaguely classified by Monnet as "Benelux". Monnet's first idea for a wheat market, and Pflimlin's tcc, was not in fact Germany but the United Kingdom, almost certainly because of the importance of the United Kingdom alliance to French plans for European reconstruction and also, no doubt, because the United Kingdom had a government. He envisaged sales contracts which would commit the United Kingdom to the purchase of 800,000 tonnes of French wheat by 1952, 1.4 million hectclitres of condensed milk, 30,000 tonnes of frozen beef, 25,000 tonnes of charcuterie, 13,000 tonnes of butter, 9,000 tonnes of cheese and 5,000 tonnes of beef veal carcasses. All this represented more than a half of the or total surpluses envisaged. It represented, also, the somewhat

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tenuous hold on foreign realities of Monnet; the British had no intention of committing themselves to long-term purchasing contracts for expensive French food exports when their economic policy was geared to the consumption of low-cost food imports either from the Sterling Area or, if needs be, the dollar zone. They were prepared to contract only for the very first step in all this, the 100,000 tonnes of wheat which were envisaged as starting France's career as a wheat exporter in 1949. They did not, in any case, believe that France would actually produce a wheat surglus (21).

That left Germany and "Benelux". By 1952 the Federal Republic, once it had been created, was envisaged as importing from France 300,000 tonnes of wheat, 15,000 tonnes of live pigs, 10,000 tonnes of live cattle, 5,000 tonnes of beef carcasses, 4,000 tonnes of butter, 3,000 tonnes of cheese and half a million hectolitres of condensed milk. Exports of dairy products to "Benelux" would be similar in size and to those would be added 50,000 tonnes of wheat and 25,000 tonnes of meat in various forms. Digitised version produced by the EUI Library in 2020. Available Open Access on Cadmus, European University Institute Research Repository

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When the International Wheat Agreement was signed in March 1949 France demanded to be included as one of the five exporters for whom 37 importers would provide quotas. The preamble to the early drafts of the second national plan in 1952 proclaimed the export of three "staples", wheat, dairy products and sugar as the basis of future policy. The plan forecast annual export surpluses by 1958 of two million tonnes of wheat, 20 million hectolitres of milk and milk products in milk equivalent, 250,000 tonnes of sugar and 200,000 tonnes of meat (22). The CGA put these plans in perspective, particularly in the light of the threatened customs

University Institute Research Repository union with Italy, telling the minister that there was now "only one solution: the opening up to France of another regulated market which imported foodstuffs, namely Germany" (23).

There were only three net agricultural exporters in western Europe; the Irish Republic, whose exports went almost entirely to the United Kingdom and which showed at that time no interest at all these issues, Denmark, and the Netherlands. Denmark and the in Netherlands suffered badly from the trade liberalization programme in OEEC in 1949/50, removing quotas on industrial imports while the other OEEC members retained their quotas against Danish and Dutch agricultural exports. Danish and Dutch interests were not, however, identical. The mix of Dutch agricultural exports was much wider than that of Danish. Eggs and fruit each amounted to about a tents of total agricultural exports and potatoes to even more. Butter and dairy products made up a greater proportion. Denmark, however whose agricultural exports amounted to almost three-quarters the value of exports, depended on three staple exports, butters total meat Furthermore, Denmark's food processing industries and eggs. depended ultimately on fodder imports on a large scale, amounting one-third of total imports. Danish agricultural activity about to thus on a much higher level of specialisation. The Netherlands was far possible bargaining positions open. Where Dutch and had more Danish agricultural exports were directly competitive, as in the case of butter and eggs, in the completely free market to which the OEEC trade liberalization programmes were hypothetically directed have had decisive competitive advantages. Denmark would Both countries had been prisoners in the 1930s of the monopsonistic purchasing practices of the United Kingdom and Germany and both

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wished to escape from that situation in the post-war world. For both, as for France, the German market appeared to be of decisive future importance. But whereas Denmark's national interest might best be served by getting as near as possible to a totally free market the Netherlands could hope to maximise its own national interest by constructing a more restrictive set of trading agreements, reducing protection against the products which the Netherlands specifically wished to export, while protecting Dutch agriculture in other sectors against its competitors, including Denmark.

Netherlands the problem of agricultural exports had For the primarily, however, to be seen in the wider context of all exports. More than forty per cent of butch national income cake from foreign trade in goods and services and this had been a historical reality for so long that the reduction of barriers to the free flow of goods and services in western Europe was inescapably a cardinal point in Dutch foreign policy. Dutch tariffs were low, so the removal of guotas through the trade liberalization programmes had immediate impact on reducing the level of protection in the an post-war Netherlands. Similar processes in high-tariff countries did not help Dutch exports because tariffs were exempt from the OEEC trade liberalization programmes. Agricultural trade remained virtually unaffected by these programmes because of the high level of agricultural protectionism everywhere. It was this dangerous situation which produced in the 1950s a series of Dutch foreign policy initiatives aimed at reducing barriers to the movement of goods and services in intra-west-European trade. The Stikker "Plan of Action" in the OEEC for "sectoral integration", Beyen's various Digitised version produced by the EUI Library in 2020. Available Open Access on Cadmus, European University Institute Research Repository

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plans for joint tariff reductions, mutual preference extension, and the "Beyen Plan" as it came to be called for a West European common market as part of the proposed European Political Community, were all attempts to solve the same problem. As the trade liberalization programmes had already shown, however, agricultural trade was an altogether different affair from trade in manufactures because of deep and intimate involvement of governments in managing the the agricultural sector. Effectively, each national agricultural sector was managed like a huge state corporation and would never be subject to the economic rules and practices which governed private trade, no matter how far western Europe returned in other sectors to private trade in a multilateral framework. Any attempt by the Netherlands to pursue its policy of reducing barriers on the European frontiers immediately confronted this particular problem of the agricultural sector, not least because agriculture was so important to the Netherlands itself and because it was managed there in the same way as elsewhere.

The Stikker Plan, the "Plan of Action" as it was called in the OEEC where it was presented in June 1950, was not in its origins concerned with agriculture. It proposed that a process of "sectoral integration" be attempted in the west European economies by means of separate negotiations at the OEEC level on each commodity for it was proposed to "integrate" the market in the trade which liberalization programmes. Stikker was a liberal and the whole intention of his proposals, which were excessively vague, was to reduce tariffs and quotas at the same time, thereby going well beyond the limited objectives of the OEEC trade liberalization programme. All that his "Plan of Action" had to say about

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agriculture was that it required "a special treatment" (24). This was enough, however, to generate a burst of activity inside the Ministry of Agriculture which resulted in a comprehensive plan for the control of western European agriculture drawn up by the minister, Sicce Mansholt, and his top officials. In its essentials this plan resembled in many ways the eventual Common Agricultural Policy of the European Community, of which Mansholt became of course himself eventually a founding father. His chief aide in the ministry in drawing up these proposals, S.L. Louwes, was actually the brother of the head of the central interest-group organisation for Dutch agriculture, the Stichting voor de Landbouw.

Mansholt's plan was presented to the Dutch cabinet in August 1950. Its basic idea was that western Europe should develop a common agricultural import and export policy and that in the western European agricultural markets there should be commen producer prices to which all countries should move over a specified transitional period. A common Integration Fund would subsidise unable to obtain these prices. These complicated price sectors regulations together with the control of a common external tariff and foreign trade policy for west European agriculture would be a "European Board for Agriculture and Food". It administered by would take control of grain, meat, and dairy products as a minimum and might then add to its empire wine, eggs, fats and cils, and even tobacco. In a later version before the plan went to cabinet it was envisaged that there would be a central control of western European fodder imports. All this, of course, was close to Mornet's original conceptions of the High Authority of the ECSC and Available Open Access on Cadmus, European University Institute Research Repository

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fundamentally different to what Stikker, and indeed the more leftwing members of the Dutch government, wanted to see. Even Spierenburg, who had committed himself to the ECSC, advised ministers against the Mansholt proposals. His argument, which has subsequently been proved correct, was that Dutch domestic prices would be forced upwards while the central authority would find itself trying to dispose of unwanted surpluses at prices lower than domestic markets, while also becoming increasingly those on interventionist and imposing production guotas (25).

On these grounds the government rejected the proposals in August for further consideration in September. When they were presented once more, however, Mansholt had not been deflected. The now envisaged the possibility of countries maintaining proposals domestic prices below the official producer prices, but not of using these lower prices in foreign trade. This concession was only to be temporary. Like the French planners Mansholt intended the argument that "planning" of this kind would speed resorted to rate of productivity improvement so that prices were bound up the the long run. The government was not convinced and fall to in Stikker, whose "Plan of Acticn" had already lost all impetus, demanded that its preamble now contain the phrase that "real integration in agriculture was not possible""! (26) Faced with this opposition Mansholt decided that the transitional arrangements to common European prices would last SO long as to be almost permanent, but that there was still the possibility for the introduction almost at once of a common market in wheat and sugar. was acceptable, and the Mansholt proposals in this much This weakened form therefore took the diplomatic stage (27).

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Mansholt placed a great deal of faith in the supranational in his proposals since he saw this as the only way of element the rules of unanimity and veto which he considered had overcoming all progress towards a solution in the OEEC. He never blocked to have envisaged that the United Kingdom would he appears Here, toc, he was leaning towards Monnet's side, for included. after the rejection by the United Kingdom of Monnet's idea of longterm Franco-British trade contracts Monnet was always prepared, at times eager, for an Agricultural Community which omitted the United Kingdom. Stikker was strongly opposed to any such action, with the consequence that the Mansholt proposals were only accepted as quidelines for the conduct of negotiations within the OEEC in the context of Stikker's "Plan". Nevertheless, in their various phases disguises they were to haunt all Furopean agricultural and eventual development of the discussions until the Common Agricultural Policy.

THE SEARCH FOR AN INTERNATIONAL ACELEMENT

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The French centre parties, including the MPP of which Pflimlin a member, contained a certain number of advocates of a Francowas German association in some kind of European framework as a solution France's national security problem. Once Germany was identified to only possible, cutlet for the planned best, perhaps the as the agricultural surpluses the party began to toy with including their proposals for a "European solution". At the agriculture in first session of the Consultative Assembly in Strasbourg in August 1949 the MRP group requested a study of ways of facilitating intrawest-European agricultural trade. In September Pflimlin personally protested strongly against the way in which the French government, following the example of others, had emitted most German industrial goods from the lists drawn up for negotiations in OEEC on trade liberalization. Without some change of policy, he argued, there was no hope of persuading Germany to remove quotas on French agricultural exports.

The first Franco-German bilateral trade agreement did make 2 provision for French wheat exports to Germany, but this was only and wheat was only part of the problem. So far was for one year French output from reaching the targets set, even for output for domestic consumption, that it might have been thought there was little pressure to look for any more complex framework than the renewal and widening of this bilateral agreement. But by the end of May 1950 the situation had changed in a fundamental way; the agreement on a European Payments union had rung the death-knell of bilateral trade between western European countries and Schuman had his proposals for the Coal, Iron and Steel Community. In any made case it is clear that Pflimlin and Monnet were always interested in E a more far-reaching political solution to the problem of Franco-German relations. Pflimlin wrote to Monnet at the end of May 1950 congratulating him on the early success of the Schuman proposals and adding, "Perhaps you remember certain conversations where we > discovered the coincidence of our views, on this problem as on som many others". (28) This was the prelude to an attempt to persuade Monnet to link the concept of an Agricultural Community to the Coal and Steel Community. On 6 June, Gabriel Valay, who served as $\frac{00}{2}$

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Pflimlin's deputy, specifically asked Monnet to do so and to raise the issue at an opportune moment in the Schuman Plan negotiations. French agricultural exports to Germany "can only find an effective solution in the progressive realisation of an economic union which releases the reciprocal commerce of the two countries from the vicissitudes of industrial or agricultural protectionism - from bilateralism and from financial disequilibrium" (29).

Monnet, and here the documentary record confirms his memoirs, did everything he could to forestall any such official discussions until the Coal and Steel Community negotiations were safely concluded and also to make sure that the Agricultural Community which Pflimlin had in mind would be restricted to "the Six", would be governed by a High Authority which could be assimilated to that for the Coal and Steel Community and which would have the same interventionist powers, and would share with the Coal and Steel Community the Court of Justice and the Assembly (30). He succeeded in postponing Pflimlin's intention to submit proposals for an Agricultural Community to the French Council of Ministers until September (31). At that meeting ministers went no further than setting up four working groups to study the four commodities which would be most in question. These were the three "staples", together, now, with wine. Digitised version produced by the EUI Library in 2020. Available Open Access on Cadmus, European University Institute Research Repository

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French interest in wine exports was of a fundamentally different nature from that in the "staples". This was the one commodity whose output was planned to fall. Side by side with this reduction the Ministry of Agriculture wanted to negotiate some guarantee for high-value exports, because the intention was to reduce domestic consumption of low-value table wine while

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22 encouraging exports of the traditional high-value luxury products. Reseal A European Agricultural Community, however, would link France to a wine producer on the same large scale, Italy, whose quality controls were primitive compared to those which governed French high-value wines, whose prices were lower, and whose main output cheap table wines. How could French low-value producers be was protected against Italian imports while their total output was also being shrunk by government policy, and how could French high-value exporters be protected against competition from Italian exporters not subjected to the same quality controls? Here, a solution might Cadmus. be found in a European context, perhaps by forcing Italy to align with common Franco-German guality controls.

Interestingly, neat had now disappeared again from official consideration in spite of the attention given to it in the Plan im 1948. It had been replaced by sugar. It could be argued that one reason for this was that sugar was an export requiring less investment than meat. But it is much more probable that the commitment staple export came from other to sugar as a circumstances. French sugar producers in the 1930s had received direct government support which had not subsequently been form of withdrawn. Sugar surplus to requirements was up to a certain quantity purchased by the government and converted into alcohol, which was then sold to industrial firms at a loss to the central government. To this the Planning Commissariat was always strongly opposed. No target was set for sugar output in the 1946 versions of the Monnet Plan while the planners embarked on a long argument with Digitised version pr central government over the fiscal implications of their policy. The issue was eventually to become a serious political quarrel in

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the National Assembly. Only after Pflimlin had become Minister of Agriculture was a sugar output target set. It represented an increase of two-thirds on the pre-war level of output and it seems probable that the reward to beet producers for removing their direct facility for offloading their surpluses onto the government was the official commitment to find a European export market for their even bigger surpluses.

"working groups" had concluded by January 1951 and on 12 The before the first High Authority was February, well safely negotiated, Pflimlin sought permission once more to translate his plans into diplomatic action by an official invitation to the other powers to a European conference. By this time, however, the idea of a European Agricultural Community, which Monnet had excluded from the Schuman Plan negotiations and which had never emerged from the Council of Ministers as an official diplomatic initiative, had entered the level of international diplomatic regotiation. already Pflimlin seems at first to have been unaware of the Dutch discussions. Monnet had wanted the idea to be sprung on the world prior negotiation, other than the discussions within the without Consultative Assembly, as a second step in the making of "Europe". He envisaged an initial proposal from the French government based "document de travail", akin to that presented in the Schuman on а Plan negotiations, which could serve as the basis of a treaty. In accepting the "document de travail" all the other powers would bind themselves to the eventual acceptance of the surrender of some further degree of their national sovereignty, this time over their agricultural policies, to a High Authority (32). But by postponing this until the first European Community had been safely negotiated

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Monnet achieved only the opposite result. By February 1951 when Pflimlin was still seeking permission from the French government to launch an initiative similar to this, semi-official discussions the Germans and the Dutch had already taken place and with both had been discovered in these negotiations had already gone a what long way to make Monnet's conceptions appear hopelessly simplified.

the political impulse in the Netherlands it would have Given been absurd for Pflimlin to have done nothing and in any case the still insisting that 1952 was the year by which were planners The crux cf the matter was the German France needed markets. market. Because no official approach could be made to the German's was made at the interest group level through the CGR an approach German counterpart organisation, the Deutscher directly to its International Conference of Agricultura Bauernverband. At the which had been created in 1948 as a central forum for Producers, various quasi-official interest-group organisations which had the been recreated after the war on a national basis, the themselves the Bauernverband agreed to form a "permanent committee CCA and which would meet a month later, on 3/4 July in Paris, to sign "a permanent cooperation". Beneath this stirring phrase, charter of however. the reality was verv different. The Bauernverband's internal ccherence depended on its support for high levels of protection for German agriculture. It was perfectly ready to reach agreement on longer-term purchasing contracts for French wheat surpluses. That after all was a way of keeping up grain prices in Germany when the Ministry of the Economy wanted to buy wheat in the cheapest markets and bring the price down. But the only other thing Digitised versi that could be agreed was that the two organisations would

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officially request their governments to call a "European wine conference" to standardise legislation on quality controls (33). Philippe Lamour, the Secretary General of the CGA, described the leader of the Bauernverband, Andreas Hernes, as being "cool" to the French ideas and more interested in signing agreements with Italy, whose agricultural exports were not so competitive with those of German farmers (34).

This did nothing to reconcile Italy to the affair. The between the CCA and its Italian namesake, discussions the Confederazione Cenerale dell'Agricoltura, had taken up no small part of the time of the technical committees which had been discussing the implementation of the Franco-Italian customs union. French agriculture had been strongly opposed to that union and was now busy discussing privileged entry for its own products into Italy's main market. Monnet's criginal revisions of the Plan in 1948 envisaged Italy as a market able to take at the most 150,000 tonnes of French wheat in 1952. By the close of the harvest year 1952/3 Italy, however, was committed under the International Wheat Agreement to take imports up to 1.1 million tornes from Agreement countries. The ltaliar. government certainly envisaged the possibility of a larger quantity of wheat imports from France. As Italy maintained a 55% ad valorem tariff on wheat imports, in any customs union with France the degree of preference which French exporters would have the Italian market would therefore be on greater. Italy had been rejected primarily for two reasons. It offered little scope for exports other than wheat. But, more French farmers were not prepared to tolerate in their decisively, turn the imports from Italy, of wine, fresh fruit and vegetables,

Repository customs union would have entailed. The Ouai d'Orsav which a that the Italians be present at the Franco-German insisted negotiations in Paris in July as a return for Italian support in the Schuman Plan negotiations, but the French CCA simply refused to pass on the invitation (35).

had already become obvious by July that the organized It. representatives of agriculture did not necessarily share identical the nature of an Agricultural Community with their views on governments and the situation was the more complicated in France where the CGA was closer to government policy than the FNSEA where the real political power of voters was concentrated. We may imagine what the outcome of the Schuman Plan negotiations would have been French government used the French steel manufacturers had the association in this way to conduct the preliminary stage of its negotiations, and also, nc doubt, what the German response would have been at the same level. The Bauernverband had offered no hope a long-term market in Germany for French sugar, dairy products of or wine and any last vestiges of goodwill on the Italian side had been destroyed (36). Meanwhile at government level the Germans insist that the whole affair was private and had no official could Although this argument could also be used any kinā. status of German government to stifle the cries of protest from inside the the discovery of these negotiations Minister Erhard, by the the Economy only stiffened its resolution to oppose > Ministry for any such Franco-German agreement as being a prop to protectionist interests inside the Federal Republic (37).

The success of any common European policy to support the cions of the Planning Commissariat and the Ministry of possible Distribution of the Planning Commissariat and the Ministry of possible Distribution of possible possi possi possible possi possible possible possible pos ambitions of the Planning Commissariat and the Ministry of

seemed to depend on coming Agriculture now to terms with the by Dutch agriculture. Manshelt had already position taken Dutch cabinet in August with the news that the threatened the French were coming forward with a plan, too (38). From September onwards the Dutch agricultural attaché in Paris was kept reasonably well informed of the internal struggles in the French government while Pflimlin and his ministerial colleagues tried to bring the Dutch in on their side. Success in this direction might still force the Germans to a more cooperative attitude. On 6 November 1950 officials of the French and Dutch ministries of agriculture met in and discussed the feasibility of a central supranational Paris regime for imports and the possibility of establishing a central investment fund, financed from the income which the "European Board" would receive from the common external tariff, to help in more backward agricultural regions. Here, investment the differences became obvious between the ambiticus schemes of Manshclt and Pflimlin's altogether more pragmatic approach. the transitional Mansholt wanted measures to be brought straightaway under the control and approval of the supranational French were more inclined to leave the matter to authority; the national governments and only to diminish national authority over agriculture once "competitive conditions" had been established. The concept of the central investment fund had not yet even been the French Council of Ministers (39). Pflimlin, in discussed in whose own constituency a large number of dairy farmers were represented, was apprehensive about the control of milk prices by a "European Board". The Planning Commissariat felt that the milk market should remain free, unless Denmark were included in which

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28 case there would have to be a "High Authority" to regulate the competing Danish and Dutch surpluses. If sugar were included a "High Authority" was inevitable to control imports and regulate the surpluses, because many western European countries were not export only sugar producers on a large scale but had commitments also to take extra-European imports. Butter surpluses, likewise, were unmanageable without a "High Authority", because both France and the Netherlands were going to be butter exporters to Germany (40).

These Franco-Dutch discussions were followed closely in Italy, often through the good offices of the Deutscher Bauernverband which feared perhaps a European attack. Before Pflimlin had drawn up his draft invitation to the European conference the Italian Ministry of already firmly decided against any attempt at a Agriculture had market. Italian prices on average were lower than European common elsewhere in western Europe, so all fixed "European" prices would discriminate against Italian exports. Even if Italy, for political and diplomatic reasons, were forced into negotiations aa on Agricultural Community these would have to cover a whole range of products which the Dutch and the French were not even talking about. Officials enjoyed themselves listing these; fruit, rice, essences, tobacco, fresh vegetables, the list grew ever perfume larger. Stepping out of the customs union was not going to help the French avoid the issue cf Italian expcrts. From other ministries came the demand, as usual, that a common market would have to labour migration as well (although it was quite provide for free clear that the other members were trying to get rid of surplus labour!). It was certainly out of the question that agricultural such a common market could be confined to "the Six" alone. Grazzi

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summed up the position by saying that Italy, because it might be harmed by staying cut, would have to participate in any discussions with "a prudent scepticism" and that the French and Dutch plans would be "only realisable with difficulty" (41).

The difficulty which Grazzi foresaw was already becoming plain in France itself. Guy Mcllet, the Minister for Affairs of the of Furope, warted Monnet left cut of the proposed Council conference on the grounds that too much talk of a "Eigh Authority" would frighten away the participants (42). The FNSEA, while supporting the idea of European prices, high ones, isclated from world prices by a tariff guaranteeing protection against extra-European imports, did not support such a schene if it were restricted to "the Six" (although the United Kingdom did not necessarily have to be a member). Even the support they did give was wrapped in much language about retaining the family farm as the pillar of French society, which contrasted rather oddly with the productivist language of Pflimlin's own policy statements (43). Pflimlin himself saw the problem both in an immediate economic and long-term political perspective. If it were possible eventually a progress by means of agreement on agricultural trade to a to stage of European integration, he would clearly have been further glad to keep that prospect open, but not at the expense of the immediate economic solution he was locking for. Everything depended which countries would join the agreement and what the powers of on "High Authority" might be. In these circumstances he accepted the the political reality that the invitation to the conference should issued in the first place to all OEEC members and not confined be "the Six". Further decisions could then wait on their replies to

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Research Repositor and on what happened at the conference when it was called. However, the invitation itself was in some ways a rejection both of Monnet's Mansholt's ideas. The ministers of agriculture should meet, and Pflimlin proposed in the invitation, which was eventually issued in March, to organize a "European Agricultural Committee". This in turn would prepare the way for a common market in agriculture for the products in which it was necessary. These would be, at a sugar, dairy products and wine. The common market minimum, wheat, would have similar institutions to the ECSC. The Court of Justice be shared. The market would not, however, necessarily be would restricted to the members of the ECSC (44). Yet this still left open the possibility that a large number of rejections would be received or that the conference would meet and that the number of then proceeding to form a common market would be countries to the Six, plus perhaps Denmark. At least this would equivalent have a reasonable interpretation in Paris and in that sense been in which Pflimlin's invitation were eventually couched the terms The Au were a satisfactory political compromise.

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From the date on which Pflimlin's invitations were issued to eventual official demise of the idea of a separate European the "committee", "bcard", cr "High Authority" with special powers over west European agriculture there were almost four years of detailed diplomatic negotiations. The eventual official demise of the concept of a separate organisation for agriculture was marked by the agreement reached in January 1955 to confine discussions on intra-west-European agricultural trade once more within the OEEC. These negotiations are in many ways as crucial to an understanding of the problems of intra-west-European agricultural trade as the sudden rise to prominence of the idea of an Agricultural Community. But to recount them and to elaborate their significance would take up several other papers. A summary of the events, however, is needed to cast further light on the collapse of the concept of an Agricultural Community.

It was already clear from the attitude of the Deutscher Bauernverband and of the Italian government that the chances of the successful formation of an Agricultural Community were small even should the French and the Dutch agree on a common programme of action. It is some measure of the seriousness of the problems involved in establishing a framework of foreign trade for western Europe's highly-protected agriculture that it took so long to officially bury an idea which seemed to have so little life in it when it was born. No country except the United Kingdom, no matter how hostile it was to the idea of a Community, was prepared to hand matters back again to the OEEC which had proved so ineffective. Most hoped that something less than a Community could be created, a series of interlinked agreements covering certain commodities which would permit guaranteed markets to producers whose output was growing under the stimulus of government policy everywhere. From the moment when Pflimlin's invitations were issued there was in effect e separate organisation from the OEEC in existence. To this the name "Green Pcol" was usually given, perhaps because it covered all possibilities between a Community and a standing trade

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Repository conference. We cannot be concerned here with the detailed and laborious studies of intra-west-European agricultural trade which the "Green Pool" undertook, nor with the separate attempts at trade agreements carried on under its aegis, but only with the broad political outlines of the Agricultural Community's evolution and collapse.

The expected hostile responses to the invitation came at once from such countries as Switzerland and Sweden while the United insisted that there was no need for any organization other Kingdom than the OEEC. Italy had been given some more detailed knowledge of the French proposals provided to the onfederazione dell'Agricoltura by the CCA in February 1951. Pflimlin, it was explained, would be content to emerge from the conference with a common market for wheat and for dairy products, excluding cheeses and with an international statute governing wine production and trade. together with some further measures "market of rationalization". The Italian view of these aims was that they were "detailed international dirigisme" based on "equivalent domestic a dirigisme". They would exclude Britain and thus would be damaging to Italy's interest. A "High Authority" would be "inopportune" (45). The Luxembourg government handed the proposals at once to the Centrale Paysanne, which embraced most Luxembourg producers, and got a very discouraging reply (46). In any case Luxembourg was not attend unless the conference gave prior > even prepared to recognition to the completely protected status of Luxembourg's agriculture within Benelux. The Germans were non-committal. The Danes, to the annoyance of London, made it clear that anything was 🕤 Digitised versi better than the existing situation in the OEEC. Lastly, the Dutch,

after some initial debate accepted that one outcome might be the separation of a group of countries prepared to accept the principle of a High Authority from the rest, providing the rest, of which the United Kingdom would be the crucial component, would still be in a position to negotiate some form of associative agreement with the new organization should it come into permanent existence (47). This was a political compromise not unlike that which had enabled the French to proceed.

There then followed a long and complicated series of struggles tute in the French government over the familiar territory disputed before the invitation was sent. The question of the exclusion of the United Kingdom inevitably was seen in the context of France's commitment, so bitterly opposed by many in political life, to a European Defence Community without British participation. In January 1952 Monnet took advantage of a cabinet crisis to demand the withdrawal of the invitations and a return to the idea of a conference involving "the Six" alone. The others should be informed of the state of the negotiations only when they had reached the 2stage of agreement. They could then consider "association" without being allowed in any way to change the terms of the existing agreement (48). The unenthusiastic nature of the replies to Pflimlin's invitations, the fact that Pflimlin himself had left the Ministry of Agriculture, the wait for ratification of the Coal and Steel Community Treaty, and the furious internal debate over the Community treaty, all contributed to this sense Defence of uncertainty. The space of time also allowed the French employers' association, the Conseil national du patronat français, to organize two conference of the representatives of the food processing

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industries and food distributive trades, the first confined to "the Six" and the second widehed to admit delegates from Denmark, Spain and Sweden, which denounced the idea that prices should be set by any High Authority, especially if the Authority "were confided to the arbitrary powers of a bureaucratic organisation". No High Authority should "modify by authoritarian methods the structure of the processing and distribution circuits". (49)

This wavering was bound to have its effect in the Hague where governmental divisions were no less. Spierenburg, the head of the the Dutch negotiating team in the Schuman Plan negotiations, tried to persuade the French to partially set aside the terms of Pflimlin's invitation and call an informal meeting of the foreign economic ministers and ministers of agriculture of "the ministers, Six" at The Hague to try to link the proposals to all the other "Community" proposals then under discussion. The French accepted but only on condition that a sericus effort would be made to get British and Danish participation as "associates" in the actual conference. This led to a further breakdown on what the precise difference would be in such an "informal" conference between "the Six" on the one side and Britain and Denmark on the other. Pflimlin then decided to gamble everything on a meeting of "the Six" alone as Mansholt wished him to do, but this proposal was turned down by the French Council of Ministers mainly on the strong opposition of René Mayer (50). Even after Monnet's attempt in January 1952 to persuade the ministers to repeat the negotiating tactics of the Schuman Plan treaty had failed Mansholt was still able to visit Paris in February hoping to persuade the French to call a preliminary conference of "the Six" alone. In fact inside the Dutch

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this had now become the clear way forward, at least it government was decided that an effort must be made in this direction, that Six" must be made to take trade liberalization seriously and "the the proposed European Communities might be the way to make that them do sc. Even Stikker had become convinced that a solution "à la Schuman Plan" was now necessary for agriculture (51). All this was in the full awareness that the chances of producing such a solution were very small. The tactics, it was unanimously decided, with only Lieftinck showing marked dissent, should be to make Pflimlin stage conference, place the question of a supranational Kigh his Authority with wide powers high on the agenda, and when the conference collapsed call a second conference of "the Six" which could later come to some accommodation with the United Kingdom (52).

This was the policy position which Mansholt took with him to Paris in February 1952 and Pflimlin was forewarned that Mansholt would insist on maintaining the principle of a Nigh Authority and would, for that reason still ask for a preliminary meeting confined to "the Six" (53). Laurens flatly refused to call any such preliminary meeting and maintained that nothing could be done without the United Kingdom. So strong was Mansholt's insistence, however, that Pflimlin agreed to ask Schuman to speak to the foreign ministers of "the Six" at the NATO meeting in Lisbon and ascertain their opinion about a preliminary meeting on the eve of a larger conference (54).

As far as the other countries were concerned, though, it is clear that nothing had changed. The official position of the Deutscher Bauernverband was that in principle they were in favour 36 of a common market, but that in practice this was only likely to be realizable in wheat and sugar and even there only with great prudence. There could be no question of allowing French dairy exports to reduce dairy output in Germany. If there were a High Authority confined to wheat and sugar its powers would have to be closely circumscribed and exercised only in close coordination with agricultural interest-groups themselves. (55) The Ministry of the European Agriculture in the Federal Republic appointed a committee of six academic experts to study the question and their report came down in favour of beginning, as many in France wished to do, by single product agreements, wheat being the obvious starting-point, and only when there was a sufficient number of such agreement considering a supranational authority (56). All these compromises would have been wholly unacceptable to the Ministry of the Econom which regarded them as protectionist deviations from the first currency convertibility and a wider geographical priorities, framework for freer trade than "the Six" would provide (57). I Germany was unencouraging, although not opposed, there was no hope progress with Italy or Belgium. Italy would only participate in of conference if it included the largest possible number of OEEC the member states and would not participate at all unless the United Kingdom were present. The conference would have to discuss the largest possible number of commodities including those previously suggested by Italy and it would have to discuss the free migration produced of labour in western Europe. Unless the French government supported these positions Italian participation "would proceed more from Digitised version courtesy than from the firm intention of pursuing the study of this project" (58). As for Belgium the Minister for Agriculture, Héger,

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had already given his opinion to Yves Malecot, Laurens's directeur du cabinet, when the Frenchman had visited the Belgian agricultural exhibition in February. "It appears", he had said, "that Belgian hostile on principle to any freedom for foreign farmers are competition." Even before the conference "they were decided to oppose the institution of any supranational authority." (59) So the FNSEA. In a note to the minister in February they left no were room for ambiguity. "A 'European Agricultural Community' has been talked about. It is obvious that the variety of output and the diversity of positions does not allow so general an objective to be envisaged from the start; that would in any case raise problems going beyond agriculture. We are envisaging in reality only the organisation of 'common markets for products'. It will be the task of the conference to determine the choice of the products which can be considered." (60) Worse, when Héger spoke officially at the Brussels show in front of Malecot, he "ardently" wished "that the share the opinion of the French French government would professional agricultural associations"! (61)

There was nothing to do but proceed with the conference according to the original invitations to all OEEC member states. It met on 25 March 1952. Pflimlin came back from his new ministry to chair it. Schuman opened the proceedings, saying that the intended to move towards another stage in the conference was creation of a united Europe. Pflimlin took the same line. Laurens, however, was noticeably less enthusiastic than Pflimlin and Schuman a common market and a supranational authority (62). What about Pflimlin actually proposed was not in fact another High Authority European coordinating organisation" which would begin the but "a

task of harmonizing policies on production, marketing and for consumption. Mansholt made up for this with the fervour with which he pleaded the case for European integration under a supranational authority. The aim was one unified market governed by a High Authority and the Dutch government considered it impossible, he said, "to restrict, even at the start, agricultural integration to a limited number of products" (63).

The obvious opponents, Austria, Switzerland, Norway and Sweden all declared their opposition. Ireland could see no point in the proposals. Turkey was distinctly encouraging; like France it was developing wheat surpluses. This, naturally, did nothing to help Mansholt even though it presented another possible ally for the minimalist position in the French Ministry of Agriculture! Mansholt had argued so strongly in front of the conference precisely because the Dutch wanted the conference to collapse as quickly and comprehensively as possible, so that they could proceed to the some real hope of removing restrictions on agricultural exports. It was the position taken by the United Kingdom which destroyed unwittingly, these Dutch tactics.

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The United Kingdom had come, in fact, to the conclusion that if the further discussions could not be sent back again into the OEEC, and it did not look as though this would be possible at once, Britain would have to take part in them. The British archives reveal that this decision was not taken to help Guy Mollet and Monnet's other opponents in Paris. On the contrary, it was taken because most civil servants were genuinely afraid that so close a harmony of purpose now prevailed between France and the Netherlands

some form of agricultural common market was inevitable! The that British delegation, therefore, against the advice of the Minister in charge of the negotiations, Anthony Nutting, was of State instructed to take a position in favour of talks on "association" even if the conference should agree to try to proceed with a common market or a "Community" (64). In so doing they made it certain that would take what agreement it could get from the conference France for further action and the Netherlands would be left basis as a stranded in the worst of all possible positions. There would be no conference of "the Six" and there would be no reference back to the instead France, Germany and Italv would be able to continue OEEC: within the framework of the "Green Pool" to explore a series of possible agricultural trade bargains, all of which would take for granted the continuation of very high levels of protection and none of which would take much account of Dutch interests.

it proved. Italy spoke in favour of continuing a set of So studies. Germany accepted the principles of a common detailed market as a good "European" cause but made it clear that the only thing that actually interested the German government was a step-bystep, commodity-by-commodity negotiation. Denmark sat helplessly on the fence waiting to see what would happen and making the forlorn that liberalisation was better than all these solutions. argument retreated to the FNSEA ground that the conference should Pflimlin study first only the question of which commodities should be coordinated and postpone all question of a High Authority to the A study of certain commodities, firstly those in which the future. French modernisation plans were primarily interested, was therefore handed on to an Interim Working Party, which would also study the

40 stitutional arrangements necessary for common policies (on the sch demand). What the Interim Working Party effectively did was set up commodity study groups in which the possibility of trade institutional Dutch demand). What the Interim Working Party effectively did was deals as a way of venting surpluses on to foreign markets could be achieved and the committee which was to study institutional arrangements remained of no significance.

Until, however, Mansholt abandoned his position or the Dutck government changed its policy the European Agricultural Community clung to a kind of existence. In a sense it could not do otherwise when Dutch policy continued to be to force the foreign ministers of "the Six" to agree to a common market for all goods as part of the European Political Community envisaged in the European Defence Community treaty. So long as the European Political Community was not officially dead the European Agricultural Community could not die because it was the only policy the Dutch government had to make the common market for all products possible. Monnet, certainly, did not give up hope. He convinced himself that the FNSFA was actually more interested in an "integrative" solution than the CGA and set 'up a working party including Louis Rabot, the head of foreign relations in the Ministry of Agriculture, to draw up a new plan for a supranational authority (65). On his return from the conference Mansholt called together in "strict secrecy" a meeting of civil servants and government advisers including Spierenburg, Linthorst

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Homan, Tinbergen, Samkalden and Kohnstamm to inform them that he had agreed with Monnet that they should work together to produce a experts' report (66). Not much happened, though. Monnet and common his collaborators were busy churning out drafts of a second national plan in which agricultural surpluses would be even larger, although as Table 2 shows the actual surpluses in 1952 were far short of what the first Monnet Plan had envisaged. The second plan, which was not to be adopted by the government until 1954, was couched in even more productivist language than its precursor and had even less political appeal to the farmers than that had done. The drafts were noticeably vague on the whole question of exports, except for the insistence that sugar would now become a major export both to the French empire and to the "Furopean Community". Dairy products had new disappeared again as a likely expert staple, meat had reappeared, and fruit now made its first appearance as a possibility! (67) It is hardly surprising that the problems of the future organisation of trade were being treated in no more realistic a way.

Mansholt and Monnet did not meet again until January 1953. This time Monnet was sailing on a different tack. He new thought agriculture should form only the last building block in the edifice of European integration! First should come a European parliament and European elections. Immediate moves to surrender any area of economic sovereignty, including that over agricultural trade, would impede the creation of the European Political Authority.

This left Mansholt on his own to face Laurens and to persuade him to persist in attempts to find an "integrative" solution. By October 1952 the reports of the sub-groups set up by the "Green

were coming in. It had been agreed to call the ministers Pool" together again to consider these reports and to proncunce on what could be done. Laurens was, in familiar style, wavering as to whether they should be first considered by the ministers of "the Six" by the sixteen who had attended the first conference. In November Mansholt met him and they agreed on a "top secret" protocol. They agreed that the Luxembourg Resolutions on a common market demanded a meeting of the foreign ministers and the agricultural ministers of "the Six" before February 1953. This should produce a supranational authority, but it would have to be "noticeably different" from the High Authority of the ECSC Membership of the new supranational organisation would entail the terms of the Luxembourg Resolutions. Finally acceptance of there would be an effort to build as close economic links as possible with the countries which could not accept these terms trade contracts. Monnet's staff were. perhaps by long-term associated with this meeting and Rabot, who was there, argued on Dutch side that it was impossible to have the a narrowly circumscribed list of products. He argued, too, for a High Authority with real and extensive powers (68). Of course, it is not known how highly Camille Laurens actually rated the chances of the European Defence Community treaty, and thus the Luxembourg Resolutions, of passing the National Assembly.

There followed a determined effort by Mansholt to make the other members of "the Six" subscribe to the terms of this agreement. Amintore Fanfani, the Italian minister of agriculture, had already agreed, only with much reluctance, that there should on this second occasion be a preliminary conference of the ministers

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Six" before the full conference met. In January 1953 he of "the that even this concession was not definitely made. To the showed he praised Mansholt's Dutch Ambassador in Rome, H.N. Boon, "dirigiste" approach, but insisted that it was entirely inappropriate for Italy's nine million farms. As for a preliminary meeting of "the Six" to discuss the relationship of the Community to the Luxenbourg Resolutions, it had now Agricultural become unacceptable and impossible because of the forthcoming elections. It was all very well, Fanfani was reported as saying, for de Gasperi to talk about political and economic integration; it not he who had to deal with Italian farmers. The only kind of was agricultural "integration" acceptable to Italy was in the form of multilateral trading agreements (69). It could be assumed from this the Hague, rightly as it proved, that if the foreign ministers in "the Six" were to decide that the agricultural ministers should of meet to discuss the Luxembourg Resolutions, Fanfani would at least to attend. Nothing else rositive could be hoped for from him have whatever de Gasperi might say.

Héger was less antagonistic and was prepared to support a preliminary meeting of the agricultural ministers of "the Six" to discuss ways of setting up a European Agricultural Community, although he himself did not think such a step to be necessary. He himself was only in favour of a limited number of commodity agreements covering the widest possible number of countries and a number of regulations or certain common perhaps only recommendations to achieve a sufficient degree of harmony in agricultural policies to make the agreements viable (70). national This, the Belgian government thought, should be done through the

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OEEC. They wanted the whole idea of even a "Green Pool" "dropped completely". (71)

the close of the first conference of the Immediately on sixteen ministers the Deutscher Bauernverband had demanded that its be given the fullest consideration in settling all further wishes in the "Green Pool". (72) There seemed little questions arising danger that this would not be so, because the leader of the German delegation to the conferences and the most powerful influence on decisions made there by the German delegations was not the Minister Agriculture himself but Hermes, the head of the Bauernverband of had been minister of agriculture thirty years before at the who Weimar Republic. It was his presence there that start of the stimulated a few hopes in Paris and the Hague (although is stimulated much stronger antagonisms in Rome, London and Brussels) because he was known to be a close colleague of Adenauer from times Given the dependence of the CDU on rural votes and the past. attitude of the voters, however, this connection was more likely to to sway Adenauer away from the concept of an Agricultura used be Community. In June 1952 the Bauernverband and the French CGA agaia and had no difficulty in agreeing to support a grain agreement met Franco-German committee of the interest groups in which a joint should determine annual requirements and prices, a somewhat ironic note to Monnet's original organisational ambitions. The German side examine the timing of seasonal quotas on fruit and agreed to and made a further concession to their French vegetable imports counterparts when they agreed to recommend to the German ministers that they agree to create an international body to control Europe's wine trade which would be modelled on the French Institut des Vins

consommation courante (73). In the event local organisations of de fruit and vegetable traders and growers displayed considerable this commitment on their behalf made by alarm over the Bauernverband in which they were federated. The Bauernverband had obviously been driven as far as it would go. It met with the official representatives of the Belgian Boerenbond and the Luxembourg Central Paysanne and together with the Belgians passed a resolution, to which the Luxembourgers would not commit themselves, to say that there should be no High Authority to control a future Community and whatever arrangements were agreed on at the conference, even if they were purely trade and commodity agreements, should not be confined to the ECSC countries (74). This the State-Secretary in the Ministry of Agriculture, was what Theodor Sonnemann, himself an appointee of the Bauernverband, told Danes in December 1952 to be official German policy at the the forthcoming conference (75). They had already been told by Mansholt that they were not wanted unless they were prepared to accept the full implications of the Luxembourg Resolutions (76). For them, there appeared no hope of relief on any side.

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The Federal Ministry of the Economy was opposed even to commodity agreements, because it saw the whole affair as an attempt by the Ministry of Agriculture to dement agricultural protection even more firmly in place by international agreement. The removal of tariffs was not the first problem needing to be tackled, Erhard argued, but currency convertibility, and if tariff removal was such a necessity that an Agricultural Community had first to be created to make it possible it would emerge that any arrangement between "the Six" would stabilise the framework of the Federal Republic's

a much more protectionist mould than a wider foreign trade in gn trade in a much more protectionist mould than a wider $\frac{1}{2}$ ment. In short, nothing economically was to be gained from $\frac{1}{2}$ Six" at all. (77) In January 1953 Mansholt travelled to Bonn $\frac{9}{2}$ agreement. In short, nothing economically was to be gained from "the to talk first to Wilhelm Niklas, the Minister of Agriculture, and then to Adenauer, in the hope of overcoming this opposition in the cabinet. Adenauer supported Mansholt's position that there German a preliminary meeting of the agricultural ministers of should be "the Six", but he then went much further. The sacrifices which Germany would have to make, he said, in the cause of agricultural integration would amply be compensated by gains made from economiz Cadmus. integration in other areas.

This muddle of opinion in the German government was partly the result of the complete lack of systematic working practice which the German archives for this period and for this question reveal Hermes was responsible as head of the delegation only to Hallstein the Secretary of State for Foreign Affairs and through him to the Chancellor. Erhard's only influence was likewise through the Chancellor. But despite Adenauer's great influence and in spite of his personal commitment to the solution which was eventually to emerge after the Treaty of Rome, he could not command through all these direct lines so large and complex a country. Below him the still formulating itself decision-making process was in bureaucratic ways familiar from Germany's past and from present practice in other countries. The glee in the Hague at thus bypassing German opposition and convincing the Chancellor, if he had needed convincing, that the Agricultural Community was the next step to take was short-lived. The position of Secretary of State Sonnemann remained "absolutely opposed" while the permanent German

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delegate to the Interim Working Party of the "Green Pool" had "Angstvisionen" over the discussion in which he would have to inform Hermes of Adenauer's opinions (78). Niklas would not accept a "Green Pool" of any kind without Danish membership and preferably other countries outside "the Six" too (79). The opposition to the possibility of commodity agreements on fruit and vegetables had grown. Rhineland growers objected to liberalising Dutch vegetable imports through any forthcoming agreements and their Bavarian colleagues had the same views about Italian imports. The agreement on wine had meanwhile collapsed and France had withdrawn it from the agenda for the future conference.

In any realistic view of the situation in Paris to go into a second conference of the agricultural ministers with the sole policy of supporting the Laurens-Mansholt agreement would be a disaster. Much of French agriculture was opposed, a large part of political opinion was opposed, and even those in the government who supported it were uneasy. It seemed to involve a commitment to present the European Defence Community treaty to the National Assembly with the full backing of the government not for that treaty alone but also for the Luxembourg Pesolutions and the common market. The economic objectives of the Ministry of Agriculture alone hardly warranted so grastic a chain of political actions. France was somewhat in the position of a convinced but irresolute polygamist being forced through his cwn irresolution to marry a series of brides whom he did not wish to marry at all for a limited objective which could be obtained without marriage. When it row that with one exception they did not want to marry him turned out either structure of future action was bound to collapse. And the

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Repository superimposed on it was the great weight of the even more unreal Research European Defence Community. The time for the purging of these illusions had arrived.

When J.J. van der Lee, who as head of external relations in the Dutch Ministry of Agriculture served as Mansholt's right-hand throughout the negotiations, went to Paris at the end of man February the French were already in full retreat in face of the incontrovertible evidence from elsewhere and the awareness of their unwillingness to accept the full political implications of the own decisions they now felt they had been forced into making. They suggested that, regardless of any agreements between "the Six" in the preliminary conference, the sixteen should also try to reach a series of commodity agreements. This would obviously break the the secret protocol between Laurens and Mansholt, so if: terms of was also suggested on the French side that the assembled ministers should receive two separate memoranda from the French and Dutch O governments, one based on the secret protocol and one on the possibility of commodity agreements between the sixteen (80). fact a week earlier, on 21 February 1953, the French Council of Ministers had rejected the protocol as a basis for the conference and had destroyed the last chances of the European Agricultural Community by deciding that its policy in the conference would have Ш to be "the organisation of markets product by product". In spite of agreements and the Luxembourg Resolutions they had taken `the Rome the view that the French government was free to propose an agricultural agreement between the sixteen and one which was in no Digitised version pr sense a common market. Their decision was to start trying to reach agreement in this wider framework on a limited number of products,

those which had initially been identified by the first Monnet Plan. The "Green Pool" working groups had revealed how diverse conditions of production and product markets were in European agriculture and the other countries had made this clear in their responses over a year and a half. The French government would therefore propose that the "Green Pool" set up a further series of vorking groups to study particular products and from those studies the first steps towards an eventual common market might appear (21). Of supranationality and a High Authority there was to be no more guestion, unless in a distant future as the result of much more pragmatic proceedings than had so far been witnessed.

As Laurens expressed it to his delegation after this crucial is a question of looking for the lowest common "It decision. denominator in the aspirations of the different countries interested in the issue of a European agricultural community". (82) A study of the global trade balances of cach of the sixteen in agricultural trade would now be the best procedure, for it was possible that commodity agreements could eventually be struck so that the sixteen could absorb the surpluses. But in the first stage this could cover only products strictly confined to intra-westtrade in order to avoid all problems with countries which European on extra-European food and feedstuff imports. depended This inevitably, he indicated, meant a direct clash with the Dutch. The only way of avoiding this was by preparing two policy positions for submission to the conference, one with the Dutch and one without them. This, of course, was the suggestion made to van der Lee a week later and which he rejected.

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50 The agricultural ministers of "the Six" met on 14 March, two before the conference of the sixteen minist-meeting official days before the conference of the sixteen ministers. Even before the meeting officially began Laurens told Mansholt that the memorandum which he presented based on their protocol needed $\stackrel{\oplus}{\vdash}$ "petites retouches". What those amounted to was that the only purpose of the preliminary conference now was to discuss the full conference. When the meeting officially started nobody would agree ≥ the Dutch memorandum should be the main item on the agenda, that but only that it might be discussed at the end, if there was time. The six ministers then began to work out a limited list of products to be discussed by the sixteen. Eventually Mansholt's patience He declared that if the meeting was going to turn into vao broke. conspiracy he had no intention of staying. To placate him it was the Dutch memorandum there and then. Fanfamic agreed to discuss declared that the decisions of the six foreign ministers febl his responsibility and that he would certainly not commit outside to anything until after the conference. Heger declared himself himself "perplexed" that the Dutch Minister of Agriculture should want to settle large political questions, to which Mansholt replied that he, too, was "perplexed" that the Belgian Minister of⊆ Agriculture was willing to leave his government in the lurch on a important matter. It was only Hermes, whose intention was such / an now to get the body of the dead European Agricultural doubtless Community off the stage as quickly as possible, who was able to> persuade the conference to proceed towards its due end and into its meeting with the sixteen (83). Even by that meeting two days later the Dutch delegation had buried the corpse and vigorously supported there a policy of burying the "Green Pool" too and placing the $\frac{\omega}{\omega}$

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whole question back into the confines of the OEEC. Nothing else, of course, for them now made sense, for the "Green Pool" would certainly be a protectionist club whereas in the OEEC there was some faint chance that this might be less so.

CONCLUSIONS

Two conclusions are inescapable. The first is that the national origins of the European Agricultural Community as it briefly became, were too divergent for the idea ever to be translated into an effective international agreement. This is so when we consider the divergence in aims between nations and also when we consider the divergence within nations.

Between nations, the objectives of France and the Netherlands were different in important ways. On the face of things the origins of the European Agricultural Community as a concept in France are be found the Ministry of Agriculture and in the Planning to in of which it might be supposed had much Commissariat, neither influence on the vital questions of national security with which France had to deal in those years. But that is a superficial view. The first National Plan for Modernisation and Reequipment (the Monnet Plan) had important repercussions on French foreign policy. longer-term implications, the assumption that it would be only Its series of planned interventions by the state to the first of а change the economic and political place of France in Europe, had

more consequences for the reactions of the other European even countries. In the short-term it focussed French policy on the German reconstruction, intensively, narrowly, often question of obsessively, and for a long time on the question of the supply of coke and Ruhr coking-coal. Without a guaranteed supply of both commodities satisfactory level the Monnet Plan was simply at a unachievable, and this made it seem as though France's domestic economic reconstruction was unachievable without internationallyquaranteed constraints on German reconstruction (84). In this way the Monnet Plan provided a practical goal at which French diplomagy could aim. Something of this kind, something which appeared feasible, although limited, and which could be expressed in terms of immediate pragmatic action was badly needed. Until that time French foreign policy towards Germany had been based on a set af impossible objectives, fragmentation, annexation, prevention of a central German government and so on, combined with a generalised assumption that French recovery must precede that of Germany. This assumption was too diffuse to be translated into a practical programme of action on any particular question when faced with the realities of American power in Germany. The Monnet Plan explained what French reconstruction was and what the German economy had to contribute to it if it was to be achieved. It is not surprising therefore that its implications should have been seized on by Alphand and by others in the French Foreign Ministry, particularly> in the European Section, because they provided one constant thread through the tortuous maze of international discussions with the British and the Americans over Germany between 1945 and 1952. Thus the priority for France's own economic recovery would be assured by $_{\oplus}^{\underline{\mathscr{O}}}$

translating the Potsdam agreements into a longer-term guarantee by the Americans of German imports for French steel-making, through French officials on the Coal and Steel Control Boards in Germany, through control over German coal and coke exports by the International Ruhr Authority, through "de-cartelisation" of the Ruhr coal and steel industries, and then through the Furopean Coal and Steel Community, which emerged to remedy the deficiencies of these other policies.

"European" solution, the concept of a "Community" and a The High Authority proved, of course, to be more effective than Harlier policies, not only from France's point of view but from that of the other western countries too. In the five years between 1945 and 1950 Monnet and the French Foreign Ministry had moved a long way, grasping the inherent connection between short-term imports from from America for French recovery and short-term imports from Germany, to the idea that France's needs could be better expressed to its allies if drawn up in the concept of the medium-term Monnet Plan, to using the Mcnnet Plan as the basis for political action in OEEC, to using it as the basic guide for action in the the International Ruhr Authority, and finally to translating the Monnet international level in the European Coal and Steel Plan to the Community. When the decision was made to increase French domestic agricultural output over the long-term and to develop soricultural a way of effecting a long-term change in the French surpluses as balance-of-payments position, it coincided in time with the French decision to use the Monnet Plan as the basis for the national contribution to the OEEC's abortive efforts at producing a mediumterm plan. Because the Monnet Plan had to be radically redrafted to

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search Repositor accommodate the concept of agricultural surpluses, this new policy, too, became a further basis for immediate political action in the OEEC. From there it was almost automatic that it should follow the $\stackrel{\circ}{\cap}$ as that followed by policy on the coke and coking-coal same path solution in France's favour which proved impossible in problem; a OEEC alternatively be achieved by a "Community" and a "High might this case it was not the Foreign Ministry which Authority". In acted together with the Planning Commissariat to try to create a within which the Monnet Plan could be European framework successful, but the Ministry of Agriculture, for the obvious reason that its practical interest in the matter was as immediate as that of the Foreign Ministry was in the question of Germany.

What was at stake for France here, too, was the national ccess commitment to change the country's relative place and status in western Europe; the planned agricultural surpluses had become as a part of this programme as the planned increases in steel much output and the increased inputs of coke and coal from Germany which they necessitated. A Europe which would take French food exports necessary as a Europe which would permit the became in 1948 as steel industry to operate at higher levels of output had French 1946. That this was not a last-minute pragmatic become in adjustment to the acute food shortages of winter 1947/8 is clear from the correspondence between Pflimlin and Monnet, with its hints of earlier general agreement between the two men on the > relationship of France to western Europe, as well as from the wholly specious economic arguments presented both in the revised version of the First Modernisation Plan and in the Second Plan for version the new agricultural policies. Indeed, in spite of much special

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pleading that western Europe's food surr luses have been induced by the automatic processes of technological change in highly-developed agricultural systems, the evidence in this paper strongly persuades the argument, supported of course by much other evidence, that to they were policy-induced. Governments sought agricultural surpluses the French plans only aimed at the same general target as and unplanned economies elsewhere. On the other hand these agricultural policies clearly were a pragmatic adjustment to the unforeseen consequences of high investment levels on the balance of payments position, in France as elsewhere, in a world where the dollar shortage lasted longer and was more acute than had been foreseen. Coke imports and wheat exports stood alike as symbols of a commitment, widely held at many different levels to alter France's relationships to western Europe, a process which began by altering path of development of the French economy through a long-term the process of demestic economic and relitical charge. The idea of a and cf a "Eigh Authority" existed for Monnet because "Community" these institutions could provide scale effective international guarantee of that alteration.

For the Netherlands, the issue turned or precisely what the alteration in the relationship with France within the new "Community" would be and to what extent it would further the Netherlands' own objectives. The origins of the Dutch proposals, at least as they emerged after much alteration from cabinet, is equally clear. They were part of a sustained campaign, which took many forms in the 1950s, for lower tariffs and more liberal foreign trade policies in western Europe. This was a vital matter of national security and future welfare for the Netherlands, as indeed Cadmus, European University Institute Research Repository

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Research Repositor The failure of the trade liberalization it always has been. programme in the OEEC to make any significant difference to the levels of agricultural protection in western Europe and the failure the CATT to reduce agricultural tariffs affected almost 40% of of Dutch exports. By contrast, the Netherlands maintained very total low tariffs against industrial imports. Dutch governments showed themselves ready to support a remarkably wide variety of policy positions in the hope of reducing obstacles to trade in both industrial and agricultural products, "sectoral integration" (the Stikker Plan of Action), a common market as part of the proposed European Political Community (the Beyen Plan), and the extension of European preference zones (on several occasions). None of these had at the level of actual functioning with very much in common Mansholt's proposals. But of course none of them offered a solution the problem of intra-west-European agricultural trade either to because no country except Denmark was prepared even to contemplate genuine measure of liberalization in agricultural trades Netherlands itself. From the moment that Stikker's including the proposals recognized the need for "special" action in the agricultural sector the Netherlands had to be prepared to negotiate such "special" action at an international level. No-one in the OEEC had paid much attention to the needs of western Europe's net agricultural exporters; they were too small. The change of domestic policy in France was a possible opportunity and some effort had to made to take it. This was the strength of Mansholt's position. he No matter how much other ministers from other parties disliked such interventionist schemes they had to admit that as far as primary exports were concerned they had no alternative ideas which cffered

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the slightest chance of success. If they looked at Denmark's foreign balances in 1950 and 1951, if they considered the difference which the Dutch-German trade treaty of 1949 made to Dutch exports, they had to allow some modified form of the Mansholt proposals to serve as a basis for negotiations to create a common front with France.

in 1951, it was possible that the Metherlands In 1950, even and France might in fact agree on a programme of gradual removal of barriers to intra-west-European trade and that Manshelt's (cr Pflimlin's) "special" arrangement for agricultural trade would be the permissive agreement which allowed more genuine liberalisation trade in other sectors, that Mansholt and Pflimlin through the in European Agricultural Community might remove the very barriers to liberalization which had stopped OFEC trade trade the liberalization programmes. But after 1951 the conviction grew in France, shared by all parties, that the French economy was becoming less competitive than that of its neighbours, specifically less competitive than that of the Federal Republic, and that for this reason tariff reductions and quota removals were dangerous. An Agricultural Community which was not instrumental in lowering trade in other sectors was simply not worth the barriers to sacrifice involved for the Netherlands. At some time, or some medium-term plans had made the French distant horizon, when the economy more competitive, it was the intention of the Planning Commissariat to lower the barriers around the frontiers and, following their beliefs, allow international influences to increase the level of productivity in France. Foreigners can be forgiven for wondering in the 1950s exactly when that horizon would be reached,

Repositor appeared to be receding after 1951 when the protectionist for it politicians was often supported by the planners. In m impulse of short, for most of the period over which the attempt at a European Community was made France interested Agricultural was in maintaining protection and the Netherlands was interested in reducing it.

It is in this light that one charge subsequently made against the European Agricultural Community, that it had to fail because it was negotiated separately from a network of economic agreements covering other sectors, should be judged. The accusation appears ridiculous. Agriculture was a separate problem from the other economic issues which were negotiated at the OEEC, because the agricultural sector had a unique economic status and political position in each country. In any case, it can only have been to the advantage of the Agricultural Community that for much of the time did not become immediately involved in the baroque and it increasingly unpropitious negotiations over the European Political Community, which were themselves dependent on the hopeless by unrealistic Defence Community treaty. And to argue that the Common Agricultural Policy was later achieved because the commitment to a common market was already signed is to forget that it was only the fact that a similar agreement had already been signed which kept Agricultural Community alive from summer 1952 to summer 1953, the forget also the impact of de Gaulle's return to power on the to market, and also to forget that although we now new-born common have much historical evidence about the negotiation of the Treaty about the negotiation of the various agricultural of Rome, Versi agreements which eventually implemented its glib clauses on

agriculture we know very little. The Treaty of Rome did not really get much further than Stikker. It acknowledged that to reduce intra-west-European trade barriers a "special" arrangement was necessary for agriculture, and then, like Stikker, washed its hands the affair. We are left wondering how the problem could have of been resolved, because it is evident in the case of the European Agricultural Community that the degree of common interest, even the discussions were confined strictly to the agricultural when and kert as free as possible from all issues of defence, sector and constitutional sovereignty, was inadequate to arrive industry at any international agreement.

The Netherlands was a net importer on annual average of roughly 800,000 tennes of bread grains. But as all discussions in the cabinet showed the price of bread grain was an extremely neuralgic political issue. Low wages in relation to its west European neighbours meant the Netherlands' bread price had to be low. Although on balance the Netherlands was a sugar importer, the OEEC countries it was a sugar exporter, raw sugar being within imported from the dollar zone and overseas territories and refined being exported to European markets. The only interest the sugar the wine trade was in preserving the liberty to buy Dutch had in as for dairy products and neat it was they wanted. And where difficult to see to where in western Europe France would direct its planned export surpluses if not to markets where they would compete with Dutch goods! The common front would have had to consist essentially of an export cartel directed against the United Kingdom Germany. French partnership in such a cartel was simply not and worth the sacrifice the Dutch would have made. The British and Available Open Access on Cadmus, European University Institute Research Repository

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60 German markets would have been no less monopsonistic. For Holland they might have eventually become smaller by the share conceded to France. And the possibility that in return the French butter and $\overset{\scriptscriptstyle 00}{\oplus}$ cheese markets would be opened to the Netherlands never looked as though it would materialize, indeed when it was being discussed French dairy farmers in the central regions were ricting to achieve higher guaranteed prices and the same measures of protection as arable farmers had already gained.

Above these considerations of prices and markets stood, it might be argued, the greater idea of "Europe", the idea that the \square ECSC would not stand alone, but that an economic sector determining the livelihoods of far more people would be immediately associated with it. But the debates in the French Assembly on the European Agricultural Community proposals revealed no glimmer of anything "Europe" designed solely to help French planners and the except a French economy. The FNSEA displayed exactly the same attitude and it their narrow realism which Laurens represented. He was was interested in specific export markets for specific products and is has to be said in retrospect that this was also the heart of the for Pflimlin and for Monnet, in as much as they rightly matter sensed that "Furope" had tc have a functional purpose. Robert Schuman blessed the idea of a second stage of the "Community" based on agriculture, but whereas the Foreign Ministry had been prepared to fight for the Schuman Plan, because for France the relationship with Germany literally, a matter of life or Digitised version produced was, death, agricultural export surpluses which had still not materialized were not.

glance at Table 2 will show that the Monnet Plan fell A ludicrously short of achieving the ambitious programmes which had initiated the very idea of an Agricultural Community in France. The sugar surplus had developed, but was much smaller than forecast; the wheat surplus, exported as flour, was not much more than onetenth of that forecast; the meat and butter surpluses were in not much larger proportion; and dried milk still hardly existed as an When the second conference of the "Green Pool" met in 1953 export. France was on balance still a net fcod importer from "the Six". The reality was that the United Kingdom remained France's best market. Fruit and vegetable exporters still had a privileged position there (which would have been weakened by almost any conceivable outcome the conference!). French imports of fruit, vegetables and of tobacco would have to be increased even as the price of a set of commodity agreements in the "Green Pool". The refusal of Sweden and Switzerland to associate themselves even with a limited "Green Pool", which seemed all too probable, would exclude two countries with which France did actually have a surplus in agricultural 1953 a year of recession in western Europe and French trade. was prices were higher than those of their competitors, so that exporting was becoming ever more difficult and this could hardly be in an Agricultural Community. It had to be asked avoided even wherein the precise economic advantage for France lay in an Agricultural Community or in a set of "Green Pool" commodity arrangements. The only convincing answer in 1953 was that it might serve to get rid of the wheat and sugar surplus. The political price to pay for this, to say nothing of the eventual price to be paid in admitting German industrial imports once the agricultural

arrangements had permitted "the Six" to proceed to a full common market, was wildly disproportionate to the gain, the sale of what still only amounted to 165,000 tonnes of sugar and 195,000 tonnes of wheat flour.

And was there any point in such a fight when much of Germany was essentially opposed to a second stage of "Europe" based on an Agricultural Community? Adenauer's goodwill in the matter was insufficient. German farmers, CDU voters, were against it. So were powerfully-established interest-groups. What would the their Federal Republic gain from an Agricultural Community? Recognition a more or less equal European partner outside the realm of coat as and steel now meant equality, or something near to it, in the Defence Community. There were no purely diplomatic gains to be wog by accession to the Agricultural Community which had not alread been won through acceptance of the Schuman proposals. What of the other countries? In the Schuman Plan negotiations overriding issues of European reconstruction and security had led the Netherlands and Italy to accept that the future Franco-German relationship was more important than the particularist interests of their ccal and steel In any case the concessions made to them in the industries. negotiations were very generous. Belgium had been left with no choice but to go along, grudgingly. Without a Franco-German axis there was no reason at all for the other countries to accede to an Agricultural Community unless they had substantial gains to make by doing so. The reality was that they would face, on the contrary, substantial political opposition. Their farmers looked on the idea of subjection to a High Authority with cold hostility. They preferred the more accessible national governments, with which they

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had become very professionally equipped to deal since 1931 and out of which they had wrung since 1945 considerable financial advantages. In Belgium, especially, nebody wanted to hear of a High Authority again.

The differences of opinion between farmers and government are just as evident in France and the Netherlands themselves and so are the differences within the governments. Lack of genuine national agreement between the two proponents of the Agricultural Community was in fact the result of a lack of domestic agreement within each country on the same question.

French planners saw agricultural surpluses as a means of lowering prices by increasing productivity, at least they and Monnet in particular constantly claimed that this would happen, although they may have been merely assimilating some rather unpleasant facts of political life into their rather glibly comprehensive theories on modernisation. They certainly did not see the changes in agricultural policy in 1948 as a barrier to modernisation and were determined to make land redistribution and rational methods of production and marketing a reality. From more this came Monnet's idea that the trade in French and European surpluses would be regulated by national producers' associations with powers of intervention legitimated by, and legitimating in their turn, a High Authority. The producers themselves, though, only wanted intervention to keep up prices and incomes and the idea of a supranational authority which would have similar powers of intervention in the domestic economy to those of the High Authority the ECSC was repugnant to them because it was thought in France of that would use those powers to "modernise" the agricultural it

along the lines to which the first post-war governments had sector aspired. The producers, through those bodies which more directly Ses represented their interest, were only interested in the Agricultural Community if it provided a market in Germany for their output. The advantages which Monnet and Pflimlin saw in it as a possible extra-national policy instrument for domestic change were to them only a threat to be resisted. An extra-national policy instrument which guaranteed French exporters access to the German market might have been worth making certain concessions to the government for; but the attitude of the Deutscher Bauernverband had already made it clear in 1950 that this was unlikely to happen except for French wheat farmers, whose influence over French strong only when it was not necessary te farmers' policies was votes. For the far more numerous farmers whose cash crops count the German market still lookea were dairy produce or wine impenetrable no matter how long the Agricultural Community was discussed.

Avail In the Netherlands there was, by contrast, a harmony between producers and the Ministry of Agriculture. But almost everyone else government was deeply suspicious and supported in the the Agricultural Community only as a way of lowering the barriers to trade in industrial goods as well. For them the Community meant prices and there was never any political consensus for high food plans except as a purely instrumental device to achieve Mansholt's something further. Had Mansholt obtained French agreement to his own "special" arrangement for agriculture it is by no means obvious Digitised version that the Dutch government and parliament would have sanctioned the arrangement even as part of the proposed common market of the

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proposed European Political Community without substantial After the rejection of the European Defence modifications. Community treaty and all its political implications there would been no point, for the other economic sectors in the have consumers would have been paying the price Netherlands and Dutch a "Community", while obtaining none of the stage of for another foreign economic policy in which these other goals of their agricultural arrangements had been merely one instrumental part and the part for which there was the least consensus.

Dutch farmers Pritish markets remained of central For French wheat exporters had not much to hope for from importance. the United Kingdom, as Monnet's early efforts in the CEEC mediumterm plan showed. Butter exporters were not likely to make inroads into that proportion of the market reserved for extra-European supply as long as Dominion preferences remained. They would have to compete against the butch and the Danes and the experience of the 1950s showed they could not yet do sc. The Plan had not early the contralised refrigeration, harbour and equipped them with packaging installations necessary; like many of Monnet's ambitious programmes this had not been backed up by adequate financial Meat exporters faced similar problems; unless the British action. could be persuaded to eat more charcuteric, which they scarcely ate the 1950s, France would have to expert bacon in direct in and this, too, required domestic competition with Denmark investment programmes on a scale beyond anything the Monnet Plan had managed to achieve. The two groups of French farmers with continuous, high-value markets in Britain were spring vegetable and fruit farmers and they were never covered in the negotiations,

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except through the efforts to obtain advance warning of seasonal import quotas. An Agricultural Community which excluded the United Kingdom meant on balance at the time of the negotiations a loss to French farmers, scarcely compensated by future visions, mainly false, of a soaring demand for French staple foodstuffs in the ECSC countries.

For Dutch farmers the loss would have been much greater; they ran the risk of losing their main market. An Agricultural Community "the Six" would have left Dutch exports ever more at the mercy of British protectionism. After such an action claims for specia of have been worth making. Britain's consideration would not "association" with the Coal and Steel Community was based of 5 inescapable economic needs. It was hard to see what inescapable economic need Britain had of Dutch agriculture, particularly if Denmark did not join the Community. A second stage of the "Community" might appear an irrevocable and hostile declaration 🖑 🔿 political commitment towards "the Six" and away from the United Kingdom with drastic consequences for Dutch trade and perhaps for Dutch defence and security too, a commitment to the still uncertain France-German alliance supported by a still uncertain United States which was likely to bring only grave economic disadvantages. A of "Europe", wholly in the French interest and second stage not worth it because it did not really promise a ... pattern. was solution to the particular problems which the Netherlands now faced.

Germany's intentions were to become self-sufficient in butter and dairy produce and this point was in fact obtained while the Agricultural Community was being negotiated. Meat imports into

Cermany, other than live beasts, were also a diminishing prospect for similar reasons. Major sections of the Dutch export trade were becoming more dependent on the British market as negotiations continued which envisaged a "Community" which would obviously exclude Britain. Whether the United Kingdom should be excluded if it proved necessary, was a question, however, which did not primarily concern agricultural trade. It was the further political implications of such a decision which divided both Dutch and French governments very sericusly. Nansholt's commitment to a further stage of "Europe" only widered the gap between himself and his fellow ministers, because an Agricultural Community of "the Six" automatically excluded the United Kingdom auch more definitively than the Coal and Steel Community had done. So too did Monnet's the same cause divide him from French governments. commitment to They rejected his method of conducting the negotiations, which he struggled on Pflimlin, they rejected his had to impose interventionist ambitions, and they rejected him. This does not, seem to have made them any more able to agree amongst however. themselves. The question of France's future relationship to the United Kingdom was obviously much wider than the issues raised by agriculture and for much of the time French politicians were mostly concerned with the future location of divisions of the British army and not with the future status of French vegetable exports to the United Kingdom.

It is obvious that the presence of the United Kingdom, with a protectionist agricultural system which could not even be readily assimilated into those of the other countries, because it was based on direct subsidies to keep food prices low, was a massive barrier

agreement between "the Six", which was not reduced by any to decision to exclude the United Kingdom from the proposed Community.

Research Repository During the course of the negotiations, however, an almost equally massive barrier appeared for France in the shape of its overseas territories. The astonishing thing is for how long its existence was ignored or played down. It never appeared as an issue at all in the negotiations until February 1951 as the response to a European hint from the Danes that they might be more interested in the whole the French Empire was included. They could then have affair if saved dollars by importing some of their fodder and fat imports $i\overline{z}$ Cadmus francs from French overseas territories. This immediately provoked the crushing reply from François Mitterand, who was then Secretary of State to the Presidency of the Council, that if the overseas territories had to admit other European food exports to help the Open Danes they would obviously ask for reverse preferences throughout western Europe for their own exports (85). It could not help but be this was a fact of life, but even then ant admitted that the trading relationships of the overseas investigation cf territories to the European Agricultural Community was remarkably It almost seemed as though those in Paris were more desultory. immediately concerned with the preference arrangements between Britain and its overseas territories. It was the opinion of Edward Lloyd, who was chiefly concerned with these negotiations in the United Kingdom Ministry of Agriculture, that in March 1952 Pflimlin had "cnly just realized" that the integration of France's overseas territories with an integrated European market might be difficult Digitised version pr (86). Yet it is clear that in the decision by the Council of Ministers a year later to kill the project this question took up

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much of the discussion and weighed heavily in their considerations. The overseas territories, they decided, posed an insuperable problem to any Agricultural Community which resembled the ECSC, a problem which could be avoided by choosing the "product by product" approach (87). As Laurens made clear afterwards, this decision was also taken with British "overseas territories" in mind; only the "product by product" approach would allow France to construct commodity deals which included British Commonwealth and Empire countries as well (88).

The catalogue of reasons why the European Agricultural Community failed to emerge seems almost endless. Yet, eventually the Common Agricultural Policy appeared in its stead and is clearly sketched out in its main principles in Mansholt's earlier drafts the Agricultural Community. This must lead to a third for conclusion; there Was cbvicusly some possible change in circumstance which cculd have made all these obstacles less serious, because in the 1960s circumstances had changed. The most likely explanation is the such greater interest in that later period on the part of all governments, including that of the United States, in reducing barriers against imports. The Agricultural Community was, after all, a way of persuading countries to embark a programme of trade liberalization worth the name rather than on the very limited steps taken before 1951 in the OEEC. Once they were committed to such a programme which even included tariffs an agricultural agreement in some form or other would become necessary, not instrumental. Nor would the problems go away, they were inextricably linked to the new role of the because national agricultural sectors in reconstructed Europe. No matter

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n action eventually the Germany still remained long-term economic and deficiencies of the Monnet Plan in action eventually what the French agricultural surpluses did emerge and Germany still remained possible market for them. All the one political trends pointed to the fact that a solution would have to be found. In an industrial world more positively committed to freer solution became possible, although it is obvious from trade the this paper that it must have been exceedingly difficult.

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Table 1

Average output (1934– 1938) 8.15 4.71	1950 Tar- get(in 1946) 8.2 6.68	1950 Tar- get(re- vised 1948) 8.1		1952 Tar- get(1948 revision) 9.5	get(in
		8.1	8.8	9.5	9.5
4.71	6.68				
0.77	na	1.0	1.2	1.3	1.5
138	150	150	160	170	200
200	200				
250	300				
62.8	50.0				
	138 200 250	138 150 200 200 250 300	138 150 150 200 200 250 300	138 150 150 160 200 200 200 250 300 300	138 150 150 160 170 200 200 200 250 300

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Table 2

Actual French Net Agricultural Exports, 1948-1956 (000 tonnes)

	1948	1949	1950	1951	1952	1953	1954	1955	1956
wheat	0	0	457.5	231.7	0	0	973.9	2044.9	0
wheat flour	0	0	152.5	231.3	195.2	188.1	343.2	490.2	306.2
sugar(crude)	0	0	0	0	0	0	0	212.1	52.7
sugar (re- fined)	31.8	55.9	142.3	217.3	165.3	138.4	175.5	249.0	295.2
live cattle (000 head)	0	24.6	45.5	0	0	8.3	51.5	123.0	0
live pigs (000 head)	0	0	49.0	0	0	2.3	0	0	24.9
beef (fresh, chilled, froze	0 n)	0	11.6	1.1	0	3.4	43.9	51.2	0
pork (fresh, chilled, froze	0 n)	2.2	9.4	0	0	0	0	0	0.2
meat products (prepared)	0.5	1.8	2.4	3.3	3.0	2.9	3.4	2.8	3.6
butter	0	0	0	0	n.a.	2.2	2.8	11.9	5.5
cheese	7.0	7.2	0	8.3	1.1	8.2	8.1	10.7	7.9
condensed milk	0	6.0	10.3	(12.5)		12.4	13.7	13.6	12.3
powdered milk	0	0	0	()	0.2	0	0.1	0	0

Source: FAO, Yearbook of Food and Agricultural Statistics, Commerce, 1952 vol. VI, 1955 vol. IX, 1957 vol. XI. Annuaire Statistique de la France.

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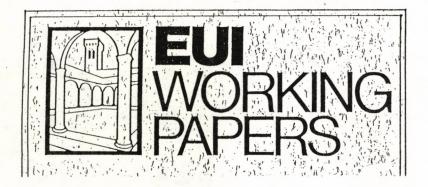
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