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Uniting Europe - A Biographical Study of Jean Monnet's Life and His Role in the Creation of the European Coal and Steel Community

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Chapter 1 Introduction

When we are born into this world, few of us think that we are destined for greatness. Most of us settle down to have relatively ordinary lives. However, this thesis will tell the tale of a young man from Cognac who started out as a peasant and through traveling and hard work he would one day be known as one of the greatest contributors to European integration and the grand architect of what would one day become the European Union. I am of course talking about the one and only, Jean Monnet. There have been many attempts to unite Europe, but none have been as successful as Monnet. Why did he succeed where others failed? Was it his methods? His connections? His policies? Or perhaps, his experience? This thesis sets out to shine a light on the life of Jean Monnet, the architect of what would one day become the European Union, in order to further develop knowledge within the field of European Studies.

The thesis sets out to answer the research question, **“Was Jean Monnet’s success in founding the ECSC due to his previous international experiences?”**.

In order to answer these research questions, the thesis will start by discussing the methodology which will be utilised to analyse my sources and their shortcomings. Next, I have dedicated a section to literature review where I will be explaining the sources used to study Monnet’s contribution to European Integration. Chapters 4-6 are structured into phases where Monnet was active on the international scene and each chapter focuses on key happenings in that phase. Chapter 4 will briefly discuss Monnet’s early days by starting with a brief description of life in Cognac, then the chapter moves on to discuss his family, and finally, the chapter rounds off by examining his unorthodox education. Chapter 5 will discuss his wartime efforts and experiences; the chapter first starts by discussing World War I where his work with The Inter-Allied Maritime Transport Council and the League of Nations will be in focus. Then the chapter moves on to the inter-war period, where the key focusing events are his ventures to save the family cognac business and his time as a banker in Blair & Co., then the chapter end by discussing his work during World War II with the Anglo-French Union and the CFLN. Chapter 6 has been dedicated to his work surrounding the creation of the ECSC, more specifically the Monnet Plan and the Schuman Plan. This thesis is as much of a study of the life of Jean Monnet as it is a study of his contribution to European Integration.

Chapter 2 Methodology

The thesis itself will be of a biographical nature. Studying the life of Jean Monnet through various sources – mainly memoirs and transcripts from interviews (oral history), but also secondary sources from other scholars who have written about his life and the time period. ‘Biographical methods’ is an umbrella term for an assembly of loosely related, variously titled activities: narrative, life history, oral history, autobiography, biographical interpretive methods, storytelling, auto/biography, ethnography, reminiscence. These activities tend to operate in parallel, often not recognising each other’s existence, some characterised by disciplinary purity with others demonstrating deliberate interdisciplinarity. By their very nature, biographical method encourages a universalistic and encompassing approach, encouraging understanding and interpretation of experience across national, cultural and traditional boundaries better to understand individual action and engagement in society. The personal and individual nature of biographical data adds an additional layer of complexity.

Biographical researchers work with a range of different types of data including diaries, notebooks, interactive websites, videos, weblogs, and written personal narratives with methods of collecting varying from the directly interventionist in, for example oral history interviewing, to a more detached encouragement and stimulation to write and record as in the collection of accounts through an archive like Mass Observation or online interactive websites (Bornat, 2008: 344). It is hard to pinpoint the precise type of biographical method(s) that I will use in this thesis due to the very nature of my thesis. It is safe to say that I will be analysing narratives regarding the life of Jean Monnet brought to me through interviews, memoirs, other biographies, etc.

However, the thesis will also be utilising content analysis of a qualitative nature to discuss and answer raised questions. Content analysis is a technique for analysing the content of communications. Whenever somebody reads, or listens to, the content of a body of communication and then summarizes and interprets what is there, then content analysis can be said to have taken place. There are two main methods by which this can be done – quantitative and qualitative methods. This thesis will be using the qualitative version of content analysis which can best be described as such: the importance of the content is determined by the researcher’s judgement. The researcher decides on the intrinsic value, interest and originality of the material. It is the researcher who decides on a topic or hypothesis to investigate, determines which documents or other communications are appropriate sources of evidence, and then selects a sample of texts to investigate and analyse.

This process results in a subjective assessment of the content and value of the material. It relies heavily on the judgement and expertise of the researcher (Burnham, Lutz, Grant, & Layton-Henry, 2008: 259).

Chapter 3 Literature Review

The primary sources that I will be using have numerous problematic and ethical problems to take into consideration. Sadly, I can only use sources that are written in English, Norwegian, and somewhat sources written in Swedish and Danish. Due to my lacking fluency in French and German, I cannot use sources in these languages, which will impact how deeply I can study this subject. This is problematic considering that I am writing a biographical work about a French man who was very prominent in France and the fact that I cannot use primary sources from French governmental archives. Luckily, there are numerous memoirs and works about Jean Monnet which are translated into English and Danish. However, I must be careful when using memoirs since the writer's memory may be faulty, or the author may try to angle themselves in a better light than they actually were in. Not only are memoirs problematic in this sense since them being translated also creates problems. This is because the translator may have misunderstood what was being said, or meanings and words may have been lost in translation, cultural hints and phenomena may have been lost on the translator.

This thesis has not conducted any interviews; however, the thesis will be utilising transcripts of interviews conducted by others. Therefore, it is crucial to briefly discuss the fall pits of interviewing as a method. Interviewing as a method has its fair share of shortcomings. The interviewee may feel the need to give answers to questions which they do not necessarily believe themselves, but they feel that the interviewer wants to hear. The interviewee may also feel uncomfortable answering certain questions since they know that their answer will be recorded. The interviewee may also have a faulty memory and give the wrong answer when asked about something that happened in the past (Tjora, 2017)

This biographical work will also feature a content analysis methodology. Some of the interviews I have procured have been conducted by Jean Monnet's biographer – Francois Duchêne (Fransen, 2001) and have been procured from the Historical Archives of the European Union's website. The interview subjects are people who have worked with or who

knew Jean Monnet and therefore it is important to note that they have a limited perspective on him. How others perceive you is an interesting topic as every single individual who ‘knows’ you only know a certain aspect of you, or rather, they only know the version of you which you choose to portray to them. These interviews can only partially tell the story of Jean Monnet and therefore it is my job to piece them together to create a fuller picture regarding my topic. As a final note, the reason why I have been so reliant on Fransen (2001) is because his excellent book on Jean Monnet contains translated French sources that I could not have gained information about without his English contribution to the studies of Jean Monnet. The other two main works that I have been using to construct the tale of Jean Monnet have been Duchêne (1994) and Monnet (1976). All three of these books roughly talk about the life of Jean Monnet in explicit detail yet at the same time they often say roughly the same about each given situation. A final mention is about Monnet (1976), as I am using the translated Danish version titled ‘Mit Liv’, the structure and therefore the page numbers are different from the original French version, so keep this in mind.

Chapter 4 The Early Years

This chapter will be focusing on the early years of Jean Monnet in his home in Cognac. The chapter starts by discussing Cognac from a historical and cultural perspective to give an impression of what kind of environment Monnet grew up in. Next, the chapter discusses Monnet’s closest family i.e. his father, his mother, and his siblings. Finally, the chapter ends with a discussion of his unorthodox education.

4.1 The Peasant from Cognac

Jean Monnet was born on Friday, November 9, 1888, in Cognac, a town situated on the mild Charente River, some forty miles inland, halfway down the green Atlantic coast of France. Charente has a long history of domination by England and is well known for its excellent brandy. The soil of Charente produces poor-quality wines, however, in the seventeenth century it was accidentally discovered that when distilled they produced excellent brandy. Fransen (2001: 7) eloquently states that, “One of the lessons that the region brought to its people was that out of an apparent tragedy can result something noble and good. To make it

happen, however, requires hard work, a little lick, and immense patience. The art of brandy making is the art of biding one's time. It is also the willingness to accept compromise.” Lessons that Monnet undoubtedly took in over himself and used a multitude of times throughout his career.

The brandy trade dominates the local economy of Cognac, which in turn is dominated by the concerns of former British emigrants Martell and Hennessy. The spirits trade, by its nature, made Cognac into a cosmopolitan town and has made the region far more cosmopolitan than similar regions in other parts of France. Whereas for most French people the hub of life was the national capital, for the brandy merchants, it was Cognac. The economics of brandy produces a curious blend of principles. On the one hand, the merchants factored international free trade long before the rest of France – they depended almost entirely on exports for their markets. On the other hand, the local economy was a semi monopoly dominated by the great houses of Hennessy and Martell (Fransen, 2001: 7-8).

4.2 Family

Jean Monnet came from a long line of wine-growing peasants and was born into the family of Jean-Gabriel Monnet and his thirteen years younger wife, Née Maria Demelle, who was only nineteen years old when she gave birth to Jean (Dutchêne, 1994: 30). Beginning with Jean's parents, the family climbed into the bourgeoisie thanks to his father's determination to escape the working classes through their brandy business; from being peasant-growers and craftsmen, they became merchants (Fransen, 2001: 8). J.G. Monnet had been one of the first to study at the city “college” which was the equivalent to a preparatory school, where he had been a good student. As Fransen (2001) points out, Cognac was a modest town but the new values that the family learned were solidly bourgeois where one of those new values was self-reliance. Monnet's mother was a devoted catholic and would attend Mass every Sunday. However, despite all that, Monnet has noted in his memoirs that his mother was a very tolerant woman. Even though she was catholic she respected their friend Ms. Barrault who was a practicing protestant (Monnet, 1976: 25). From his mother, Jean also learned modesty. His mother was the one who woke up early and brought order to the house. The blinders were open from 07:00 am but when darkness fell over Cognac in the evening and the lamps were lit, she would hastily shut the blinders at say “someone might see us.” According to Monnet, she was very anxious of showing herself off, or in other words, being put on display for others

to look; which was a common trait in Charente. In contrast to his father, who was a dreamer and idealist, his mother was a very grounded and realistic person. Jean inherited his father's imagination, but his mother taught him that he could not build anything if he did not stay in reality (Monnet, 1976: 24-25). Jean was also blessed with three younger siblings; Gaston, Marie-Louise, and Henriette. Once Jean had made it clear that he did not intend to run the family business, it fell on Gaston to take up the mantle until his unexpected death in 1927. After that, Jean's cousin ran the firm. Both of Jean's sisters continued in the piety of the maternal line and Marie-Louise went as far as becoming one of the founders of Action catholique and a lay representative to the Vatican (Fransen, 2001: 10).

4.3 Unorthodox Education

Jean Monnet's atypical background goes far beyond the direct influence of his boyhood surroundings and family. In France—and this was even more the case in the first half of the twentieth century than now—men destined for political prominence went to Paris, worked their way through elite schools, and graduated into the administration or political parties (Fransen, 2001: 11). However, in stark comparison to his father, Jean was not gifted in the ways of the classical student and did not care much for education. Jean has stated in his memoirs that he rejected book knowledge, as he had trouble with memorising what he read. This can hint at several things. On one hand, this could mean that Jean had some sort of learning disability, which kept him from obtaining a formal education. On the other hand, it could just be that he was not interested in the material and hence why he struggled with memorising what he was reading. Then again, there is nothing wrong in not wanting to be a scholar, as Monnet has proven to us all, you do not need formal education to be successful.

He got ill when his parents tried to send him to a boarding school in Pons (Monnet, 1976: 25). He does not elaborate on this statement, however, in hindsight of his dislike of going to school, it may have been the classical case of “mom I don't feel so good, can I stay home from school today syndrome”, which undoubtedly many students throughout the world has been stricken with. His parents gave up on giving him a formal education when he was sixteen-years-old and opted instead to make him learn the ways of the family business. They packed his bags and sent him away to England for two years where he would study the language, customs and the trading methods of their most esteemed customers (Monnet, 1976: 29). Shortly after turning eighteen he set off for Canada to sell a suitcase full of samples of the

family spirits. In Canada he continued his lessons in the ways of the world. More important, he found in North America what was to be his kind of country, a rough and tumble place where diplomas and birth meant little or nothing and where the imperative to get things done dominated men's minds. This American way of thinking would live on through the rest of his life and influenced his international work for years to come. In an interview with Duchêne (1989, 16 February), Jan Jacob stated that, "We got on like a house on fire. We saw a lot of each other, because I found very soon that Monnet was the chap who really knew how the American government worked - and that was quite something in itself - and who to go to for the various things he wanted, and how to set about it." Monnet was also well known for going straight to Prime Ministers and Presidents with his proposals rather than going through 'the system'. He also was on first-name terms with everyone he worked with, as he did not care much for administrative hierarchies (Fransen, 2001: 14).

First in Canada, and later in the United States, Monnet was to develop one of the most powerful networks of friends and connections of the mid-twentieth century (Fransen, 2001: 11-12). Even though he did not have a fancy degree in either political science or economy, he is today deemed as one of the most important people within European Integration and has been labelled by many as a great economist, not due to his education, but due to his understanding of economy which came from his experience as a travelling merchant and salesman. Jean can be seen as a shining beacon of hope for those who do not care for or who simply struggle with school and education, yet seek the thrill of politics, economy, international work, etc. yet, ironically enough, the most likely way of learning about him is through education. In his memoirs, Monnet stated that simply by observing his family and friend in Cognac, he learnt important things about humans and international affairs which no formal education could ever teach him (Monnet, 1976: 25)

Chapter 5 World at War

This chapter will study the actions and movements of Jean Monnet during World War I, the Inter-War period, World War II, and the Post-War period. However, due to limited space, this chapter will mostly look at the most important events and in broad strokes such as the IAMTC, the League of Nations, saving the family business, his time with Blair & Co, Anglo-French Union, and the CFLN. The thesis will leave out his time in China as well as his

marriage, not because they are not important, but because of limited space. This chapter is important for the research question as it is in these years that Jean Monnet starts to really build a reputation within international affairs.

5.1 Experiences from the Great War

Monnet travelled a great deal during the next eight years and was again in North America in 1914 when rumours of war brought him hurrying back to France. His nephritis kept him out of the army, so he negotiated his way into a position in the economic service with Clémentel, helping to arrange civilian provisioning. Monnet's work during the war was a major factor in establishing international economic cooperation between Britain, France, Italy, and later the United States. This experience provided not only the technical training for many of his later efforts at European unity, but also establishing him as an international personality. Following the war, Monnet became deputy secretary-general of the League of Nations, where he was well-respected and wielded considerable authority. The restraints and the lack of institutional authority placed on the League, however, frustrated him and he later resigned. (Fransen, 2001: 13).

The Inter-Allied Maritime Transport Council (IAMTC) was created during a meeting held in Paris from 29 November to 3 December 1917 under the presidency of Clémentel and was a first and extremely significant experience in the benefits of international authority for Monnet. Monnet noticed that when allies competed against one another on world markets, the result was a joint drop in efficiency and a sort of "prisoner's dilemma" problem – a problem pertaining to game theory (Poundstone, 1992). Monnet's solution was to get both parties to step outside their traditional roles and instead look at the problem together. Monnet used this same logic, which he later called "repartitioning the deficit," in establishing the Franco-British supply cooperation in 1939, the Victory Program of WWII, and in his arguments in favour of the Monnet Plan after the war.

The IAMTC attacked the problem of supply by rationalising the use of transport. This involved pooling both supplies and ships, so that, for instance, British wheat purchased in Australia could be shipped to Italy in exchange for American wheat purchased by the Italians, saving valuable transit time. Such swaps were made possible by a novel national accounting method, organized by Salter and Monnet, of the raw material import needs of their respective countries. Even though the IAMTC was later broken up, the ghost of the organisation

continued to act on the world scene through its ties to the embryonic League of Nations (Fransen, 2001: 23-25, 27). This was, undoubtedly, Monnet's first attempt at a supranational institution. By pooling the resources of France, Great Britain, Italy, and later, the U.S., Monnet attempted to create a strong union which did not have the economic weaknesses of single nation states.

During his time in the League of Nations as Sir Eric Drummond's, the first Secretary-General of the League of Nations, second hand and was appointed by the French and British who agreed that he would be the right person for the job, Jean had a close relationship with the Drummonds and in an interview with Dutchêne (1989), his son, John David, reminisced that his family was rather sad about Jean leaving for home to save the family business, as they liked Jean very much.

5.2 Lessons from the Inter-War Period

After the war, Monnet was called back from Geneva to rescue the family business, which had not recovered from the loss of contracts during the Great War. At home in Cognac, Monnet got into a tremendous fight with his father, who adamantly defended his reluctance to sell the oldest stocks of liquor mellowing in their cellars. Monnet disdained the pride of craftsmanship that his father cherished and favoured seeding the market with younger cognac to get the business going again. Monnet succeeded in re-establishing the Monnet brand and in setting the firm back on its feet. There was, however, another factor that did not hinder his efforts: "prohibition was instituted in the US—a boon to the Monnet distilleries. 'The rum route,' the great highway of contraband, was to stretch all the way to Charente" (Fransen, 2001: 15-16).

After a few years, once the firm was re-established, Monnet left Cognac for good and took up banking. During the 1920s Monnet was associated with the international Blair & Co. organization, consisting of Blair & Co. Inc. and the partnership Blair & Co. in 1929 the deposit banking business of Blair & Co. was transferred to Bank of America and its securities and underwriting business was transferred to Bancamerica Corporation (the name of which was changed to Bancamerica-Blair Corp.), a New York securities affiliate of the Bank of America through its subsidiary Transamerica Corporation. In January 1939, Monnet became Vice Chairman of Transamerica. In 1932 A. P. Giannini conducted a successful proxy fight to oust the management of Transamerica Corporation. Monnet and most of his old Blair associates withdrew as officers of Transamerica and of Bancamerica-Blair. The Cravath firm

had represented Blair & Co. in New York for many years and, after the merger, continued to act in New York for Bancamerica-Blair Corporation. In the course of that work, Monnet became well acquainted with Donald C. Swatland and several other partners of the firm (Duchêne, 1990, 16 October, Interview with Connelly).

With Blair & Company, Monnet was primarily responsible for floating two large loans, first to Poland in 1927, and again in Rumania a year later. In Poland, Pierre Comert put him in contact with René Pleven, who worked on and off for Monnet until Pleven joined de Gaulle in London in 1940. As a partner in Blair, Monnet was also responsible for, among other international financial dealings, liquidating the match empire of Swedish magnate Ivar Kreuger. The financial dealings associated with Blair made generous use of American capital, and the negotiations helped Monnet to build upon the network of American acquaintances he had begun to establish in the Inter-Allied Maritime Transport Council and during the Paris peace conference. These included, above all, John Foster Dulles, who remained a lifelong friend. Monnet later reflected on the sense of combined individual and collective spirit that he found on and which reminded him of his early experiences in London. The contacts Monnet made during this period were to become crucial in his work during World War II, French reconstruction, and with the Schuman Plan (Fransen, 2001: 16).

5.3 World War II

In 1938, Monnet worked hard on procuring warplanes for France in an attempt to fight back the German terror which was looming on the horizon. Monnet saw that even combined, the French and British were not able to outdo the Germans when it came pumping out new war machines. Hence why Monnet had to get the Americans involved and went as far as to establish factories in Canada, as far away from the Germans as possible. However, his efforts were not enough to fight off the Germans (Fransen, 2001: 64-71).

On June 1940 a plan to form a union between France and Great Britain was proposed – which was initiated in large part by Jean Monnet. The proposed final “Declaration of union” approved by the British War Cabinet stated that, “France and Great Britain shall no longer be two nations, but one Franco-British Union. The constitution of the Union will provide for joint organs of defence, foreign, financial, and economic policies. Every citizen of France will enjoy immediately citizenship of Great Britain, every British subject will become a citizen of

France.” (Churchill, 1986: 183-184). Monnet had been at it again, an attempt to form a supranational body where the members would share citizenship, defence, foreign, financial, and economic policies. Reynaud was convinced that this was the only alternative to surrender, however, the rest of the French leaders harshly opposed the proposition and the union plans fell through. It was not the right time for such a union; however, he would learn from his mistakes and further improve upon his grand plan.

Although the fact of this initiative and its context are well-known, the details of the proposal, its evolution, and its aims are little explored. This is complicated by the fact that the accounts, notably those of Monnet and de Gaulle, contradict each other in many respects. The proposal, however, sheds much light on the thought of Jean Monnet, particularly regarding the issue of French sovereignty in view of supranational institutions.

In his official capacity as head of the Franco-British Coordination Committee, Monnet was involved in trying to save as much war equipment as possible from German capture. This included transferring the ownership of undelivered French orders and purchases in the United States to the British. In addition, Monnet was involved in the efforts to make sure the French navy was not captured by the Germans. According to Fransen (2001), the general consensus in London was that the combined resources of the French, German, and Italian navies would be more than enough to crush the British navy and would make it impossible to prevent a landing of the Wehrmacht in Britain. To them, it was no longer about a war of France and Great Britain against Germany, but of freedom and civilisation against barbarism and tyranny.

The Germans had a policy of dividing its enemies, and out of fear that Hitler could drive a wedge between the two Allies, Reynaud proposed that France and Great Britain agree to fight the war together. Given the military situation – the French army was in retreat—there were two options. First, the French government would surrender to Hitler and legitimate whatever peace the Germans demanded. Alternatively, they could form a French government in exile, which again had two possible outcomes. They could either form a government in Great Britain or in the French colonies of North Africa. As it turned out, the future of France wavered between these two poles until 1943. During the period from 13 to 20 June, Monnet first tried to bring the government to England, which failed, then he tried to send the government to North Africa. Both efforts ended up collapsing, but their consequences would have been vast and would have extended beyond the war (Fransen, 2001: 34-35).

When they flew out to Bordeaux to attempted to save French governmental officials, they were met with hostility even though they brought with them news that the British were ready to provide whatever ships were necessary to bring as many of the men and as much of the equipment as possible to North Africa, and that the government could fly out with Monnet himself (Monnet, 1976: 19). The mood in the provisional capital had become openly anti-British, to the extent that Reynaud's military attaché, Colonel de Villelume, violently rebuked Monnet for his role in the declaration. Pleven reported that the cry in the halls of the prefecture of the Gironde was "better with Hitler than an English slave." (Fransen, 2001: 37). Although some members of the government eventually did decide to leave, Monnet was unable to convince anyone to fly with him. Edouard Herriot told Monnet that he would only travel under a French flag, and that Monnet's British plane carried a Union Jack. A ship sporting a tricolour that Herriot eventually boarded was stopped by French authorities and its members never made it to Africa. Frustrated, Monnet returned to London, filling his plane with refugees instead (Fransen, 2001: 37).

On 3 June 1943, the Comité français de libération nationale (French Committee for National Liberation, or CFLN) was created in Algeria, a process which Monnet invested a great deal of time in. Its purpose was to function as provisional government of Free France formed by the French generals Henri Giraud and Charles de Gaulle to provide united leadership, organize and coordinate the campaign to liberate France from Nazi Germany during World War II (Fransen, 2001, Duchêne, 1994).

Monnet left Algiers to organize the provisioning of liberated France. Following the new organization after the admission of the communists to the Committee, he carried to Washington the title Commissaire en mission. Most of his work in this area involved organizing the supplies and shipping France would need to keep its people fed and the economy functioning after the Germans retreated. During his time in Washington, he was also one of the chief lobbyists seeking political recognition for the CFLN. (Duchêne, 1994: 131)

Monnet sought to create a situation in which the CFLN was increasingly given de facto recognition, until the point where it would be all but impossible to continue to block real recognition (Monnet, 1976). Despite virtual unanimity in favour of recognition within the American government, the one person who mattered—Roosevelt – refused to give in. During a meeting with James Dunn of the State Department, Monnet inquired whether the CFLN could not simply call itself a provisional government, while continuing to work with the United States as a committee. The Americans refused the proposal (Fransen, 2001: 59-60).

However, recognition eventually came in two stages. On 11 July Roosevelt granted de facto recognition to the CFLN. On 22 October, in the face of unilateral British action, he granted official recognition. By this time, however, Monnet was hard at work trying to rebuild France's economic strength, so that its future in Europe would be secure (Fransen, 2001: 60-61). He left the organization, feeling that his job was done. A notion that Sherfield agrees upon in an interview with Duchêne (1989, 18 January), "He had set up the machinery, and there were enough sensible people about, by that time, to make a credible movement."

Chapter 6 Uniting Europe

This Chapter will start by studying Monnet's efforts to rebuild France after WWII through the Monnet Plan and discuss the viability of such a plan. Then, the chapter will move on to discussing the Schuman Plan and how this led to the creation of the European Coal and Steel Community – the bedrock of what would one day become the European Union.

6.1 The Monnet Plan

France was in shambles after World War II and Monnet had cooked up a plan to fix it. However, Monnet was mostly concerned with setting France's trajectory, rather than plan its course with his new plan. He thought that once the French were committed to an international future, the rest would fall into place. Monnet described the philosophy behind the plan as the philosophy found in life itself with its uncertainties, hopes, constant adjustments and deceptions, the plan was a continual effort (Monnet, 1976). Monnet understood that France was not in a "normal" situation; that the pre-war investment had been extremely slow; and that the French experience has shown that modernisation did not necessarily happen in a free economy. The main point of the Plan was to increase the scope of France's post-war policy and to prevent a return to autarchy (Fransen, 2001: 84). It has been pointed out by scholars such as Hogan (2001) that the general French aspiration in the late 1940s was that "France would take Germany's place as the industrial hub of Europe and as the fulcrum in a new European balance of power." This notion has been interpreted by some as Monnet's ambition was to prepare France for an international economy in a zero-sum way at the cost of

Germany. Fransen (2001: 84-85), however, argues that “it is presumptuous to attribute these same sentiments to the Commissariat. However, the early French plans were in fact concerned with keeping Germany weak and strengthening the French economy at the expense of that of Germany. French foreign policy aimed to dismantle German heavy industry, place the coal rich Ruhr area and Rhineland under French control or at a minimum internationalise them, and also to join the coal-rich Saarland with the iron-rich province of Lorraine – which had been handed over from Germany to France again in 1944 (Hrycaj, 2000: 37-38). When American diplomats reminded the French of what a devastating effect this would have on the German economy, France’s response was to suggest the Germans would just have to “make the necessary adjustments” to deal with the inevitable foreign exchange deficit (Hrycaj, 2000: 63)

Fransen (2001) further argues that such arguments place far too much emphasis on immediate concerns and fail to consider Monnet’s long-term program for which the Monnet Plan was but a way station. Monnet sought to prepare the French economy for the rigors of international competition and to foster international trade. He would have eventually proposed some kind of European community, even had he become secretary-general of the United Nations. What he was suggesting as Clémentel had argued in the 1930s regarding World War I, was a way to prevent the kind of war that had arisen out of the economic chaos of the 1920s from occurring again.

Monnet’s international intentions required planning within France, precisely because of the dramatic change that the international scene had undergone. Continuity with previous policy was not possible. The limitations of France’s natural resources, especially coal, as had been seen already in World War I, required that France obtain certain vital imports. In order to pay for these imports, it was necessary to export. The balance sheets of the Plan illuminated this need. Before the war, the commercial balance had already been negative for metropolitan France, but revenues from international investments were able to maintain the balance. Even at pre-war productivity levels, the French standard of living would have to go down. In order to compete in world markets, France would need to modernise and to modernise rapidly meant that they would have to rely on outside aid.

A significant threat to France’s sovereignty ironically came from the source of outside aid itself. Monnet’s first act, after the plan was approved in January 1946, was to go to the United States as part of the Léon Blum mission to seek loans. Although it was not until the Marshall Plan a year later that the Plan was assured at least minimum funding, Monnet was

nevertheless expecting to rely on outside support. From the perspective of Robert Nathan in an interview with Duchêne (1987, 15 May), who went to France in 1946, twice, to serve in a kind of advisory capacity to the Commissariat du Plan, “France was not then an under-developed country. It was a perfect country for the Marshall Plan, a country which was pretty badly battered and destroyed, and needed financial resources to rehabilitate and get back on the track.” Monnet knew this and therefore went to great lengths to siphon Marshall Plan funds into his Plan for the modernisation of France.

The Americans hoped to fund high-profile projects to which one could attach brass plaques indicating the source of the funding. According to Irwin Wall (1991), “the Americans wanted the construction of housing, hospitals, and schools to show that the Marshall Plan and American generosity could deliver these things rather than the Communists.” However, Monnet was intent on a more fundamental restructuring of the French economy, including the industrialisation of agriculture after the American model and a “Stalinist” emphasis on heavy industry (Fransen, 2001: 85).

In an interview with Duchêne (1990, 17 March), Arthur Hartmann described the Monnet Plan as a kind of model. However, the people in the Marshall Plan would not have described it that way as many of them were anti-plan (although they liked to do planning). He further said that they did not understand the sort of way that Monnet had set things up in France, outside the political structure, having an influence over a whole series of things. The amount of government intervention in France was probably not approved by a lot of the economists, who did not see that was the only way to get a basic infrastructure going, in a place like France and who were pushing very strongly for encouraging private enterprise and all those things. In the French structure, though, it worked very well. Here, one can see that Monnet’s unorthodox education once again gave him a leg up in his work.

Fransen (2001: 86) argues that, if one looks at the point of departure of the Monnet “Plan for the Modernization and Re-equipment of France” in light of Monnet’s earlier work on wartime planning and his later work on European integration it should come as no surprise, therefore, that it is situated between the two. Monnet had three goals in his Plan. First, he wanted to rebuild France. He wanted to do so not so much to correct for the destruction of war, but for the investment failings of the peacetime regimes that had so utterly failed to meet France’s needs. His second goal was to prevent that rebuilding from taking place at the cost of reinstitutionalising the interwar autarchy that, he and Clémentel had recognized, led to dire consequences. To do this meant forcing France to enter the international economy and remake

its external economic relations. Finally, Monnet was still on the lookout for new European institutional arrangements that would remake continental politics. This required a stronger France, but also biding time for a suitable crisis in which to take the next political step.

Monnet found that crisis in the London three powers meeting in May 1950. His formula required a completely new understanding of sovereignty. The expression of these views in the Schuman Plan of 9 May 1950 introduced the most sweeping change in European politics in generations. Monnet's thoughts leading to the Schuman Plan, however, have a much longer history (Fransen, 2001: 86)

6.2 The Schuman Plan

No more accurate account of the immediate origins of the Schuman Plan will probably ever be written than the one provided in Monnet's Memoirs of a trip to the mountains spent pondering Europe's destiny, followed by a return to Paris where he and a select group of associates carpentered relentlessly at the Rue de Martignac to shape the odd blocks, board, and beams of issues and ideas into a simple, serviceable, and solid construct (Monnet, 1976: 200). According to Gillingham (1991: 137 in Brinkley & Hackett), contrary to politically-inspired contemporary allegations, the proposal for the coal-steel pool was neither cabled from Washington nor inspired by the Pope, and no more promoted sedulously by evil cartelists than put into play as a Communist ploy. Though ideas for a coal-steel pool may long have been in general circulation, the Schuman Plan bears the distinct imprint of Monnet's approaches and methods.

However, Bache, Bulmer, George, & Parker (2015: 99) argues that, the role of the US Administration in the negotiations was vital. Not officially represented at the talks, the United States nevertheless exerted a tremendous influence behind the scenes. A special committee was set up in the US Embassy in Paris to monitor progress, and it acted as a sort of additional secretariat for Monnet. However, after the outbreak of the Korean War in June 1950, the US Administration came to the reluctant conclusion that Germany would have to be rearmed (undoubtedly to combat the spreading influence of communism). In this context, the issue of not allowing the emergence of the industrial conglomerates that had supported the previous militaristic German regime became more significant in US minds.

After months of hard negotiation, the United States cut through the arguments and forced a settlement. On 3 March 1951 Adenauer was summoned to see John J. McCloy, the US High Commissioner in Bonn, who told him that the delays caused by the Germans were unacceptable, and that 'France and the United States had no choice but to impose their own decartelization scheme. Despite vigorous protests from the Ruhr producers, Adenauer accepted the ultimatum because, for him, the political gains of the ECSC were paramount and he could not afford to allow the process to collapse (Bache et.al., 2015: 99-100).

The announcement of the Schuman Declaration took place at a hastily convened press conference later in the afternoon of May 9, 1950, in the French foreign ministry. Schuman proposed both a specific solution to the problem of the Ruhr (a supranational coal and steel organisation) and a general solution to the German question (implicit equality and non-discrimination in the context of European Union) (Dinan, 2014: 45).

In an interview with Duchêne (1987, 12 May – 1988, 28 September), Robert Bowie talks about his role in making the Schuman Declaration 'fair' for the Germans and acceptable for the rest of the members. The Occupation had adopted something called Law 27, which was supposed to regulate the deconcentration of the German coal and steel industries, and he was responsible for the administration and carrying out of that, under the direction of McCloy. One of the key questions was how to relate the requirements of Law 27 under the Occupation in Germany, to the new regime which was to be created by this Coal and Steel Community, as a result of the Schuman initiative.

Monnet & Bowie felt that it was important that the Germans should enter the Coal and Steel Community without feeling that they had been discriminated against and went into the new system at a disadvantage by reason of Law 27 from a political viewpoint. Therefore, the problem was how to work out the break-up of the coal and steel industries under Law 27, in a fashion which the Germans would not later claim put them at an artificial disadvantage, and yet which the British and French could accept as putting both sides into the system on a basis of rough equality. The theory, or assumption, legally, was that Law 27 would no longer govern once the Coal and Steel Community began to operate. The Coal and Steel Community, which dealt with the members equally, on the same footing, would have to govern, and any continuing operation of Law 27 was out of the question. There could not be any separate regime with respect to German industry once it came under the Coal and Steel community.

The Schuman Plan was welcomed by Germany, Italy, and the Benelux states. The six signed the Treaty of Paris in April 1952, and the ECSC came into operation in July 1952 (Bache, et. al., 2015: 94). The Schuman initiative bore all the hallmarks of Monnet's approach to economic development. As outlined in the declaration, the High Authority would be an international version of the French planning office. Just as the planning office consisted of technocrats acting independently of government ministries, the High Authority would consist of technocrats acting independently of national governments, providing overall direction and arbitrating disputes between vested interests. As for achieving European union, the declaration reflected Monnet's preferred approach of sectoral economic integration. Monnet may have hatched the plan, but Schuman took the political risk. Most members of the French cabinet were still too hostile towards Germany and fearful of the future to take such a bold step. Hence Schuman's subterfuge, talking the initiative down in the cabinet and up at the press conference. Only after the press reported favourably on the declaration did the cabinet grudgingly accept a *fait accompli*. It is often said that Monnet, the architect, deserved to have had the declaration named after him, but the name of the declaration accurately indicates where the political credit belongs (Dinan, 2014: 47).

In April 1951 negotiations for the proposed organisation concluded. Its executive organ, the High Authority, began operations in August of the following year. The High Authority was funded through a direct levy on Europe's coal and steel firms and had a wide brief on taxes, production, and restrictive practices. Alongside it were established a Council of Ministers consisting of national government representatives, and a Common Assembly. In addition, a Consultative Committee to the High Authority was established to represent producers, employers, and consumers. More significantly in terms of future integration, a Court of Justice was set up with judges drawn from the national judiciaries to rule on the legality of the High Authority's actions. These institutional arrangements provided in embryonic form the core of the institutional framework of the European Union as it exists today (Bache, et.al., 2015: 100).

The ECSC was Monnet's greatest accomplishment: it set in motion the process that transformed Europe from a continent historically divided by nationalism into an emergent civilisation formed by common economic institutions and animated by a common political spirit. Jean Monnet had learned from his experience during World War I, long before most of his contemporaries, that for France, Great Britain, and all other European countries, international coordination of economic and political policy was prerequisite for national

survival; without it economic growth would be stifled, war would become likely, and dependence on external powers inevitable (Gillingham in Brinkley & Hackett, 1991: 129).

Europe was not built according to Monnet's blueprints; the ECSC looked and operated differently from what he had in mind and was of only limited value in further European construction: as a model it was rejected by the statesmen who organized the European Economic Community, or Common Market in 1957. Yet Monnet deserves singular credit for having made the breakthrough from an unhappy past into a new and better age; he was the indispensable link between Europe and the United States at a time when an ancient civilization needed the aid and guidance of a young one. Without him the unification process would have started later, been slower, perhaps never even have begun (Gillingham in Brinkley & Hackett, 1991: 130). Monnet served as President of the HA until June 1955 when his resignation, initially submitted in November 1954, officially took effect.

Chapter 7 Conclusion

So, Was Jean Monnet's success in founding the ECSC due to his previous international experiences? In conclusion, having studied the life and international experience of Jean Monnet it is clear that his life experience was a key factor in his success. Having started out as a businessman from Cognac with no prior economic education except the knowledge he had obtained from observing his family and the experience from traveling, had given him a unique way of handling and understanding economics. His experience as a businessman and banker were crucial in giving him the tools and connections necessary to be as successful as he was and adopting the 'American Way' made him more attractive to the Americans and made his methods in Europe more 'effective'. The Monnet Plan, which led to the Schuman Plan and the creation of the ECSC is undoubtedly his greatest accomplishment, and even though his original plans for unifying Europe was altered in order for it to happen, its essence and spirit was still very much alive. After studying the life of the grand architect of European Integration himself, it is without a doubt that I can say this, Europe would not have been where it is today without him and that you do not need a fancy education to make an impact, sometimes, the harsh school of life is enough.

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