"THE FUTURE OF THE ATLANTIC ALLIANCE".Chicago U.:21-23 X 63.

1) - Introduzione
2) - S.A.Gonard:Contribution to the study of the working of the Atlantic Alliance.
3) - M.Boscher:The foreign policy of France since 1958.
4) - W.Cornides:Germany's position in the next round of East-West negotiation.
5)-M.Ullmann:The economic profile of an Atlantic Community.

THE FUTURE OF THE ATLANTIC ALLIANCE

AN INTERNATIONAL SYMPOSIUM

The University of Chicago

Center for Continuing Education

October 21 to

October 23, 1963

The Symposium will be divided into six sessions of approximately two and three quarter hours each. Generally sessions will begin with a twenty-five to thirty minute summary of a previously prepared paper which will be followed by fifteen-minute commentaries and then discussion.

The Subjects

1. "The French Government's View of the Atlantic Alliance" — October 21, 9:15 AM - 12:00 PM

Speaker:	The Honorable Michel Boscher Deputy to the French National Assembly
Commentator:	The Honorable Lucien Radoux, Deputy, Belgian Parliament; former President of the Consultative Committee of the Council of Europe
Chairman:	Professor Hans Morgenthau, Department of Political Science, University of Chicago

2. "Another View" — October 21, 2:00 PM - 5:00 PM

Speaker:	Dr. Etienne Hirsch, Former President of EURATOM
Commentators:	Harold Van Buren Cleveland, Director Atlantic Policy Studies, New York Council on Foreign Relations
	Professor Jean-Baptiste Duroselle University of Paris
Chairman:	John Nuveen, Trustee University of Chicago

3. "Great Britain's Possible Future Course" — October 22, 9:15 AM - 12:00 PM

Speaker: The Honorable George Brown, Member of Parliament

Commentator: Professor Altiero Spinelli, Journalist and Visiting Professor, School of Advanced Studies, Bologna Center of the Johns Hopkins University

Chairman: Professor Louis Gottschalk, Department of History, University of Chicago

4. "Germany's Position in the Next Round of East-West Negotiations" — October 22, 2:00 PM - 5:00 PM

Speaker: Wilhelm Cornides, Editor of Europa-Archiv, Journal of the German Society for Foreign Affairs

Commentators: Professor Harold C. Deutsch, Chairman, Department of History, University of Minnesota

The Honorable Theodore C. Achilles, Vice-Chairman, Executive Committee, The Atlantic Council

Chairman: Professor William Halperin, Department of History, University of Chicago

5. "The Problems of Military Defense" — October 23, 9:15 AM - 12:00 PM

Speaker: Colonel Cdt. de Corps Samuel Gonard
Institut Universitaire de Hautes
Etudes Internationales, Geneva

Commentator: Professor Nathan Leites
Department of Political Science
University of Chicago

Chairman: Professor Hans Morgenthau, Department
of Political Science, University of Chicago

6. "The Economic Profile of the Atlantic Community" — October 23, 2:00 PM - 5:00 PM

Speaker: Marc Ullmann, Atlantic Institute,
Paris

Commentators: Professor Harry G. Johnson, Department
of Economics, University of Chicago

Joseph Slater, Associate Director
of International Affairs, Ford Foundation

Chairman: Professor Theodore Schultz, Department
of Economics, University of Chicago

THE UNIVERSITY OF CHICAGO
Center For Continuing Education

The Center is pleased to welcome you to an International Symposium on

THE FUTURE OF THE ATLANTIC ALLIANCE

All sessions of the Symposium will convene in the Assembly -- on the basement level.

The Conference Director is Mr. Thomas L. Nicholson

The Conference Coordinator is Mr. Warren Osburn

Conference Room 1B will serve as the Registration-Information Center during your stay. (This is the glass walled room directly to the rear and center of the lobby.) Members of the Chicago Council on Foreign Relations and staff of the Center will be on duty there from 9:00 am to 5:00 pm to answer questions and assist with personal plans.

In addition to participants, a list of which follows, there will be a number of observers at the Symposium from Universities and Colleges, The Chicago Council on Foreign Relations, faculty and students of The University of Chicago and representatives of a number of European Countries.

The sessions will begin promptly at 9:00 am on Monday, 9:15 am on Tuesday and Wednesday. There will be a mid-morning and a mid-afternoon recess.

On Monday, October 21, The University of Chicago will be host to all Symposium participants at cocktails and dinner. Cocktails will be served at 6:45 pm in lobby of second floor with dinner following at 7:30 pm.

On Tuesday, October 22, 12:30 pm luncheon will be served for participants and members of the press in private dining rooms B and C. Tickets for both luncheon and dinner will be provided for participants at the time of registration.

Meal service at other times is available on the following schedule:

Breakfast	7:30 am to 9:00 am in cafeteria
Luncheon	11:30 am to 2:00 pm in cafeteria or dining room
Dinner	5:30 pm to 8:30 pm in dining room

Participants are asked to sign the food checks so that these may be included on their hotel bills. Food and lodging charges are to be borne by the Symposium. Participants are requested to pay for personal charges such as telephone, valet or bar service prior to departure.

Telephone Messages will be received by the information office and carbon copies placed in the individual boxes. Only emergency calls will be relayed to participants during sessions of the Symposium.

Valet Service Laundry and Dry Cleaning taken to the hotel desk before 10:00 am will be returned by the following morning.

Special Transportation to UNESCO Conference Transportation will be provided to the Conrad Hilton Hotel for all participants on Wednesday afternoon at 5:15 pm. Please assemble in first floor lobby with baggage prior to this time. If transportation is needed at other times, call the hotel desk and service will be provided.

SYMPOSIUM ON THE NEW EUROPE

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University of Chicago USA

Center for Continuing Education

Symposium, October 21 -23, 1963

Contribution to the Study of the Working of the Atlantic Alliance

by

S. A. Gonard

(Switzerland)

OUTLINE

Introduction

1. Conditions for an effective policy of deterrence
2. The defensive policy of the Atlantic Alliance
3. The defense of the Atlantic Alliance
    A. Political aspect of the deterrent
    B. Military aspect of the deterrent
4. Conclusion

Introduction

It is rather embarrassing for the citizen of one of the smallest European nations to take part in the proceedings of this symposium, the sphere of which encompasses two continents. The Swiss who is addressing you is very conscious of the honor done to him in enabling him to expound the somewhat special views that one can have in a country situated in the center of Europe. Switzerland has long since practised at one and the same time a policy of neutrality towards two groups of powers dominating the world, and a policy of solidarity on the human plane with all countries without distinction. Allow me to express what are strictly my personal opinions on these subjects, committing myself alone.

If I were to search for some plausible motives for my participation in these debates, I could mention three :

> First of all, on three of our frontiers, Switzerland is enclosed and even encircled by NATO nations : France, Italy, Germany. Our country is thus directly interested in the political as well as economic evolution of its near neighbors, and, through them, in that of the Atlantic Alliance.
>
> Switzerland is a member - together with six other European nations - of the European Free Trade Association (EFTA).
>
> Geneva, one of its towns, has been honored with the privilege of housing numerous associations and international organizations (UNO, ILO, etc.) which foster a great many occasions for world-wide contact.

The Graduate Institute of International Studies in Geneva, at which I have the honor of teaching, is maintained by the Swiss authorities and also

by the Rockefeller and Ford Foundations, and contributes to this promotion of international understanding. The highly select young people who come from five continents to study there are trained to be the future political and economic "cadres" of their countries or of the great international organizations.

That is the reason why Switzerland, although neutral, is not isolated and does not isolate itself. On the contrary, it neglects no opportunity of participating energetically in international activities, within the limits of her fundamental policy.

But I can evoke a further motive, a rather special one, for my participation in the Symposium. This is that, in effect, for the last 150 years, Switzerland has, in the sphere of national defense, carried out a deterrence policy which has successfully withstood the ordeal of the last two world wars.

If, while for nearly 400 years our country has supplied all the great European Powers with professional infantry which have won fame on numerous battlefields at the price of more than a million dead, Switzerland has, for the last century and a half, taken no part in any modern war, but on the contrary has had a practical experience of a deterrent policy.

We find ourselves, in that respect, in the reverse situation of that of the present Powers; these, alas, have a tragic and repeated experience of world wars but conceptions of the deterrent policy, which, since 1950 or thereabouts, has become the foundation of the policy of the Alliance, which are on the whole theoretical and quite recent - and not

as yet proved by experience. Ambassador George Kennan, in a series of remarkable lectures given in Britain some years ago, has mentioned the desirability for NATO of a study of the Swiss militia system in both the case of a classical war and of subversion.

Will you therefore allow me to explain on the basis of our practical experience what appears to us as the essential characteristics of the deterrent.

Conditions for an effective policy of deterrence.

Switzerland is not in a position to threaten a potential opponent with extensive devastation of its territory because it does not possess the material means to intimidate any great Power to that extent.

The aim of the swiss deterrence policy is more modest but quite as effective : the objective is to prove with irrefutable evidence that an assault against our country would be infinitely more costly than the stake it represents, or in other words, the military advantages to be derived from the occupation of its territory.

Deterrence thus rests here on the notion of a maximum defense effort and is not a function of the importance that Switzerland might have in the eyes of a great Power. This sort of bargaining with oneself represented by the conception of a proportional counterstroke is rejected, because the freedom of a people and the independence of a nation have an intrinsic and absolute value and are not to be negotiated.

This maximum defense effort translates itself into the establishment of a land army and air force (more than half a million men organized in some thirty divisions or its equivalent), which are based upon widely and strongly fortified zones screened from atomic fall-out. The indispensable invulnerability of a retaliatory force is acquired thanks to these fortifications and to the mobility and dispersal of the means of reprisal. Finally the designation of an operational reserve of the army is considered as an essential element of the defense organizations, securing at one and the

same time the indispensable freedom of manoeuvre and the material possibility of prolonging the struggle.

For the simple citizen, all these steps are achieved by the obligation to serve personally and moreover to pay a part of the military expenses which, as elsewhere, constitute the most important item of national expenditure.

But beyond these material steps, it is essential that the organization of the armed forces be effected in such a way as not to leave the slightest doubt in the minds of foreign authorities as to the determination of the country to hold out to the bitter end. This implies that the greatest importance is attached to the psychological factor of the credibility of our intentions, and that no steps are neglected to reinforce it. Here are a few:

- General mobilization is organized so as to last only a few hours for the operational forces.

- Each soldier has his own weapons and equipment at home. In this way, more than 300,000 modern rifles and 30,000 automatic arms (light machine guns) are kept in the apartments, farms and chalets of our soldiers : with each fire-arm, every man has at his disposal 24 cartridges of ammunition with a written order to use them if, in case of a war mobilization, he comes upon the enemy on the way to the assembly point of his unit. This measure is deemed indispensable in an era of subversive warfare and mass parachuting.

From the point of view of the deterrent, it has the peculiarity of being in a way irreversible because during the crisis of a mobilization, the enemy knows that neither the order mentioned above nor the 10 million rounds thus distributed throughout the whole country can be withdrawn.

- Owing to a well prepared demolition program, we are able, without delay, to destroy all bridges, viaducts, tunnels, etc. or installations located on the lines of communication, roads, railroads, telephone, radio, airfields, etc. The paralysis of all industries is similarly prepared whether it be heavy industry, chemicals, textiles, clock and watch making industries or hydro-electric installations. Devoid of the means to devastate enemy military or industrial centers, we prepare the destruction of our own, along the lines of a scorched-earth policy, in order that the conquest of our territory might give no advantage to the adversary for the conduct of his later operations.

- The law provides subsidies for the equipping or construction of concrete fall-out shelters in all medium or important population centers. These provisions have been endorsed without consideration (as has been the case in other countries) of their possibly provocative character.

- Finally, in two recent and successive referenda, the Swiss people have subscribed, in principle, to the furnishing of atomic arms to the army and have delegated to the Government and Parliament the

competence to decide thereupon as they think fit. It is obvious that there is, at present, no practical possibility of implementing these provisions for we possess neither the means to build up an atomic industry nor the possibility of acquiring nuclear explosives abroad. It is nevertheless interesting to note that the Swiss are the only people in the world to have been consulted on this very controversial question, and that, in spite of the campaign led by the pacifists and fellow-travellers, they showed a thoroughly positive attitude to the equipping of the army with atomic weapons. It can thus be seen that these defensive measures, apparently purely material ones, are all meant to show publicly our unwavering resolution to resist so that their psychological implications are greater still since they must convince the enemy of the earnestness of our preparations. This is not a question of presidential or governmental disposition, liable to political hazards, but rather a decision stemming from the popular assent of a whole nation. Thus our deterrent, far from being a passing phase, is a stable conception anchored in the mind of every citizen. On the other hand, these steps are taken as a function of our statute of neutrality so that the deterrent comes into play no matter where the assailant comes from.

We reject subtle distrinctions, ambiguous attitudes, alternatives, reservations, because they might arouse the suspicion of a hesitation of which there is not the ghost of a chance.

Our defensive system is therefore based upon an armed force,

partly invulnerable, commensurate with our means, and the organization of which requires the indispensable strategic reserve of deterrence. We attach even more importance to measures of a psychological character capable of convincing a potential enemy of our resolution, rigorously eschewing any inopportune declaration likely to weaken it.

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I. The defense policy of the Atlantic Alliance.

Before broaching the question of the current aspects of defense, it seems expedient to point to the political framework in which they appear to be confined, because the following rather unorthodox appraisal can explain - if not justify - particular opinions on the military doctrine of the community.

It does not behoove us to make a thorough review of the political horizon of NATO, especially as the special cases of certain great countries such as France and Germany will have already been contradictorily expounded by particularly competent personalities. It is from a personal and unorthodox point of view that we shall look to the near future of Europe and the problem of its atomic defense, and that we shall endeavor to state the views that can be entertained in Europe on the USA and the USSR.

In his impressive speech at Frankfort (Germany) in July, 1963, President Kennedy emphatically declared that it was in the United States' interest that Europe should be strong and united, and that her security depends upon her defense within the framework of NATO. We can conceive of the unification of a continent over different stages which can go as far as a fusion or assume less strongly marked features which are just as effective, such as the United States of America built-up

in stages from East to West, and the Swiss Confederation slowly forged in the course of seven centuries of strife and effort.

In the state of weakness following the second world war, and under the Soviet threat, Europe grouped herself within the compass of NATO, whereas a great many organizations or associations, particularly economic, fincancial and cultural ones have closely woven a network of bi- or multi-lateral relations which are partly superimposed upon NATO, and sometimes exceed it territorially.

It is obvious and understandable that the leading State of NATO with its crushing world-wide responsibilities would like the Alliance to be more closely knitted on a political plane and to be militarily more consistent for very justifiable motives of security.

Now the realization of such a project is beyond our control and cannot be imposed.

Europe has currently reached a somewhat surprising stage of regrouping considering the abiding inveterate national susceptibilities, the historical rivalries and dire memories of bloodshed, the divergent traditions and still impervious cultures. It is possible that coming generations will break free from this ballast which still drags on their predecessors, but we think it would be laboring under a delusion to imagine that Europe will, in the next hundred years, attain the degree of integration that some hope for, if, indeed, it ever does. If, by reason of the rivalries in the communist world, the tension between NATO and

the USSR were to decline, it is not unreasonable to imagine that the Atlantic Alliance would flag to a certain extent. Moreover, it is even doubtful if the principal interested parties in Europe are really keen on the establishment of closer ties among themselves. One of the strengths of Europe is this kind of national individualism which refuses to be submerged in this magma of political constructions all the more inconsistent as they are vast.

Although NATO has been in existence for 15 years, one fails to discover anywhere a vestige of European or Atlantic patriotism. The bonds of NATO have remained in the world of ideas without penetrating into that of feelings. There are no methods of creating artificial impulses of sentiment which can only spring forth spontaneously. The United States of Europe do not exist in the hearts of contemporary Europeans, and there is nothing to make us believe that they desire it. They no doubt sincerely hope that they will no longer fight against one another - this would be sheer madness - but they mean to keep intangible the distinct personalities of their States. If in particular the foremost authority of a State of this continent rejects any form of integration other than a purely negative manifestation in respect of his allies - then this attitude may be simply the realistic acknowledgement of the state of things and of a physical impossibility.

It would doubtless be easier, and in any case more fashionable to advocate a closely united Europe in the future. However, we do not want to delude ourselves with empty words. We have to make do with

present circumstances. The Atlantic Alliance is viable only because its bonds are loose.

It is in this perspective that certain characteristic military aspects of the Alliance will be examined.

Owing to the fact that two world wars have exhausted her, Europe is to a certain degree demoralised whereas in the formerly marginal zones of the eastern parts of Eurasia, and on the American continent, two large States, now World Powers, are contesting the hegemony of the rest of the globe. Europe has fully grasped this degredation in geo-strategy, but everything points to the fact that she has not yet accepted this role of second fiddle as ineluctable.

This minor role that has been imposed upon the European nations makes them suspicious with respect to negotiations and decisions in which they do not participate although they are the parties concerned. They are particularly sensitive about the discriminatory treatment to which they are sometimes subjected. That the cohesion of the Alliance should be affected by this is in no way surprising.

The most striking and typical of those measures is the exclusiveness of the atomic club to which Britain has been admitted after a good deal of hesitation, as, it seems quite recently, has France, but in a more or less forced manner.

The known motives for this ostracism are not easy to justify, and politically they are the expression of a craving for hegemony which has but little valid foundation. There are no grounds for supposing that

the heads of non-atomic countries have not as keen a sense of their political and human responsibilities, or as good a knowledge of the political situation as those of the great atomic states. In the realms of politics, the Moscow agreements (August 1963) have patently proved the arbitrary choice made between States, on the basis of their nuclear capacity. While there is a rush, sometimes a disorderly outbidding, to help the underdeveloped countries, the scientific and industrial flowering of these developed countries, not powerful enough to follow the rate of progress of the large States, has been slowed down. If there was some question of the high administrative cost of the atomic potential, those who still possess but a mere fraction of the world nuclear strength cannot bear the blame.

The military arguments which justify the enlargement of the atomic club are too well known and the subject of too many discussions to need recapitulation here. They have been expressed - especially in France - with a particularly convincing vigor, but they should be just as valid for other countries.

This problem of the "Nth Country" has troubled the Europeans much more than is realized in the United States on account of the psychological aspects of the discrimination - not to say segregation - which is its basis. It seems it would be in the well-founded interest of the United States, and consistent with their tradition, to approach this problem with a more generous solution aimed at helping and not hampering the realization of justifiable and national aspirations.

As a consequence of the line of action adopted up to now by the United States, it is not surprising that doubts should be expressed as to the present value of NATO and, therefore, that - if the Alliance itself is not to be questioned - revision of the treaty should be proposed. In the meantime, national forces are withdrawn from the operational command of NATO, the United States are dismantling their rocket sites in Anatolia and Italy after having dropped the idea of supplying Skybolt to Britain.

A feeling of critical analysis by the Europeans is being applied to these various aspects of the evolution of the Alliance without accepting blindfold the explanations that are being given. Public opinion is rather prone to discern the signs of a temporary weakening of European defense, of the capacity for reprisal - i.e. deterrence - of the organization since the means that have been withdrawn will not be replaced or will only be so later on.

Dissatisfied with its minor part, disturbed with respect to its national defense, it is no wonder that early in 1963, Europe had shown a certain amount of ill-humor, a moderate manifestation of the atmosphere of unrest which then prevailed. It is, moreover, the eternal fate of political alliances to be inflicted with these constant variations in their internal relations. It is highly desirable that this process of relaxation should not become more pronounced nor continue, and that the somewhat shaken faith in the will of the United States to participate in all circumstances with the whole of their conventional atomic

forces in defense of this continent should be reaffirmed.

It was just at this point that President Kennedy undertook his highly significant journey in Europe in the early summer. His declarations in Frankfort and Berlin have had a considerable effect because no such clear and straightforward language had ever been used to Europeans : "Any threat against the freedom of Europe is a threat against the freedom of the United States who will risk their cities to defend the cities of Europe because we need the liberty of Europe to defend the liberty of the United States".

It was just as indispensable to recall the last 18 years since the end of the last world war during which the United States have given so many proofs of the interest they take in Europe, an interest displayed in such striking manner by the presence, as a pledge of their intention, of a powerful army in Europe. It was also fair to declare that the Power who has shouldered the biggest burden for the security of western freedom has a right to the leading part consonant with the magnitude of its responsibilities. Again with the same frankness, we can truely say that this leading role will be exercised with a deliberate discretion so as not to awaken unnecessarily those national susceptibilities so prevalent in Europe.

Many Europeans have turned a deaf ear to one particular declaration of the President. It is the assertion that "no" American government could tolerate a different attitude, dictated as it is by the direct interest of the United States in the up-holding of a free Europe.

It seems to us that no one can engage or guarantee the remote or even the near future. No one can know beforehand - Americans no more than Europeans - the conditions in particular circumstances which would justify and provoke an intervention on the part of the United States, the kind of intervention or its degree. As a matter of fact, since the end of the war in 1945 to date, the policy of the United States has wavered. It was even taken to be arbitrary, vacillating, sometimes incoherent and ambiguous. When we think that - granted certain technical and financial conditions are fulfilled - fifteen or twenty years must elapse before a country is able to create a modest atomic force ensuring a certain degree of independence in the preparation of its national defense, it is obvious that this delay is the equivalent to the duration of four or five presidential terms in the United States. It would be rather bold to make a guess as to the likely attitude towards Europe of the third, fourth or even fifth President to succeed the one currently in office. With this in mind, it seems easier to understand that the European States are unable to consent today to depend entirely on the United States to guarantee their security, in 15 or 20 years' time, since an effective defense is no longer conceivable without atomic weapons. Did not Machiavelli write that "there is no reliable support except in one's own arms"? [1] Furthermore, the possession of its own

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1) Machiavelli, The Prince and other texts, Union générale d'éditeurs No 29, Paris 1962, p. 92.

weapons has enabled Britain to participate in the Moscow agreements. Nuclear power alone provides modern national defense with a quality which can be considered as the expression of a nation's sovereignty.

We cannot endorse the opinion which imputes to the United States the maleficient intention of preparing their disengagement in Europe because of the alleged fundamental contradictions of their present policy. Indeed, the many interpretations of the Nassau agreements, their ambiguaity, and the discussions which have been going on for months to analyze their significance, the improvisation which they indicate in the realm of European defense, could not fail to trouble, legitimately, the most convinced upholders of a close collaboration with the United States. Nevertheless, we consider that we should have every confidence in the solemn assertions of President Kennedy, and that they should be regarded as an extremely effective strengthening, especially psychologically, of the deterrence policy of the United States. We have already pointed out at the beginning of this discussion the importance of the moral factor of the deterrent besides the purely material aspect. The implication is particularly striking in this case. All the same, it should be admitted that if Europeans are worried about the future, it is proof of their wisdom, and that instead of blaming them more or less openly, they should be admitted as full members of the atomic club.

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In order to complete this survey of the most prominent political aspects of western defense, we shall endeavor to place them in their psychological, or even emotional setting, by a succinct description of the manner in which Europeans visualize the respective attitudes of the United States and Russia towards our Continent.

The unfavorable and sometimes harsh judgment passed in Europe upon the political and strategic doctrines of the United States should not hide the undeniable fact that American generosity is, in the eyes of most Europeans, the most evident characteristic of their behavior towards the other nations of the free world.

The generosity displayed in the Marshall plan is second to none in history. How can one fail to admire that American citizens consented to the expenditure of such enormous sums during so many years to help in the recovery and survival of countries situated beyond the Ocean. The sacrifice of so many young men for the defense of Korea, one of the frontiers of the free world, is another token that Europe appreciates on its human merits because she knows the price of blood. The presence of a large army in Europe is, at t his very moment, a new proof of the extensive participation of the United States in the protection of the Old World.

In point of fact, the terms and conditions of this assistance have not always been very pleasing but this was often due to tactless subordinates. The campaign of "Yanks go home!" finally collapsed because of its blatant injustice. At the present time, the dispute concerns the right to use atomic arms stationed in Europe or destined for use there the utilisation of which is reserved exclusively for the President of the United States.

It has been understood, without being explicitly admitted, that no solution relating to a bilateral, multilateral or Atlantic "force de frappe" would override this principle which is considered to be excessive and politically speaking barely admissible. This new attitude is a proof of European recovery, and of the confidence which the nations are acquiring little by little in their reconstituted forces.

Another typical point is that one takes very seriously - and certainly too seriously - all that is said or written in the United States in connection with the deterrent doctrines. For want of better information, credence has been gradually attached to all the systems elaborated in this matter, and their proliferation, a sign of a real intellectual extravagence, has confused and mystified the concept of defense by lessening the reliance that could have been placed upon the successive theses that the Administration has held to be valid. A score of doctrines have thus been elaborated in about ten years (since 1954). They sometimes differ only very slightly in their nuances or sometimes because the author takes care to make himself different.

American controversies, abstract and often sophisticated, have, however, no far-reaching effect since in case of a crisis, the important decision would be currently taken by the United States without bothering about the advice of the Allies which could only be put on the record. Moreover, a certain time must be allowed for the preparation of military measures. The doctrines must needs have a certain minimum stability, otherwise their implementation will be fatally blemished with superficiality.

There is no doubt that this uncontrolled exuberence does not suit the rigorous and rational European mind, which would prefer simpler, clearer and unequivocal solutions.

If, in Europe, we are prone to take too seriously all the United States' theories, we contend that, on the other hand, the official Russian declarations - perfectly clear and unequivocal - in respect of their military intentions and strategic doctrine are underrated. We shall refer to this again.

More importance should be attached to them especially to planning. Too often, doctrinal analysis seems to be undertaken with regard to an hypothetical and almost unreal enemy. Many irreparable defeats have been due to the fact that the enemy was ignored, despised or under-estimated. Moreover, on the strategic plane, there is no reason why we should have any doubt about the sincerity of the declared intentions of the USSR, and we know of their ability to implement them, of their quality and of their position. It would be inexcusable not to exploit thoroughly this precious knowledge and just as dangerous to imagine that the Russians will docilely act according to the plans that one lays down expressly for them and ingenuously dictates to them (for instance : the pause for reflexion). Concerning the consequences of a total nuclear war, it would be fitting to remember that, until recently, the Russians rejected the idea that it would bring about the annihilation of all civilization but that in their opinion only the capitalist system would collapse.

Rarely indeed, have American works on doctrine envisaged the possibility of an entirely subversive war which would be generalized. This could be sustained clandestinely by some 150 divisions stationed east of the

iron curtain where they constitute a well tried pressure group for which no means of specific and effective deterrence has yet been found.

The signatory States of the recent Moscow agreement must not delude themselves concerning the end of the cold war. It reminds us in certain respects of how we deceived ourselves so tragically and naively over the Briand-Kellog pact in 1929, or the Baruch plan of 1946, which although more realistic, was rejected by the USSR because it perpetuated the American atomic monopoly at that time. On the other hand, Russia stands in dread of a war on two fronts like all the continental powers - especially Germany - who have no oceans to provide a means of escape. Owing to the aggravation of the tension with Peking, it seems that General de Gaulle was right when he predicted (7.29.63) that "The Russians would return to Europe because of China". The declaration of President Kennedy in Washington according to which it would be expedient "to re-examine the policy with regard to Russia" was echoed significantly throughout Europe because it falls in with the preoccupation not so much of an unconditional "rapprochement" with the USSR, but rather with a more discriminating and realistic appreciation of the intentions and possibilities of the USSR, which deserve more examination and more attention.

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A. Current Political Aspects of the Deterrent

If, for purposes of analysis, it is useful to examine the current political and military aspects of the deterrent separately, it is clear that this is an arbitrary distinction as, in the case of atomic defense, these two spheres are constantly interacting, although they will still easily distinguishable in the recent past when it was a question of conventional forces.

Indeed, the enormous power released in a nuclear explosion has more than a mere quantitative aspect. The difference of degree from a conventional explosion is so accentuated that it becomes a difference of kind. " A very great quantitative change becomes, in the end, a qualitative change" [I)].

That is why if, previously, normal strategic preparations were essentially a military problem, the forecasting of an atomic war has now become a major political preoccupation to the extent that, in the future, the role of politics, even in the conduct of military operations, will be greatly accentuated. The consequence of this new relationship, which is already considerable, is that this former military preserve has passed entirely under the control of the representatives of the political and academic worlds. These shed the light of their thoughts on the subject, but sometimes they get lost in dialectical obscurities, far from reality.

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1) Labroussee : Introduction to Political Philosphy, Riviere, Paris 1959, p. 34.

The policy of "containment" remains the fundamental doctrine of NATO,

its purpose being to prevent the spread of communism in Europe. It is through the deterrent - the effects of an atomic war being castrophic - that the inclination to spread the hold of communism should be discouraged in advance. However, in order for it to be effective, this policy must have a certain degree of stability. Furthermore, and this is more important, signs of hesitation appear in the eyes of a potential enemy as an indication of political weakness since the primary function of atomic weapons is to be a threat and, as such, a political argument.

It is very piquant - but also tragic - to observe that the atomic deterrent which has, to date, saved Europe and the world from a general atomic war is at one and the same time the cause of the dissensions which are rife between the members of the Atlantic Alliance. At present, these assume a greater importance as the cold war seems to be momentarily abating.

This new internal crisis in NATO, which has dangerously weakened it to the point at which some writers are already envisaging the possiblity of its break up, is sufficiently disquieting to justify the investigation and proposal of a possible replacement.

Three of these possibilities merit examination as, in toto, they more or less cover the complete range of alternatives.

According to the first view, a substantial reinforcement of convential ground forces in Europe, such as is being ceaselessly demanded by the United States, whilst it would not be the equivalent of an atomic deterrent, would nevertheless permit successful resistance to a large-scale frontal attack by the Soviets in the highly exposed central European sector without inevitably setting nuclear escalation in motion in the process. In this connection,

former Secretary of State Acheson [1] envisages a front line of thirty NATO divisions to be strengthened, in thirty days, with thirty more divisions. At first glance this concept is attractive in that it would in this way eliminate or damp down the disagreement concerning the control of U.S. nuclear forces in Europe and the autonomy of certain States in atomic affairs. Nevertheless it seems that for several reasons this hope is ill-founded.

The West would not be able to ward off a Soviet attack by the 150 front line Soviet divisions stationed East of the Iron Curtain as far as the frontier of White Russia, without recourse to tactical atomic weapons, with the present 24 divisions of NATO or even if they were increased to 30. The 30 supplementary reserve divisions would not seriously alter this ratio of forces for two reasons. The first, which is strangely ignored, is that during this same period of thirty days the Russians will be able to call upon new forces, whose mobilization is already prepared, of the order of 200 divisions. The second is more complex. Until the advent of the atomic era, all military organizations anticipated that, after the onset of hostilities, not only would there be the organization of new reserve forces but that there would also be the implementation of vast industrial programs for armaments and a large scale development of trans-oceanic transportation. With the advent of atomic weapons and the somewhat problematic eventuality that a new world war might be over in only a few days or weeks after an initial nuclear exchange, the Western Powers no longer seem to place the same importance as previously on measures to prolong the war (until victory).

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1) Dean Acheson : "The Practice of Partnership", Foreign Affairs, January 1963.

It even seems that these measures have been neglected due to the great effort that atomic weapons require. It is very likely, if not certain, that the Russians have, on the contrary, fully maintained these traditional preparations, so that in the case of a conventional war their advantage, which would already be considerable at the beginning, would only grow with time.

In such a situation, implying the immediate and simultaneous engagement of a minimum of about 100 Western and Soviet divisions in Central Europe, it would be inconceivable that in resisting this avalanche NATO would not at least use its tactical nuclear weapons. As the Russians have never hidden their skepticism in regard to a limited atomic war and as they do not believe in the possibility of escaping from the phenomenon of escalation, then, for their part, the Americans will be forced to admit that when it is a question of a major attack total atomic war will be unleashed because inadequate means have been used to forestall it. A credible method of deterrence against a large-scale conventional attack supported by tactical nuclear weapons thus does not, as yet, exist.

Recently, Senator Frank Church (Idaho) [1], has proposed two original alternatives, which are as attractive for the USA as they are unattractive for their partners in the alliance. They present, moreover, the exceptional advantage of very sincerely and frankly stating some precise ideas in clear terms, something to which we are hardly accustomed. It was these same qualities which made President Kennedy's speech in Germany this summer so resounding.

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1) Frank Church : "Europe and the future of the Atlantic Partnership", Europa-Archiv 15/63, especially pp. 549-550.

Certainly Senator Church has little affection for Europe; his appraisal is disillusioning. He feels that President Kennedy's declarations in Germany have not proved convincing to all Europeans. Thus, with circumstances having changed, it is necessary to modify or abandon the Alliance. Whilst the United States maintain an army in Europe, the national atomic forces constitute a considerable risk for them in that any finger other than an American finger on the trigger can send a number of Americans to their death. It is too much to ask of the United States that each country should have atomic forces at its disposal when they all have different opinions. This tendency towards atomic decentralization will, sooner or later, force the United States to withdraw from Europe. But so long as they remain the Americans must control the risks that they run and the ultimate atomic decision must be theirs alone.

In order to escape from this dilemma, Senator Church proposes either that Europe should make a common effort to obtain a community atomic deterrent which would be really credible and not merely symbolic or that Europe should decline all atomic arms and rely entirely on the United States with their nuclear deterrent in case of a Soviet attack on the continent. We find ourselves faced here with an insoluble paradox as the stubborn particularism of the European nations makes a common nuclear effort a total myth. Then, as we have seen, because of their anxiety concerning their future security (in ten or twenty years), certain European states do not wish, at present, to leave the matter to the United States. "The Alliance and sovereignty are, thus, incompatible if sovereignty includes the possession and

the control of nuclear weapons", [1] Senator Church's alternatives, each of which presupposes a miracle, are unilateral and demand an answer as clear as were his proposals.

The military presence of the United States does not signify that they are "nuclear hostages" any more than it signifies that they are guests or even invaders, nor does it mean that they are undertaking a rescue action.

They are there because in the nuclear age their own security needs make it imperative that they should be there. Happily circumstances are such that their interest in this matter coincides closely with that of the Europeans. President Kennedy's eloquent language at Frankfort leaves little doubt on this score. This is why they will remain just as long as the cold war between the United States and Russia continues. Europeans are not unduely alarmed over the possibility of the withdrawal of US forces which is periodically envisaged and which Senator Church has just revived. The United States need this European glacis, this deep zone of out-posts which covers the shores of the Atlantic. If the Russians reached the Atlantic owing to the fact that Europe had been abandoned with only conventional arms, then their presence there would be quite a different kettle of fish from 1940 when the Germans marshalled their forces from the North Cape to the Pyrenees. The latter were there with the object, from a defensive point of view, of cutting off access to Europe. The Russians, on the contrary, would be there to seek access to the American continent. If the presence of a quarter of a million of the best equipped and best armed men in the world in the proximity of the iron

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1) Frank Church, op. cit. p. 548.

curtain has not been able to prevent communism from digging itself in deeply in Cuba, what perspectives would not be opened by a voluntary renunciation of participation in the defense of Europe? What is more, given that it has only recently become possible to bombard US territory with atomic weapons, then the evacuation of Europe would only aggravate still further the prospects of a total war which the Russians intend to wage with nuclear and conventional means simultaneously.

On the other hand, it is right to ask whether the risks that the United States may run due to the inevitable extension of the atomic club are not exaggerated. This is only setting up strawmen. Senator Church is surely right to insist upon the United States' expectation of more loyal behaviour by Europeans and more confidence and understanding on their part. But the Europeans in their turn should be able to raise similar preoccupations discreetly e. g. as to the degree of certitude in the functioning of the alliance. They know that, if it was not with the aid of the United States, it was at least with their acquiescence that Britain became an atomic power. It is difficult for Europeans to understand why other nations, in particular France, should be prevented from doing the same.

The views of Professor Henry Kissinger expressed in a much-read study published this spring [1] seem to take much greater account of the real and the possible. In this connection the political aspects of the nuclear problem are considered in a perspective that is more accessible for Europeans

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1) Henry Kissinger : "NATO's Nuclear Dilemma", The Reporter, March 28, 1963.

and, indeed, one that is more acceptable to them. It shows a great deal of understanding of their point of view and of the goal for which they are tirelessly striving, i. e. for a greater influence over the political control of the alliance and for a say in the use of nuclear weapons. Nevertheless, for reasons stated above, the quest for a solely European solution, which was proposed in his study, seems premature, given the lack of political cohesion in the Old World.

As it is the United States that are currently directing the policy of NATO and which exclusively dispose of atomic weapons, then they alone can make concessions in relinquishing in part that which they alone possess and rather arbitrarily reserve for themselves. The Europeans can only ask for what they were deprived of when they were weak and of which they are still being deprived although they are no longer weak.

This state of affairs eliminates any basis for internal negotiation based on mutual concessions since Europe is asking for unilateral concessions. What she probably expects of the United States is one of those acts of generosity which have become the custom of that great state. It is certain that if the equality of the members of the Alliance were established, or at least if a step might be made in this direction, then present tensions would be largely abated. The mutual confidence that is required would find more propitious grounds for revival. The worm that is undermining the alliance is the reciprocal mistrust of real intentions. The most urgent and decisive task is to eliminate this element of erosion as the persuasive force of the deterrent is a direct and immediate function of the cohesion of the alliance

and of the image it presents from the other side of the iron curtain. However, equality can not be sought in an equilibrium between the European bloc and the American bloc as this is, at the moment, impossible to realize as these blocs do not yet constitute two equal but autonomous and distinct entities. This can only be the long-term goal of an evolution through successive stages, barring a very grave crisis precipitating the process.

The anticipated outcome at the moment is much more modest but it is the very foundation of a later restoration of the structure of the alliance. As the framework of NATO seems to be completely viable, it is within this framework that the quality of its relationships must be modified in accordance with and in recognition of the rights of the European states which stem from the fact that they have attained their majority.

It is in the concession of nuclear equality that resides both the first step and the remedy of the political "malaise" which is being fostered by the current doctrine of deterrence, stamped, as it is, with the seal of American hegemony. Senator Frank Church himself writes that "an association becomes illusory when one of its partners dominates the others" [1]. It rests with the United States alone to make the decisions which would guarantee its realization. The present political climate in Europe does not allow any further planning without abondonning oneself to the fantasies of the imagination.

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1) Church, op. cit. p. 549.

Of course it is possible to envisage that natural evolution would lead in the end, to the "rapprochement" of the European nuclear powers in a framework that would not exclude the participation of other continental states. This entente would have more chance of developing with the collaboration of the United States and even under their aegis, providing that it is discreet, but it is no longer possible under their authoritarian direction. For the moment this Atlantic solution is only a glimpse of the future. If certain theories seem to be lacking in realism it is because they clearly depict this problematic and distant outcome whilst they only outline the difficult and pressing first step.

B. Current Military Aspects of the Deterrent.

The military doctrine of reprisals has constantly evolved and is still evolving as a function of the technical developments of the nuclear arsenal. This suppleness and capacity for adaptation are a clear proof of the quality of the many brains consecrated to the study of these delicate questions and to the preparation of consequent decisions. These inspire confidence to the limited extent that this research does not become an intellectual exercise and that its purpose fully meets real existing needs.

The massive retaliation of the era of Secretary of State Foster Dulles had the advantage of being unconditional and of not leaving any alternatives open. Thus its deterrent effect was maximised as it left no doubt as to the unlimited severity of an American retaliatory blow.

Because of the loss of the atomic and thermo-nuclear monopoly

and the entry into service of intercontinental missiles, Europeans have had no difficulty in understanding the reasons for the modification of American deterrent doctrine and the adoption of more subtle formulas (proportional retaliation, graduated deterrence.) Nor has it escaped them that the guarantee became all the less certain. This is one of the surest and most justified motives for the search for compensation by means of nuclear autonomy. The notion of immediate but proportional retaliation has evolved anew through the temporal staggering of the retaliatory blow into two successive phases separated by a pause (first and second strike), with the object of avoiding, if possible, the general destruction of the towns and the civil population.

Certainly the loss of human life in a new world war would be considerable. Not only would this be due to the increase in the destructive power of weapons (new weapons have always been more deadly) but also, and let us not forget it, it would be due to the impressive, if not distressing growth in the world's population [1]. This concern to save the urban centers, should that be possible, because the instantaneous deaths would number in the tens of millions, is, in itself, an indication of a qualitative evolution in the notion of the deterrent. Its initial and constant purpose remains the avoidance by a threat of a destructive atomic war. It is increasingly clear that a further concern must be added to this, that of limiting the havoc should the cataclysm ever occur.

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1) According to UN demographic studies (No 28) published in New York in 1958, the world's population of 2.5 billion (US) will increase to about 4 billion in 1975 and 6.5 billion in 2000.

Thus a very lively interest has been shown in Europe in consequences for the Old World of the thesis of "flexible response"; this more subtle solution would not be displeasing to Europeans in so far that it contained no element of ambiguity.

The point of departure of these comments is the important speech of Secretary of Defense McNamara at the University of Michigan, June 16, 1962. It should be seen, of course, in the definitive political framework expounded by President Kennedy during his visit to Europe in the summer of 1963.

The new element, which has struck Europeans, is this hope that atomic war need not ineluctably result in general devastation and that it should be possible to wage war with a certain restraint, thus keeping open the possibility of not going to extremes at the beginning. The problem is, then, to endeavor to win without total blind destruction. A strategic force capable of surviving a major enemy attack must be conserved in this case as it is held that the use of tactical atomic weapons in support of conventional forces would not necessarily set off a fatal escalation which would immediately lead to general nuclear war. As a consequence of the above we come to the rather surprising theory that while actual hostilities are taking place the deterrent would still operate on the strategic level just so long as systematic attacks against cities had not been launched.

In European eyes judgment of such a conception must be made in the light of what we know of Soviet intentions in case of world conflict or

what we can reasonably expect them to be. The opinions of Russian leaders have never varied on this point. Recently they have been presented in extended form for the first time in a book entitled "Military Strategy". This book is the joint product of fifteen high ranking Soviet officers working under the direction of Marshal Sokolovsky who was, until two years ago, Chief of the General Staff and First Deputy Defense Minister of the USSR [1]. This text seems to this writer to be remarkable both for its realism and for its objectivity.

The Russians only envisage one type of military war : concurrent total atomic and conventional war, aiming at the simultaneous destruction of the armed forces and political and economic centers of the enemy. All available means will be used to strike at objectives on the ground, sea and in the air. The cities will be the prior objective of missiles with thermonuclear warheads with the aim of knocking out the apparatus for military command and political direction. The Soviets are convinced of the decisive advantages of a surprise preventive attack in a nuclear war, as described by Hedley Bull [2], so that they would conduct it as a lightning war. In no way do they concern themselves with the localization of hostilities any more than they do with a selective choice of the means of destruction. Solely a war to the death embracing the entire globe is envisaged in their publications and

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1) Marshal V. D. Sokolovsky (ed.) : Military Strategy, Soviet Doctrine and Concepts. Englewood Cliffs, N. J., Prentice Hall Translated by H. S. Dinerstein, L. Goure and I. W. Wolf. A Rand Corporation research study.

2) Hedley Bull : The Control of the Arms Race, Wiedenfeld and Nicholson, London 1961, p. 160.

speeches.

Systematic doubt in regard to these Russian declarations is a dangerous or at best an imprudent attitude. By admitting, at least for the purposes of discussion, the authenticity of the Soviet thesis, any estimate of the effectiveness of the new American doctrine of deterrence has some chance of being more objective.

It seems that this doctrine will surely demand a tacitly agreed and serious guarantee of reciprocity in order for it to be valid and without which it can only remain inoperative and illusory. This guarantee could consist of the certainty that the Russians will base their attitude on that of the United States in the event of a general conflict. It must be confessed that such a prior understanding is really very improbable indeed even under the cover of diplomatic discretion. It is impossible to act with the restraint envisaged without giving an enormous advantage to the enemy who will profit from these circumstances by striking all the harder given that, in our era, decisive advantages can be obtained in some quarters of an hour. One cannot try to spare the enemy's cities in order to save one's own if the enemy gives priority to knocking out cities. By the same token it is impossible to limit the employment of one's own means in order to prevent the extension of a conflict if the same preoccupation does not animate one's adversary.

On the other hand a publicly manifested desire to keep a nascent conflict on a leash in the hope that it will not develop will encourage the enemy to doubt the intention of implementing the military threat. He will thus become more audacious since the risks will, rightly or wrongly, appear less to him.

An operative deterrent during hostilities would only be conceivable if the adversary has an interest in playing the same game and nothing seems less likely than that. This is why so many Europeans do not accept this doctrine. It has apparently been built up in a framework of abstract planning, and does not take the enemy's potential and intentions sufficiently into account.

This surprising line of reasoning, which is, perhaps, due to being badly informed on the true and confidential intentions of the State Department, seems, moreover, to be founded in part on the certainty of disposing of all types of means superior to those of the USSR.

Almost every author and American statesman affirms that this is so without, however, producing any material proof whatsoever of these allegations. General Norstad alone was more reserved when in November 1962, at the Conference of NATO Parliamentarians, he declared that despite the progress realized the Alliance's forces were still dangerously insufficient. However, it is not possible to forget that the Russians maintain that they, too, have the means of crushing their principal adversary. Europeans, therefore, rightly wonder how much truth there is in this assertion. The single case of the Russian withdrawal during the Cuban crisis, so frequently put forward as a decisive argument, could have had other motives than an awareness of strategic inferiority.

On the military level, it is certain that both of the two great atomic powers possess sufficient "megatons" to completely raze the territory of the enemy and of its allies or satellites. This being so, the additional capacity of either has

no use; it is of no importance that the "surplus" of one is greater than that of the other. It is much more sensible to acknowledge the nuclear parity of the United States and Russia which also goes for delivery systems be they strategic bombers or ICBMs. The almost complete invulnerability of the American strategic forces due to the hardening of the "Minuteman" sites and the sending to sea of the "Polaris" is likewise matched in Russia by analogous methods. Indeed its effectiveness is increased thanks to secrecy, camouflage and to the dispersion that the size of the Eurasian landmass affords.

In the case of conventional forces we think that we are right in Europe to put more emphasis on the instruction and training of troops, on their weapons and their officers than on the number of men effectively under arms, of whom sometimes eighty per cent are not fighting troops. In this respect many Europeans recognize that the Soviets are clearly superior - some say over-whelmingly so - all the more so in that in case of conflict they would have reinforcements available very quickly due to the recall of enormous contingents of trained reserves. The Russians place a great deal of importance on conventional ground forces of all types as they feel that war cannot be won with rockets alone.

In this writer's opinion nothing shows that the Soviet system of communications and logistics are more ponderous or function less well than that of the United States. As the conditions of employment are so different a simple arithmetical comparison can not be conclusive. As the logistics of

Europe will depend on very rapid maritime transport, the Russian fleet of 4-500 modern submarines is a latent threat to this vital link. In the sphere of aerial navigation, which is being fully explored, the Russians have, on many occasions, shown an astonishing mastery of the science of astronautical orbits and are capable of providing further surprises.

Thus not all Europeans are convinced of an obvious superiority of our bloc over the other but they are rather inclined to attribute equal strength to both these great nations, although this strength may be composed differently in each case.

Having now briefly analyzed the static aspect of the new doctrine of deterrence, a study of its dynamic functioning, as far as one can imagine it in case of conflict, will permit a better understanding, or so it is to be hoped, of the European conception of its effectiveness.

As has been seen, this doctrine is based on the humanitarian concern to avoid, if possible, the destruction of cities and massive civil losses. If, on the one hand, the Russians say that they will strike at every target with all available means with priority being given to the cities, then the Americans, on the other hand, would like to keep open the possibility of less severe or partial retaliation on condition that their adversaries do not execute their entire program in one blow. It would be an attempt to keep open the option of not going to extremes and to save the world from a complete nuclear catastrophe which would probably leave neither victor nor vanquished.

The novelty resides very logically, then, in the division of global

retaliation into two phases separated by a pause and the subsequent division of the means of retaliation into two distinct groups. If the Russians, who know as well as anybody the exact extent of the risks that they are running, show a certain amount of moderation in the first thermo-nuclear strike by sparing the cities and civil population, the immediate American counter-blow will only aim at the Soviet strategic atomic forces and will strike to the degree and with the precision necessary to inspire a salutary reflection on the part of the enemy.

After this initial nuclear exchange (first strike) - the American counter-blow serving, on an atomic scale, as the order to heave to under the international law of the sea - a "pause" is anticipated before the atomic struggle becomes total and has irreparable consequences. This tacit halt in operations would be voluntary on the part of the United States. The complete invulnerability of their second strike allows them to run this risk. It is supposed that this respite will be used by the Russians for reflection after they have been convinced of the determination of the United States to go to extremes, should that prove necessary. This conscience searching would perhaps result in the decision to begin negotiations rather than to continue a dual of which the outcome is uncertain.

If the USSR did not quickly arrive at such a conclusion and continued the struggle or reopened hostilities then the United States would unleash her second strike force, which would be intact, with the objective of striking at Soviet cities and population centers.

This conception, which is the conclusion of many studies spreading out over several years that cannot be ignored, is provoking much discussion in the Old World. On this side of the Ocean public opinion is extremely skeptical; the arguments advanced in defense of this thesis have not convinced because they seem to be unrealistic.

If it is indispensible to prepare for war or for the deterrent in detail, by taking a very exact account of the enemy's possibilities, then the planning of the war itself, in this case its successive phases, is illusory, for it is impossible to forecast the fundamental bases such as the reciprocal relationship of the two parties in the course of hostilities.

One cannot logically reason on the basis of naive intentions attributed to the adversary without having the least indication that they are, in fact, his intentions. It would be fatal to base one's behavious on one's own wishes. It is irrational to write a very detailed scenario of operations in advance and then to believe that it will happen.

All constructions of this type are a house of cards which will collapse at the first atomic explosion. Hopes built on such an artificial conception are dangerous as they already contain the germ of fatal consequences.

The "pause" as it was formerly conceived preceded a nuclear exchange, but it is now inserted between the first stage of a counter-force strategy and the following one of a counter-city strategy. More precisely, it is an example of the sort of strategy of terror which was first demonstrated at Hiroshima and Nagasaki.

It is possible to imagine that the Soviets will have thoroughly analyzed all the possible consequences of a conflict with their habitual attention to detail before embarking on a general atomic war whose outcome is uncertain for one and all. If they embark on such a war and accept all the global risks it will only be by virtue of a well thought out and irrevocable decision. It is rather difficult to see them accepting, on American initiative, to think over a decision that they will have taken with a cool head and one which gives them little possibility of drawing back, while under duress in the middle of a crisis. Rather they will be encouraged to continue the struggle without interruption as even the idea of a pause shows a certain hesitation on the part of the enemy of which the laws of war demand the utmost exploitation.

Retaliation in the second phase in so far as it was no longer automatic would, by this alone, lose its credibility as a deterrent and would no longer have any value as such.

Finally the possibility of a temporary halt of hostilities is in direct contradiction with the Russian strategy of a lightning war launched by surprise. The chances of such an understanding proving acceptable are thus practically non-existent.

By what criteria can we detect the desire to strike solely at strategic military objectives? Numerous vital strategic targets are located in towns or in their suburbs. It is impossible to eliminate them without at the same time striking the city which will itself be defended by a ring of anti-aircraft missiles. How can large-scale atomic fall-out be prevented from

being carried along by unpredictable air currents and contaminating entire cities? How can the population be dissuaded from crying vengeance even if it has not itself been directly hit?

As the cities are in danger of being bombarded from the beginning of operations and as the Russians will hardly be likely to take the opportunity to think again, the length of the pause would be reduced to nothing so that the first strike against military objectives would be immediately followed by a second strike against the towns. It is, therefore, difficult to see what would be the essential distintion between this state of affairs and the system of "massive retaliation" formulated by former Secretary of State Foster Dulles. We thus return to the doctrine of 1954 albeit slightly modified to be "partially delayed massive retaliation".

This new doctrine revives an important notion that has been ignored for a long time : that of strategic "reserves". In effect those elements of the second strike force which are particularly invulnerable and protected are considered as a "reserve". Thus one reverts to a fundamental conception which alone guarantees liberty of action and allows room for manoeuvre.

It is regrettable that the creation of a particularly powerful reserve loses part of its strategic importance due to the fact that it is used straight away to bombard cities while it would be more judicious to wait for the result of the first strike before employing it. It is also always preferable if an adversary knows nothing about the existence of a reserve and especially of its intended purpose should that have been decided upon. In the same way,

even the organization of this reserve gives the general US strategic establishment a new boost and it represents a real increase in its power to deter.

Thus one can conclude, not without a certain degree of astonishment, that this new and delicate strategy of flexible deterrence is not displeasing to those Europeans who are convinced that events will not follow the path predicted (two distinct phases separated by a pause for reflection) but who feel, on the contrary, that the two waves will follow each other after a very short interval if, indeed, they are not simultaneous. From this point of view there is little to separate them from the system of massive retaliation which, ten years ago, gave them the most sure protection that they have had to date with the hope that the cataclysm may not occur.

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No one better than Professor Thomas C. Schelling [1] has shown how intricate are the political and strategic problems of the hour, and why the quest for adequate solutions to which so many disinterested American intellectuals have devoted themselves, was bound to lead to divergent results. At the Graduate Institute of International Studies in Geneva, Professor Hans Morgenthau was able to reassure many astonished Europeans that American doctrines do not change as frequently as the number of publications and new terminology could induce them to believe.

The fact remains that Europeans - those at least who do not jib at subtleties - spurn this flood of political hypotheses and this abundance of strategic changes with good reason, for it is not easy to discriminate between what the responsible authorities are clinging to and what are merely feelers put out in a personal capacity.

In a tentative synthesis, for which I beg indulgence, I will endeavor to summarize with as much simplicity and realism as possible the views analyzed so far. There is no doubt that the University is duty bound to foster the blossoming of doctrinal thinking, but it is also responsible for bringing it under control. It should therefore be realized, especially with regard to these subtle theses, that action calls for clear lines of conduct, and that the simpler they are, the more they are likely to increase in efficiency.

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1) Thomas C. Schelling: "Nuclear Armaments, NATO and the new strategy", French Translation: Politique étrangère No. 2 - 1963, Paris, pp. 114-140.

The theme of the Symposium is to throw some light on what the near future holds in store for Europe when so many contradictory opinions have been expressed on this subject, and to try to define the causes of, and if possible the remedies for, the disarray which is currently rife in the Alliance.

This examination must stem from an objective and realistic appreciation of the determinant aspects of the political situation in Europe and in the United States at the moment. There might be described, as follows.

Europe is not really united, unless it be so without any deep convictions. In any case it is not united to such an extent that it would satisfy its American ally which would favor a formula of much more efficient and not so lax association. What strikes one on this side of the ocean is the fact that the Americans seem to reason frequently as if Europe were on the verge of becoming a political entity, the cohesion of which would at last come up to their expectations. Such is not the case at present. Progress in this direction, which is, nevertheless, quite possible, will only proceed by very slow degrees, a token of its solidity. On the contrary we can see nowadays that the elaboration of the relations between nations is evidently in a state of stagnation. It is obvious that the internal bonds of the European groups - of which there are different types - have become more relaxed in the last two years. Only a serious communist threat would be likely to strenghten them suddenly, however distasteful this observation may seem.

For a military union to be effective, it must have a certain consistency and be based on precise and inviolable reciprocal engagements. Such a strategic organization is only conceivable in a pre-existing and firmly designed political framework, whether it is called integration, union, alliance or association.

It is difficult to maintain that these conditions are really satisfied. The political framework of NATO has not reached the degree of rigidity necessary to furnish sufficient grounds for a really unified strategy. Therefore, on every occasion, each state of the Alliance acts in isolation according to its own interests. These are only mutual when it comes to opposing hegemony wherever it comes from. For some time now, nationalism - the eternal obstacle to all political rapprochements - has undoubtedly been scoring successes.

The United States for their part are acting as if they had the choice of several alternatives, according to the behavior of the Europeans. We think on the contrary that there is no option for the Americans. Their security obliges them to maintain a powerful army in Europe and to participate in the defense of this continent with the whole of their resources whether atomic or conventional. The preparation of this defense must be assured whatever the state, be it more or less favorable, of the relations between nations of the Alliance. Since the United States are not in a position to prescribe any real improvement, they are credited with the intention of giving up their military position in Europe, thus arousing suspicions to which Senator Church has recently given weight. But if the Americans were to withdraw from Europe (disengagement) the risk they run of being involved in an atomic war would not be smaller, and they would still be in as great a danger of having their territory destroyed by thermo-nuclear bombardment. They would simply expose themselves to a much more unfavorable initial state of conflict, and their deterrent would be much less convincing.

The one aim and object of the Atlantic Alliance is to stand in the way of any territorial extension of Communism. Since there is less probability of a generalized nuclear conflict as its human consequences become

more terrible, subversive war appears as one of the most likely lines of action which the Russians (and perhaps the Chinese) will take to propagate their ideology. This contingency should not be ignored although it is not the central theme of the symposium to which we revert after this brief reminder.

The nuclear problem is the cause of the present confusion in the Alliance. The United States are afraid, as explained above, that the nations of NATO, once they become atomic powers, might lead them into a general nuclear war against their will by the use of European strategic nuclear forces. European nations are not certain that in ten, fifteen or twenty years' time, the United States will still be inclined to engage the whole of their nuclear forces in the defense of Europe.

In short, the NATO crisis is purely one of confidence. Now confidence has two sources: the first rests on the certainly that promises will be kept and that decisions will be consonant not only with the interests of the Alliance but also with those of each of its members; the second is based on the efficacy of the means, the accuracy and precision of the calculations, the adequacy of the material preparations. The first of these confidence-giving elements is therefore of a psychological nature while the second is purely material.

The reciprocal distrust which unfortunately prevails between certain NATO nations and the United States derives from motives of a psychological nature.

For this reason, they are more difficult to eliminate. The chief motive of this mistrust springs from the disparity of treatment which the stronger imposes upon the weaker ones, as the principal European States

mean to keep control of their national defense and refuse hegemonies and the role of satellite.

The guarantee of a certain doctrinal permanency in American policy cannot be based on the gratuitous attribution of a steadfast and identical will to a succession of Presidents, but only on the fact that the danger remains the same throughout the legislatures, and that the need for security is permanent. The Europeans boggle at the first alternative which does not satisfy them while underestimating the import and strength of the second which alone is determinant.

The improvement of the present situation must be sought on a psychological plane in successive steps aiming at a gradual restoration of confidence in the partner. In effect, efficacious psychological processes are slow and progressive. There is no remedy the spectacular effect of which could be general and immediate. We do not believe that we can base much hope, for instance, on new conferences which are so often disappointing, and whose essential decisions sometimes remain a dead letter (the Lisbon divisions!). It is with such prospects in view that we have put forward a few suggestions tending to facilitate such a desirable rapprochement by way of restored confidence.

The United States would give up their trusteeship of Europe and would forgo their nuclear hegemony and all discriminatory measures calculated to restrain the atomic equipment of NATO states. They would even promote this by repealing the domestic legislative provisions which hinder it. This would not be detrimental to their interests because the present evolutionary trend is irreversible. They would no longer be blamed for selfishly paralysing

scientific research, one of the aims of which is the peaceful utilization of nuclear energy. This would be the first stage in renewing confidence.

The United States belittle the probable results of the efforts of Britain and France and pretend that those two powers will never succeed in setting on foot a strategic force representing on the whole more than 5% of their own. This arithmetical relationship is misleading because it should be estimated in terms of the targets in Russia. The Americans should therefore logically admit, as Professor Schelling has recently demonstrated [1] that this modest nuclear force, not so negligible as a deterrent force, is less designed to threaten the Russians than to enhance national prestige, and gain access to world negotiations.

The commitments of the United States for the defense of Europe include certain equivocal expressions which might be more explicit (e. g. "major attack"), because they needlessly entertain doubt, and their interpretation could be fatal in case of a crisis. It may be desirable to confirm these commitments periodically, in any case at the time of every quadrennal renewal of the Administration. Let it be said incidentally that the manner of approaching Europeans is not unimportant. President Kennedy made this as clear as daylight in Germany, and his negotiators of whatever rank will no doubt take their inspiration from him.

Europeans should not forget for one moment that the United States are their only protection from the communist danger, because their

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1) Prof. T. C. Schelling, op. cit., p. 120.

very modest attempt at a nuclear establishment is not commensurate with the menaces that they face. Even if they intend to secure their own national defense, they must be aware that their atomic resources are insufficient either as a credible deterrent or for combat.

Recognizing that the Old World is a great necessity for American security, the European nations should desist from claiming, as in a bad quarrel, durable guarantees lasting for many years such as no government can sensibly grant. They should be content with their periodic renewal, taking it for granted that, in case of a crisis, this support would be automatic. The presence of a large American army close to the iron curtain, of the 6th fleet in the Mediterranean, and 18 years' experience give the lie to a mistrust that is too often testily proclaimed.

Europeans should not worry too much about what seem to them as very frequent changes in the Alliance leader's strategic doctrine, because the evolutioning stages correspond more to internal policy considerations than to requirements of Atlantic policy. On the other hand, it seems justified and even useful that they should revolt against the conception of a deter rent which would be conditional at their expense.

There is, alas, no fundamental immunity against periodic crises in the Alliance, particularly in the case of the most recent one. It is only fair to recall that none of these crises - with one grievous exception - has imperrilled the Alliance. We can only apply a slow corrective and sedative treatment following the proved methods of a prudent therapy like the unimaginative family doctor

who treats his patient and wants to spare him the shock of a surgical operation.

It seems that we must be content with the present state of the relations between the allies however insufficient they may be. They might be worse. We live in hope that the governments will adopt the effective methods which will strengthen the Alliance somewhat so that it is in a position to meet, in favorable conditions, the ordeal of the next crisis, bearing in mind that it is a lesser evil providing it remains within the Alliance. This rather unspectacular program is certainly not ambitious, neither is it the disappointing aftermath disillusion. Rather it is the pre-requisite of reasonable hope.

Les Gonelles, September 1963.

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THE UNIVERSITY OF CHICAGO

Center For Continuing Education

Symposium, October 21 - 23, 1963

Outline of Remarks on

THE FOREIGN POLICY OF FRANCE SINCE 1958

by

Michel Boscher

(France)

In order to draw a more accurate picture of the foreign policy of the Fifth Republic of France, a certain number of facts should be borne in mind:

I) During practically all the span of life of the Fourth Republic (1946-1958) French foreign policy was hampered by various factors:

A. between 1946 and 1950/52 by the critical situation of the French economy which had not yet recovered from four years of occupation;

B. the never ending so-called "colonial wars", first in Indochina and later in North Africa which jeopardized our country's position vis-a-vis:

1) - the non-committed and (particularly during the last period) the Arab world,

2) - the U. S. A. whose policy, at that time, was aimed much more, rightly or wrongly, at supporting the non-committed nations' position than the French stand (i. e.: U. S. refusal to help France towards the end of the Indochina War, U. S. position in U. NO. regarding the Algerian problem, the Suez Crisis, etc.)

3) - the Eastern countries for obvious political and ideological reasons;

C. despite the comparative stability of French foreign ministers, the ceaseless fall of cabinets which hindered the implementation of any long range policy.

II) It must be borne in mind that by and large the home and foreign policies of General de Gaulle are approved by the French people, that "gaullism" is at the helm and will remain so for a long period to come; those who criticize "gaullism" in French political circles may be familiar names abroad, but will have but very little influence in coming years.

III) In 1958 the Algerian problem was yet to be solved and in fact remained in the forefront of France's preoccupations for four years impairing to a certain extent developments elsewhere of our policy

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Among the various aspects of French foreign policy of to-day emphasis will be put on the major items of common interest to both our countries:

An opening remark: it will be found that though in some fields there may seem to be an abrupt change of policy since 1958, in others there is much more continuity than would appear at a casual glance.

This is the case of

IV) FRENCH EUROPEAN POLICY

A. The Fifth Republic found in its heritage the treaty of Rome organizing the EEC and also those treaties which had established the Steel and Coal community and Euratom.

All these have been implemented and a great deal of progress has been made, principally at France's request, to make a success of all three communities:

- hastening of the lowering of tariff barriers between member nations of EEC,
- protracted but successful negotiations to define a common agricultural policy, etc.

B. The rebuff to Britain:

This much criticized attitude of France is easy to explain though it may have seemed very harsh to all those who believe Europe cannot be built into a strong political and economic unit without Great Britain.

In fact it was a case of whether Britain should be allowed to enter EEC more or less on her own terms (very "free-trade minded") and therefore impede all progress towards the bolitical and economic unity of the continent as it is outlined in the Rome treaty

or should this latter aim remain paramount, despite the bad feelings involved, to establish a closely interwoven European economy, protected by a common tariff barrier and strong enough to play its part in world trade.

C. The Future:

France is in favor of achieving the economic unity of Europe as a first step towards political unity and will support the idea of amalgamating the three existing communities to that end.

At a later date no doubt this will be the stepping stone towards some type of political federation.

It should also be borne in mind that the completion of economic unity is, in our eyes, a necessary condition to entering into talks with the United States directed toward lowering tariffs.

V) FRANCE AND NATO

In this field the evolution of French policy since 1958 is much more noticeable.

It may have seemed quite natural in former days, when France's armed forces were busy far from the homeland, and our country, economically speaking, was just recovering from the consequences of the second world war, that her policy in matters of defense should have been "rely on the US and follow your leader blindfolded".

It should be recalled that the Washington treaty was signed in April, 1949 and everyone remembers what the world situation was at that time.

In 1963 the picture has changed: European and particularly French economies have recovered and are indeed prosperous. The feelings of Europe and of France are no longer what they were: we are aware that we represent a strength of our own, both in the military and economic fields and therefore we cannot allow the destiny of our continent to rest indefinitely and entirely in the hands of a foreign power however friendly it may be.

This of course raises the question of the French nuclear deterrent: its similar aspects will be dealt with elsewhere but at least one remark should be made: Great Britain has never surrendered her independent nuclear weapon and is looking with some mistrust at the "multilateral nuclear fore" which the United States is endeavouring to put together. France is doing nothing other than that which Britain has been aiming at since 1945.

A. The future of the western alliance in France's eyes:

1) France has repeated time and again that NATO as such remain essential, for years to come, for the preservation of the safety of the free world;

2) Though present day organization does not satisfy us completely, France does not contemplate asking for sweeping changes at the present: the completion of the French nuclear deterrent will per force bring about these changes at some future date.

3) France does not contemplate signing the Moscow treaty which is - in our view - a helping hand graciously extended by the United States to assist Mr. K in his difficulties with China, but does not bring real disarmament any nearer.

We would object to, and not feel bound at all by, any other political agreements which could be reached between the United States and the USSR for we cannot help but remark that the various subjects which could come under discussion (i. e.: demilitarized Germany, control points in Germany, Berlin, a non-aggression pact between NATO and the Warsaw treaty countries) are of interest to Russia but not to us and that any results in these fields would proceed only from a certain giving-in to the Russians and therefore a weakening of the western alliance, not to mention a possible reversal of German foreign policy.

In fact, at the present time, we believe the only helpful negotiation which could be entered into should aim at effective disarmament proposals (by controlled destroyal of missiles).

VI) TO SUM UP French policy of to-day:

Its aims are:

A) To become the nucleus of an independent and closely united Europe, tightly bound to the United States on equal terms;

therefore in no case taking the lead of a so-called "Third force" in a supposed policy of balance between the US and the USSR;

B) To inspire through this very attitude all those non-committed nations of Africa and Asia, or even South America who are seeking their way and which, for various reasons, will not throw in their lot openly with the US, thus maintaining them in the fold of the free world.

University of Chicago

Center for Continuing Education

Symposium, October 21 - 23, 1963

GERMANY'S POSITION IN THE NEXT ROUND OF EAST-WEST NEGOTIATIONS

by

Wilhelm Cornides

(Bonn)

O U T L I N E

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1. Long-term perspectives of the German-Russian relations

2. Should the Germans be more flexible?

3. The pivotal problem of the command and control of nuclear weapons

I. Long-term perspectives of the German-Russian relations

In October 1963, when the leadership passes from Konrad Adenauer to Ludwig Erhard, the Federal Republic of Germany has been in existence for fourteen years - as long as the Weimar Republic lasted between the November revolution of 1918 and its decay under Paper and Schleicher in 1932, and two years longer than Hitler's "1000-years-empire". Behind the sweeping reversals of these three periods lies the unresolved twin-problem of Germany's relations with the East and of stability in Europe. The latter cannot be achieved without a durable solution of the first.

There are those, who - like A.J.P. Taylor - feel that Germany ought to have been divided already at Versailles and that at least she should remain divided now, because they see no solution to the German problem in a German national state - or indeed in any state in which the Germans can do what they like.

This concept of "saving Europe - and world peace - from the Germans" implies that Soviet Russia is quite content to leave things in Europe as they are, once the question of East Germany is "closed", which implies in turn both the recognition of the Oder-Neisse-Line and of the "GDR" as the second German state. But it implies also that a German "threat" will remain even after the dismemberment of the German state and nation - a threat at

least strong enough to compel the Western powers and the Soviet Union to cooperate in the control of Germany as a joint endeavour even if they continue to disagree in all other fields.

We owe it to A.J.P. Taylor that he has gone to the logical conclusion of his position and made clear that Germany's problem "was not German agressiveness or the wickedness of her rulers". These, we hear in the most provocative of all the Taylor paradoxes "even if they existed, merely aggravated the German problem, or perhaps actually made it less menacing by provoking moral resistance in other countries". The real problem then lies in Germany's geographic position, its natural resources and the vitality of its people, which all make for a concentration of power in one of the most sensitive areas of the international system. Those who believe that the dismemberment of Germany would cure the world of this evil are in the classical tradition of the policy of balance of power to which the faults and misdemeanours of the German people come as a handy bonus. Henry Morgenthau, Jr., too, followed the same line of reasoning, when he advocated the partition of Germany, probably not primarily from a spirit of revenge, but in the conviction that to divide Germany and to make "goat pastures" out

of the Ruhr area was the only secure way to prevent a new struggle for the control of German industrial power which would end by necessity in a third World War.

While these were the most extreme views, there have been and there are people in Germany today, for instance the respected philosopher Karl Jaspers, who advocate acceptance of the division of Germany - provided of course that the human rights would be safeguarded in East Germany - as the basis for an enduring peace settlement in Europe. To renounce the claim for unity and to forsake the power which a united Germany wields, would, in this view, put an end to the struggle for the dominance of Europe, in which Germany has played such a fateful part.

Why then are there not more good Germans who adhere openly to this view?

There are many facets to this problem - some of them are metaphysical or meta-political and will not be argued here. But the most important argument against accepting the division of Germany as permanent is, that there cannot be a static situation in Europe with two Germanys integrated into the two blocks; the Soviet Union, even if she wanted to leave things in Europe in that way, would sooner or later be lead by the force of events to destroy this artificial balance.

But has not the Soviet threat to Europe diminished or at least changed its nature in recent years? Are there not new chances for an accommodation with the status quo, leaving perhaps the juridical status of the divided Germany in abeyance but recognising de facto that two states exist in an area where there used to be one? Is the acceptance of the status quo in Europe not simply the problem of "recognising an elephant when you see it" - as it has been put by an eminently rational British party leader?

Since the answers to all these problems depend on the assessment of Soviet intentions, we must try to agree, however tentatively, about the motivations of Soviet policy in Germany before we can usefully discuss the long-term aspects of the German-Russian relations. Judging from recent representative gatherings, the following views on the nature of the Soviet threat seem to be widely held by experienced observers in Europe (not only in Germany):

a) while the Soviet Union has become a global power both in terms of its ideology and its actual power, its political interests remain centered on Europe even when it tries to outflank the American position in Europe with thrusts to the underdeveloped countries of Asia and Africa;

b) Soviet troops remain in Eastern Europe and in particular in Eastern Germany in order to prevent the defection of any country from the Eastern Block. The presence of these troops is a precondition for a more liberal attitude of the Soviet Union to some of these countries. In particular it keeps Poland in the grip of a military "pincer". Therefore, while reductions in number are possible, it is unlikely that the "mellowing" of the Communist regimes in Eastern Europe will lead to the withdrawal of Soviet troops from East Germany;

c) The Warsaw Pact, an important instrument of Soviet policy, is used to back up foreign policy initiatives which the Soviet Government wishes to undertake and to impress its military power upon the rest of the world;

d) In case of a local war or crisis anywhere in the world escalating into a global nuclear war, there is always a real danger of a Soviet advance into Western and Southern Europe, possibly also in the North, with all speed, using nuclear weapons from the start, with the intention of defeating and destroying NATO forces and occupying Western Europe;

e) The Sino-Soviet conflict has not had a fundamental effect on the Soviet approach to Europe. The Soviet Union seems well capable to handle this conflict without winning support from the West by concessions in Europe. It is quite possible that - far from working for a détente in East-West relations -

the need to defend Soviet policies against the Chinese cries of "appeasement" will make it more difficult for Moscow to be flexible on issues like Berlin and Germany.

Therefore even if we discard any particularly aggressive design, the Soviet posture in Europe remains dangerous and threatening. It is not apparent that far-reaching concessions such as the acquiescence in the dismemberment of Germany will radically alter this situation. From the Soviet point of view the revolution in Eastern Germany has wiped out all connections with the German past and established a new society which can only be be peaceful because it is Communist. On the other hand, Western Germany, where no such revolution has taken place, is essentially revisionistic and agressive because it is not Communist. Therefore, while any move by the West to change the internal situation in Eastern Germany would be a "foreign intervention" incompatible with "peaceful coexistence", Communist interventions in Western Germany remain always compatible with "peaceful coexistence" because they improve by definition the chances for peace.

It is this dialectical situation, combined with the myth of a "New Rapallo" (which is more designed to frighten Germany's Allies than to inspire confidence for the Russians in Germany) which

could one day become a powerful instrument for Soviet intervention in West Germany. This fear, added to the other reasons for caution which have been stated before, is probably the most powerful motive, which prevents many politically responsible Germans from being "good" and "reasonable" in the sense A.J.P. Taylor - or Senator Morse in the United States - would like them to be. Far from bringing about a peaceful settlement in Europe, they might well, in accepting the division of Germany as permanent, jeopardize all that has been achieved in Western Europe since 1945. If on the other, they can keep the German problem an open issue, there may still be a day when the Russians allow free elections and the establishment of truly democratic systems not only throughout Germany but also in Eastern Europe.

Such an attitude of caution does not exclude the possibility of a "truce" between Bonn and Moscow. Indeed Dr. Adenauer himself seems to have sounded out Mr. Khrushchev on the prospects for a truce only a year and a half ago. But he was careful to explain that at the end of the truce-period of ten years there would have to be free elections throughout Germany and that visible improvements for the intermediate period would have to be implemented beforehand by the Communist leaders. In other words, while such an arrangement would not entail a firm promise of reunification, it

would at least make it impossible for the Soviet Union to exploit German hopes for reunification herself after the Federal Republic had been maneuvered into a position where, by consenting to the status quo, it would seem to have "betrayed" the unity of the German nation.

Since these soundings were left without response, we may assume that the Soviet leaders expect more political benefits from their present policy which obviously is to push the Germans into acceptance of the status quo with the connivance of their Western Allies.

II. Should the Germans be more flexible ?

For those, who try to understand the German dilemma and sympathize with it but feel that nevertheless there is more scope for flexibility in East-West negotiations than Bonn is willing to allow, the discussion of this problem is often obscured by a vague notion that any improvement in the political "atmosphere" is good in itself and constitutes political progress.

Another source of confusion is the term "stability". As we have seen, the main threat to peace in Europe is posed by

the nature of the prevailing political tensions which are caused by the continued division of the continent, by the political intentions of the Soviet Union in conjunction with her military potential, and by mutual fear. It would be an illusion to assume that these tensions could be alleviated in any other way than by genuine political solutions which do away with the basic instability inherent in the status quo. Of course, military stabilization and political stability in Europe cannot be considered apart. It has been said that military instruments, while still related to political conflict, have taken on a life of their own and have become a separate source of tension and danger. Inasmuch as this is true, it will be the first task of East-West negotiations to reduce these <u>additional</u> tensions and dangers. If the dangers inherent in the continued division of Germany and Europe cannot be excluded, at least the military dangers resulting from the massive concentration of opposing forces in Europe might be diminished. Thus the negotiations must aim at achieving a relative structural stability of armaments within a political situation which will, in the absence of diplomatic settlements, continue to be basically instable. The problem, then, is one of military safety measures in an inherently unstable political constellation.

The stability we are concerned with here is certainly dynamic, not static. There would be no sense in looking for a poised equilibrium of all military and political forces and trends in Western and Eastern Europe at any particular moment between the present and the early 1970's.

Within that period military stabilization is concerned with the inevitable dynamic changes in the structure of armaments in Western and Eastern Europe, their competitive and conflicting interactions and their effects on the overall military balance between the USA and the USSR. Military stabilization would be achieved, if these changes, which may affect the kinds, the levels and the deployments of arms and forces do not result in a major technological breakthrough of one side or the other, if both sides maintain a sufficient second-strike capability to make surprise attacks improbable, if there are adequate safeguards against nuclear accidents as well as against miscalculations, and if the non-nuclear forces backed up with nuclear battlefield weapons can cope with local disturbances without immediately resorting to the nuclears.

The fears of surprise attack in particular - and indeed all fears of attack and of war in general - indicate a lack of international political stability which is hardly ever generated by military weaknesses alone and can therefore hardly

ever be overcome by measures of military stabilization. It has already been pointed out that the very concepts of stability and intervention are basically different and opposed to each other in the West and in the East. They result from the differing ideas of internal, intrablock and inter-block relations in the "capitalist" and the totalitarian "socialist" camps. Evidently these ideas are subject to change and we can hope for more liberal forms of coexistence in Europe. But changes in the internal and intra-block relations in the East, even if they are in the direction of more liberal forms of government, do not automatically provide greater stability of the inter-block relations. Liberal as well as totalitarian governments can follow what is commonly called "a policy of strength". Nor does liberalization of the internal systems solve by itself the outstanding international problems or diminish the tensions they create. It is sometime thought that measures of military stabilization could in addition to their merits in the military field also serve as "test cases", "evidence of good will" or "first steps" on the road to international political stability. While this may be true in some cases, the contrary may also happen and the intended effects of military stabilization can be confounded by unwarranted political expectations. In each case, military "first steps" should be reasonable, advisable and profitable

by themselves, their value must be intrinsic and should not lie in facile assumptions that they might lead to more. Their functioning must not depend on possible "next steps", the realization of which remains uncertain.

The true measure of the stability of the inter-state and inter-block relationship in East and West is the effectiveness of the existing peacekeeping machinery. In the ideal case, where neither side is committed to a "policy of strength", the system of collective security established by the United Nations should provide the necessary procedures and safeguards for peaceful change and for the peaceful settlement of outstanding conflicts. It was the failure of this peacekeeping machinery in the post-war period which led to the creation of NATO and the Warsaw Pact which both refer to Article 51 of the United Nations Charter and style themselves as organizations for collective self-defense. In the absence of an effective system of collective security, collective self-defense becomes the mainstay of security. Military stabilization brings no basic change to this situation, but it provides better opportunities for further negotiations about the changes desired by either side - if the road for future political settlements is kept open. In this case, military stability, while it is based on the status quo, does not exclude

the possibilities of subsequent change. To begin with, East-West negotiations should aim at stabilising the military balance at the lowest possible level, without allowing any step to impair the balance as a temporary means to this end. Meanwhile they should ensure that the two halves of Europe can coexist as liberally as possible, that the Soviet Union cannot in return separate Western Europe from the United States, that deterrence will continue to be effective, and that defense will be possible if deterrence fails.

This approach to the problems of "flexibility" seems to be at present the common denominator for East-West negotiations which are intended to avoid new frictions and splits within the Western Alliance (cf. Arms and stability in Europe, A British-French-German Enquiry. A report by Alastair Buchan and Philip Windsor, Chatto & Windus London for the Institute for Strategic Studies. Published in October 1963). While many other lines of approach can and should be discussed, Germany, France and some other NATO-countries do not seem ready to commit themselves to any other course.

This limits the scope for formalized East-West agreements on measures for arms control rather severely, probably to the

establishment of static or mobile observation posts in an area that would have to include Western parts of the Soviet Union. Practically all measures which go further than that, in particular limitations of troops and weapons in Germany, are in fact measures of the highest political significance which cannot be justified alone on grounds of stabilizing the military situation. "Even a limited withdrawal /of American and Russian forces/, if it left a vacuum in the heart of Europe, could be dangerous, unless the security of the whole region were safeguarded by wider agreements between the two powers". (A. Buchan, loc. cit. p. 90).

It is therefore not an inherent inflexibility of the German mind, or violent and missionary anti-Communism which limits the scope for East-West negotiations, but the very nature of the political and military confrontation in Europe. This being so, it is of vital importance not only for the Federal Republic but also for the coherence of the Alliance that the need for military stabilization in Europe should not be cloaked in an ideology of "saving Europe from the Germans" and that the problem of safeguards against a Soviet surprise attack and against war by accident and miscalculation should clearly remain distinct from the much wider issues of a political settlement for Germany.

It seems that there is a direct correspondence between the "flexibility" in the approach to East-West negotiation and the internal growth of the Western Alliance. If the priority lies with the negotiations between the blocks, then the process of integration inside the Alliance begins to be subordinated to them and this creates ideal opportunities for the Soviet Union in almost any field where it is necessary to thrash out an agreed Western policy. On the other hand - and this is also unfortunate - East-West negotiations tend to come virtually to a standstill if complete unity of all Allies is sought on all major issues. Surely, there must be a middle way acceptable to all members of the Alliance between these extremes.

At present France and Germany have good reasons to be primarily interested in tackling the complex issues which confront the European Communities, while the United States, for equally obvious reasons of world security, gives priority to the problems of military stabilization. The danger here lies not so much in disagreements about the substance and the tactics of these different kinds of negotiations, as in the suspicion that France and Germany want to block East-West negotiations <u>until</u> Europe could take part in them as a "third force" dominated by France. Conversely, there are suspicions on the continent that "the Anglo-Saxons" are pressing

East-West negotiations because they seek a world-condominium with the Soviet Union.

While there may be dreamers on both sides holding such extreme views, they are certainly not representative of responsible political opinion on both sides of the Atlantic. Nevertheless the position of Bonn remains particularly delicate both vis-a-vis Washington and Paris as long as the United States and France do not see eye-to-eye with each other. It would become untenable if either side makes a conscious effort to force the Germans to a "choice" between competing mystiques of a "Third Force" and an "Atlantic Community".

Bonn has for the past ten months strained every nerve and muscle to avoid such a choice. There have been inevitable disappointments and misgivings in Washington as well as in Paris. But it seems at long last to emerge that a "war by proxy" which pulls Dr. Adenauer and Dr. Schroder in different directions and opens up deep cleavages in the German political system, is no substitute to a direct exchange of views between President Kennedy and General de Gaulle.

At present it seems that the German capability to be flexible is needed most inside the Alliance. Bonn certainly has no desire to mediate between capitals which are tied together by

century-old cultural and political bonds and have fought in two World Wars on the same side. It is fairly obvious that the competitive bids which have inflated the political stock of the Federal Republic are "take-over" bids. If they turn out to be unsuccessful, they will leave a bitter taste with all concerned. Bonn does not covet the role of the mediator because the Germans do not want to defray the costs of the reconciliations which will follow.

Under such circumstances, prudence and restraint within the Alliance as well as in the dealings with Moscow are no ordinary virtues - they are the life-savers of the German political existence.

III. The pivotal problem of the command and control of nuclear weapons

The one area where the Federal Republic holds at present a pivotal position, seems to be the project of the multilateral fleet of ships, armed with IRBM's and cruising in European waters if all goes well within the next six or seven years. But here again the importance of the German role seems somewhat artificial and more in a way of a shadow than of substance.

At a recent private conference in Cambridge it was forcefully argued that "the MLF was designed to do practically everything but improve the military posture of the Alliance, placate the Germans, help to produce a political solution in Europe, give Europe equality and diminish the American nuclear veto". A dispatch of the "Times" correspondent from Washington (The Times, October 5th, 1963) underscores this appreciation: "Britain, it said, and the United States have assured the Soviet Union that the MLF will not change the balance of nuclear power. In turn, it is understood, the Soviet Union has indicated that the present trend towards a relaxation of tension would not be reversed should the MLF be launched".

This, as the Times correspondent put it, "mildly astonishing exchange" seems to picture the MLF as a nuclear "Noah's Arc" holding a strange assortment of politico-military animals in peaceful coexistence. What the promoters of the project have in mind is certainly more than that. It is an admittedly imperfect means of beginning to deal with the nuclear problems of the Alliance in a framework that will add to its strength and unity. "A viable multilateral arrangement must, ... , be one in which members take part in the ownership and operation of nuclear power and can do so on a basis of equality. There cannot be first and second class membership" (J. R. Schaetzel).

It was no doubt in this spirit that the German commitment to the project of the MLF was made in January - immediately after the unhappy coincidence of the breakdown of the Brussels negotiations on Britain's entry into the EEC with the conclusion of the Franco-German treaty. The first and most spontaneous motivating force was then, to dispel any doubts that may have arisen about Germany's firm adherence to the spirit and the letter of the NATO treaty: this was probably the most important German move to avoid the ominous choice between the United States and France which might at that moment have been fatal to the Alliance in whichever way it would have been taken.

It is very important to remember that this is how the Federal Republic became engaged in the MLF-project which she now loyally supports. While there is no open hostility, there also seems to be little real enthusiasm for the MLF in Germany. Many objections both political and military remain and the general attitude might perhaps best be described as one of hopeful pragmatism. No one has so far advocated a better scheme to satisfy the need of the non-nuclear members of the Alliance for a greater share in its nuclear strategy. German support for the MLF is therefore likely to continue on its moderate scale. At the same time the Federal Republic does not want to create or justify the impression that it is only or primarily the otherwise insatiable German desire to"get a finger on the trigger" which keeps the whole project alive.

The control of the tactical nuclear weapons of NATO needs certainly not less supervision than that of the more conspicuous strategic weapons. To this problem the MLF provides no answer. Nor does it give the continental non-nuclear members of the Alliance the right of veto on the use or against the withdrawal of nuclear weapons stationed on their territory which Britain obtained for the American missiles stationed in the U.K. These are matters of great concern for the Federal Republic.

If the Soviet Union can be satisfied that the American veto on the use of the MLF will never be relinquished and that no nuclear knowledge or control would ever be shared with a non-nuclear power especially Germany, then the MLF would justify its claim to be a step in the direction of the non-proliferation of nuclear weapons. In that case it would, however, be difficult to maintain the other claim that the MLF holds an option for a European nuclear force to be evolved later, when Europe is politically ready for it. It would then rather seem to be the real purpose of the MLF to avoid the emergence of a European nuclear force and to bring the nominally independent British force as well as the emerging French force gradually under the control of the American veto so as to leave no room for any other independent second-strike capability within the Alliance.

If such a veiled return to a virtual American monopoly of the control of the nuclear weapons of the Alliance could be combined with the comprehensive Allied planning which Mr. Dean Acheson advocates with great vigor, this would solve many problems which worry the Germans. When Fritz Erler recently said: "I prefer a looser influence on the whole potential to the appearance of a tighter grip on a very small part of it" - he seemed to express a view held by many in Bonn, irrespective of political parties. But there remain wide divergencies of views on the extent to which the United States is ready and willing for a system of really comprehensive political and military planning and decision-sharing. Here again opinions are not split along party lines.

It is, however, up to Great Britain and France to decide whether and under which conditions such a truly interdependent arrangement would be acceptable to them, just as it is for the Germans to make up their minds about the kind and the extent of joint planning and burden-sharing they really want. Such considerations are on the German side intimately linked with the problems of military stabilization and the prospects for reunification.

If Britain and France prefer to retain their independent national forces (or an interallied arrangement which leaves to them the ultimate control of their own nuclear weapons), many people in Germany will regret this development. The fact remains that it

is primarily the responsibility of the United States, Britain and France what they do with their nuclear armory. Whatever arguments the Germans have against the retention of national nuclear forces - and there are many of them which cannot be discussed here - it would be most unwise if they would in return press for nuclear "equality" for themselves. Not only will there always be members of the Alliance which are "more equal than others", but it would also be most unfortunate if any solution for these politically explosive and at the same time highly technical matters would be accepted only because there is no other way to avoid giving nuclear weapons to the Germans.

Nuclear "equality" of the Federal Republic would obviously remove even the most distant likelihood that the Soviet Union could grant self-determination to those Germans who are under its control. This makes it clear that all those who are seriously interested to keep nuclear weapons out of German hands, have a big stake in keeping the prospects for reunification as widely open as possible. Most Germans would probably be ready to renounce any claim for nuclear power if this would help them to obtain unity and freedom in a stable international system. On the other hand, as there is no real prospect of reunification for a long time to come, there are also many who think that Germany should at least fully participate in all fields of the

Alliance. What no one seems to want, is the twilight of a quasi-nuclear role in which the Federal Republic would merely appear to be compromised without any of the compensations of an attitude of "pecca fortiter". Thus further obstacles would be erected in the road to reunification without any substantial increase in the defense or the political effectiveness of the Alliance, and Germany's relations with her Western Allies would be poisoned without any improvement in those with the East.

Germany, The European community and the Atlantic Alliance's bond of determination not to be forced into a choice between the United States and France is based on the conviction that such a choice would be disastrous to the alliance as a whole. The policy of the "empty chair" failed once before - in 1954 when the European Defense Community broke down with the ill-fated attempt to use German enthusiasm for European integration as a means of forcing France to make commitments which she did not think were in her interest. Since it proved impossible to force the hand of the Fourth Republic, it is unlikely that the France of DeGaulle will be easier to handle.

It is not possible to isolate France politically for any length of time without destroying the European Community. Last year some 900 committee meetings involving some 16,000 man-days of negotiation were held under the auspicies of the Community. These negotiations ranged from common trade, agricultural, economic and monetary matters to the unification of the tax system and the legal system of six highly-industrialized nations. This leads to a continuous criss-crossing of varying coalitions formed by governments, political parties and professional groups with the aid of the "technocrats" of the Community. By now all the larger economic interests of the six countries are involved. The idea that the interest of any one member of the Community could be treated in isolation by the other five, only demonstrates how little is known about the

growth of the Community and how little it is understood abroad. Even DeGaulle can only slow down the growth of the Community now -- he cannot stop it. Without claiming special merit - for the Federal Republic, it seems fair to state that the growing friendship between France and Paris, combined with the German support for the community idea, is a major reason for this development. But that friendship and that support have in no way diminished the German support of NATO. and no change of this policy is in sight.

Nonetheless, the process of building a community is slow and complex, and NATO itself is in a period of transition.

Against this disquieting background East-West negotiations will go on. The Soviet Union will miss no opportunity to benefit from the difficulties of the Western Alliance. Britain and France seem determined to cling to their position as nuclear "powers". Germany - which provides the biggest conventional arms contribution - might well feel discriminated against in such circumstances.

The Germans therefore desire special position for themselves. They ask that further progress in negotiations with the Soviet Union be linked with progress in solving the political issue of Central Europe. This desire would be unjustified if Germany attained a nuclear position similar to that of Britain and France. If, on the other hand, Germany could be persuaded to remain a non-nuclear power,

because this would help it along the road to reunification, there would be nothing discriminatory in such a position. Whether this can become the basis for a durable political bargain within the Western Alliance might be a useful subject for further discussion.

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THE ECONOMIC PROFILE OF AN ATLANTIC COMMUNITY

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For a European, the term "Atlantic Community" is not entirely free of ambiguity. There is an Atlantic Community in the sense that the same ideals and moral values are common to the peoples on both shores of the ocean. There is also an Atlantic Community to the extent that our ways of life are similar enough for the old and new continents to seem like a homogeneous entity in the eyes of the rest of the world. But, the Atlantic Community - in contrast to the common market - cannot be defined as a group of specific institutions which have already experimented together with the exercise of the attributes of common national sovereignty.

On an economic level, one observation stands out: nowhere in the world are there other areas where prosperity is as great and as widespread as in the North Atlantic zone.

Being aware of this shared prosperity is, in the world of today, the same as recognizing the interdependence of the European and American economies; it is the same as measuring the extent of the responsibilities that the two continents have toward the rest of the world, and realizing the necessity of combined political action in all areas - and these areas are numerous - where neither Europe nor America can act efficiently by itself; in short, recognizing that there is a community of interests and a community of missions.

On the other hand, realizing the differences in the standards of living, in the industrial and agricultural structures, and in the orientation of commerce, between the two continents, helps to understand why some people are apprehensive of an increasing interpenetration of our two economies.

We shall try in this text:

1.) to compare briefly the levels of prosperity of Europe and America and to account for some structural differences;

2.) to define the common economic tasks which confront the Atlantic countries as a group;

3.) to describe some of the problems caused by the current conferences on duties and to enumerate some of the fears expressed in European economic circles (we shall limit ourselves to a description of European apprehensions, since the readers of this text are, for the most part, American, and they know better than anyone the basis of American hesitations.)

Before continuing our discussion further, however, we should like to emphasize the clear analogy between many of the ideas expressed here and some of the ideas defended in "Partnership for Progress: A Program for Transatlantic Action," a study by Pierre Uri, in which I had the privilege of actively participating.

I

A look at the statistics of the Gross National Product shows that the revenue of an inhabitant of the Common Market is about 2/5ths that of each American.

However, these statistics are deceiving because they represent the official rates of exchange of money which, by definition are only supposed to show the relation between the prices of goods and services traded between nations. The cost of locally consummed services (housing, medical services, spare-time activities) are not included in the computation of the rates of exchange. Thus, the richer a country is, the higher is the price of these services and the greater is the part they play in consumption spending. To cite an example of Milton Gilbert, the burial of a Chinaman, performed without cost by his own family, would not be included in the national accounts; while an American's burial generates receipts for a specific service and is reflected in the calculation of National Product.

If the statistics were adjusted to allow for these price differences in services not exported, it could be estimated that the average revenue of a Common Market inhabitant is approximately one-half that of an American. Moreover, the existence of a large underdeveloped area in Southern Italy tends to pull the average down.

This gap in the standards of living is becoming smaller by reason of the inequalities in the rates of growth of the Common Market on the one hand and the U.S. on the other.

It is wrong, however, to believe that America is destined to a slow rate of expansion and the Common Market to lightning-fast progress.

The upturn in American industry, which has characterized the first half of 1963, is proof enough that growth can be an important attribute of the American economic profile. What's more, it would false - theoretically speaking - to consider the relative importance of services in the American economy as an intrinsic cause of stagnation: productivity can increase as rapidly in this sector, especially in commercial transportation and distribution, as in other sectors of the economy.

On the other hand, it should not be overlooked that, in general, it is easier for the Common Market to increase its productivity than it is for America. First of all, the starting point is lower in Europe. Secondly, in Europe there is an excess of agricultural population combined with a shortage of industrial workers. Finally, the very existence of the Common Market opens to its members a path similar to that taken by the United States: It brings with it a better distribution of resources, eliminates the least economic outputs, allows for necessary concentrations, and incites enterprises to modernize.

In spite of everything the goal of 4.5% annual growth for the Common Market is attainable if admittedly optimistic.

The United States, on the other hand, should be able to progress at an average growth rate of 3.5%. Therefore, a long time will be necessary to close the gap. (1) To illustrate our point, the countries of the Common Market should attain in 1970 the standard of living the United States had in 1959. At the same time, in 1970, England's standard of living should only be slightly higher than the average West European standard.

England's present economic situation differs most from that of both America and the Common Market in the field of agriculture. With only 4% of her population employed by agriculture, England is, for the most part, an importer and consequently, does not have to fear the accumulation of surpluses. Besides this, she can afford to pay subsidies in order that the English farmer's standard of living is not too far removed from that of his fellow citizens. Such is not the case in the United States and in the Common Market.

However, basic differences do exist between these two agricultural entities. The United States is the largest exporter of agricultural products in the world, while the Common Market remains a net importer. Besides this, the greater part of American agricultural produce comes from a relatively small number of large farming enterprises which enjoy favorable cost conditions; but

European production is still very scattered. A redistribution of land is indispensable in almost all of Europe, and a considerable increase in agricultural productivity will almost necessarily follow the reduction of the rural population.

In industry, an analysis of the flow of exchanges between Europe and America, as well as the exports to underdeveloped countries, forces one to draw the conclusion that, differences in cost of the great majority of products are not very noticeable. This conclusion is confirmed by the very interesting research conducted by the National Industrial Conference Board in American firms having subsidiaries abroad. (2) Even though in 1961 a slight advantage in favor of England and the countries of the Common Market was discernable (in the majority of industries consulted, the lower salaries a little more than compensated for the lower productivity or the higher costs of raw materials and capital), the belief seems justified that with the recent rise in European prices and salaries, the balance should not be almost perfect.

This analogy in costs should not keep us from perceiving certain differences of structure. If we chose to emphasize only one of them in this paper, it is not that we, ourselves, overestimate its importance. Rather, - as we shall point out at the end of this paper, - it is because it is at the root of some of the European fear of competition from American industry. This

structural difference is the differences of sizes of firms. With a per capita industrial production barely more than half that of America, Europe has, until now, given birth to only a few firms whose size equals that of their American competitors.

This is true of average firms as well as huge enterprises; the largest European firm manufacturing mechanical products, Volkswagen, has an annual sales volume of $1.3 billion, whereas General Motors' volume exceeds $11 billion, and Ford's $5 billion; the largest European electrical appliance firm, Philips, has an annual volume of $1.4 billion, almost exactly half that of General Electric. (3) Furthermore, most of these European firms are operating at capacity, whereas such is not the case in the American firms.

This remark concerning firms' sizes should not be overemphasized; antitrust legislation is less severe in Europe than in the United States, and the existence of certain agreements as well as the large number of overlapping participations partially compensate for the European "lag" in firm size. Moreover, this lag is tending to decrease because of the large number of amalgamations which characterize the European economic scene today.

II

A few figures will help one to understand the extent of the interdependance of the European and American economies and the ties which link both of them to the world economy as a whole.

The exports of goods and services from all of the Common Market countries equal between 20 and 25% of the National Products of all the member countries, and the exports of merchandise alone equal more than 15%. Even if the intra- Common Market trade is subtracted, and we consider the Common Market as a single body, the percentages are still close to 15% and 10%, which are, respectively nearly three times and more than twice the American percentages. Thus, European expansion depends, to a rather large extent, on world-wide conjuncture. To that must be added the fact that, since the monetary reserves of Germany, France, and Italy consist largely of dollars (1/3 on the average), the stability of the American money is an essential condition for the prosperity of Europe.

The stability of the dollar itself depends - at least, under present circumstances - on the maintaining of a surplus in the commercial balance of American trade. This surplus compensates in part for the outflow of funds linked to the aid and defense programs as well as the outflow of capital. In other words, the American economy is much more sensitive to the maintenance of external demand than a superficial scrutiny of the relative strength in National Product, of exports, and internal sales would lead one to believe.

As for England, her economic ties with the world are evident. First, her exports of goods and services represent almost a quarter of National Product. Secondly, the accumulation of credits in pounds sterling held by foreigners (credits which are three times greater than the British reserves) makes the English economy so vulnerable to possible speculative movements that whether its rate of growth continues or not will depend a lot on the stability which the international monetary system demonstrates.

Since a similar remark would apply, to a lesser extent, to the United States, and since the economy of all non-communist countries would, in one way or another, undergo the bad effects of stagnation in the most wealthy countries; the stabilization of the international monetary system constitutes a task of primary importance that the Atlantic Community must accomplish for the benefit of the whole free world.

The problem is well known: in most countries' monetary reserves there are, besides gold, either dollars or pounds. The production of gold being limited in quantity, an increase in "international liquidities" depends on the continued American and British deficits, and mainly on the American deficit.

If the United States can re-establish a favorable balance of payments and accumulate surplus, a part of the dollar reserves held by the other countries will be given to the United States and thus subtracted from all of world-wide liquidity. But, if on the other hand, the United States has to put up with a continuing deficit, it is possible that the foreign central banks, other banking institutions and private individuals who possess credits in dollars would start exchanging them for gold out of fear of devaluation. If this happens, they could provoke an accelerating movement the end of which could be the collapse of the dollar and, consequently, the whole international monetary system.

But, though the problem can be summed up in a few words, the suggested solutions are many, and it is impossible to discuss their respective merits whitin the limits of this paper.

We should only note that, except for the solution which calls for simple return to the gold standard, all of them boil down to a single principle, namely: some devices must be found which would avoid a recourse to unilateral action.

We should add that whatever may be the methods under consideration, an international action would have, in our opinion, to combine three measures. First of all, certain rules should be accepted which would at least partially consolidate the amount of currencies in monetary reserves. Secondly, and as a counter-measure, a guarantee

should be simultaneously adopted by all of the western countries; it is not a question of drawing up a complete guarantee of exchange, but rather arriving at an agreement by which each country would accept to bear its part of the losses brought on by a possible money devaluation. Last of all, the Common Market countries, whose reserves are now greater than those of the United States, but whose currencies are sterile on the international level, (since they are not used in reserve funds and are only used sparingly in the settling of international transactions) should gradually provide themselves with the means necessary for the de facto constitution of a new reserve currency. We think that a fund which would be made up of a part of the reserves of the member countries, which would jointly be administered and which would be qualified to negotiate with central banks of non-Common Market countries desirous of acquiring Market Country currencies, would perform a double function: it would keep these currencies from undergoing sudden arbitrages from one place to another; and it would guarantee the central banks of the non-Common Market countries against a devaluation brought about by a one Common Market country acting alone.

But no plan would work if, along with the monetary devices, the coordination of conjunctural policies is not undertaken. By this we mean not only credit policy but the setting

up, at the same time and in the same manner, of national economic budgets, and the exchange of experience concerning the effects on the economy of different types of taxes and the orientation of public spending. It is appropriate to salute the O.E.C.D. for the efforts it has expended in this area, and the American authorities for their curiosity concerning European experiments in the last few years.

The techniques of economic action being on the whole rather well known, combined policies can be formulated by simple coordination. On the other hand, there is one area where the imagination is needed and where even a coordinated pursuit of the present national policies leads necessarily to an impasse. This is, of course, the problem of agricultural policies.

Concerning agricultural problems a first remark applies to America as well as to Europe: price supporting which was adopted, in theory, to guarantee the farmer a minimum revenue, offers windfall profits to the larger producers when it is applied generally; it causes production to increase in the very areas where demand is the lowest; it sets up an arbitrary set of prices which hinders the production of products which could find a market and encourages those which have none.

American protectionism and production restrictions used as a measure to offset the effects of the price support do not hinder the formation of surpluses which seem intolerable for certain products.

The most protective policy in Europe would not keep the development of production from exceeding the limits of consumption.

Finally, the greatest import market, Great Britain, is "simultaneously protected by national producers, who reap the benefits of deficiency payments without being limited as to volume produced; considered as 'in the bag' by the traditional suppliers, especially those of the Commonwealth; coveted by Common Market producers, who find in England the only country where production remains much less than consumption; and finally watched over by the United States which would consider the preservation of preferences in favor of traditional suppliers as discrimination against them."

Whether they be European protectionism, British subsidies, American methods of disposing of surplus, or lastly, dumping, practiced competitively by different producers in the rare solvent markets; agricultural policies tend to lower the level of what may still be called world prices; and they are doomed to the vicious circle of having to continually increase the protections as they tend to lower the level of external prices even more.

An escape, or solution, can be found only in collective policies.

As for internal policies, the rich countries of Europe and America must at last decide to consider their agricultural problems for what they are: social problems. The need for a guaranteed minimum

production and an allowable ease of a readjustment exists in the agricultural sector, but it doesn't justify, in any way, the linking of the amount of subsidies with the production volume. One should aim toward granting degressive subsidies, not for outputs, but for the producers. In this way, and only in this way, will a healthy competitive atmosphere be introduced in agriculture, will prices once again find an economic significance, and will exchanges reflect something besides a systematic distortion.

We shouldn't ignore the fact that, in order to succeed, such a policy can only be effected in the general context of an expanding world market. The new element constituted by the probable and considerable increase in trade with communist countries may help considerably. But a genuine policy of alimentary aid is urgently needed. This does not mean that certain surpluses, whose existence is due to the chances of arbitrary price scales, should be gotten rid of. It means that we should systematically face up to real needs, and to that end, give the developing countries the concrete means of expressing their choices.

A big step in this direction would be if financial aid were substituted for bilateral distributions in kind. Even though the financial aid would have to be utilized to buy food products, it would, little by little, cease to be tied down, with regard to the nature and source of the products. This would be the way toward

a gradual recovery of normal prices, the reorganization of a genuine world market.

But such an action calls for political courage, and no government will ever undertake it if it is not assured beforehand that the others will do the same. So, to be successful, the undertaking must be done in common.

It is all the more necessary that this action be taken in common because alimentary aid cannot be separated from the overall aid program. In most cases, the developing countries could not benefit from increased distributions because of a lack of sufficient unloading facilities, interior transportation and networks of distribution. Here, again, a resolute action is necessary to create an orientation of development programs that give a certain priority to the means of transportation, storage and distribution. This action is only conceivable if the aid is assured of continuity, the principal condition of its efficiency.

There is no other way to arrive at this continuity but to seek after an international agreement acceptable to all of the donating countries and based on a simple formula, equal for everyone and permanently applicable.

The length of this text prohibits the entering upon a technical examination of this problem. Let it suffice to say that the acceptance by the United States of any formula would be facilitated

if, by means of a policy of freer trade, the total of the American balance of payments were increased as well as the part it plays in the National Product. What limits the possibilities of American aid today is not the internal resources, especially when these are not being used at full capacity; rather, it is that the aid, which makes up only 0.7% of National Product, attains about 20% of external receipts.

This argument in favor of a reduction of the obstacles to exchange is important. But, the essential task lies elsewhere, that is: the creation of an atmosphere of confidence between Europe and America. And this atmosphere could never be created in a context of commercial rivalry. If Europe and America find that they have diverging interest, their policies could become self-centered and short-sighted. If fruitful exchanges are developed between them, chances are great they will be prepared, in concert and without mental reservation, to meet their responsibilities toward the rest of the world, to carry out the common tasks which, as we have seen concerning money, foreign aid, and agriculture, and revolutionary in size and nature.

Such is the real import of the Kennedy round. "It goes far beyond the common notion of a meeting around a tariff-negotiations table," where everyone tries to obtain a slight commercial advantage to the detriment of the others. If each Atlantic country does not rapidly become convinced of this truth, the present negotiations will lead to an impass and their name will be added to a long list of tariff

conferences whose consequences have been negligible or non-existent.

The obstacles accumulating for the tariff negotiations are genuine.

First of all, there is the problem of agricultural trade. Until now, the member countries of the Common Market had separate agricultural policies. Today they should, under the provisions of the Common Market Treaty, pursue a common agricultural policy which would gradually eliminate all obstacles to trade within the Common Market. It is not a simple matter. Some member countries have a more successful agriculture than others: Holland in milk products, France in grain, and France and Italy in fruits and vegetables. It would be astonishing, from a European perspective, to see these countries accept a restriction of their production since, considering the Common Market as a whole, they are not producing in excess. The others are the ones who have marginal productions.

On the other hand, the less productive countries - especially Germany - cannot sacrifice overnight the interests of its agricultural population which represents more than 15% of its total population. Thus they cannot at the same time accept increased competition from Common Market countries and increased competition from non-Common Market countries, more particularly the United States.

Let's take a simple example and describe it in terms of price: if the Common Market adopted French grain prices the lowest of the

Community a large number of German farmers would be ruined. If, on the other hand, the German price were adopted, the incentive to produce would be much greater in France; and it is hard to see how if the agricultural common market ever becomes established, American exports would not suffer in the long run.

Thus it appears, at the first blush, that the problem extends beyond a commercial question. The solution requires the considering in common and in a worldwide context, of all agricultural policies. We have already emphasized the urgency of this matter. It should only be added that until it is undertaken, one cannot hope for more than the displaying of a reciprocal goodwill destined to not compromise irremediably the future. For the United States, this means recognizing that it is legitimate for the Common Market to organize itself on the agricultural level. The latter would have to establish interior prices which are not too high, settling for the allowance to Germany of an adjustment period and financial aid. The Common Market would also probably have to grant temporary import commitments in the form of tariff quotas of limited duration.

It is not doubtful, that if such an attitude is lacking, all of the tariff negotiations will be forced into an impass. It is not in the midst of a war over chickens that we will succeed in reducing the obstacles to trade of industrial products.

Of course, trade in industrial products has its own difficulties. There is, first of all, a technical snare: the nomenclature used by the United States is not the same as that used by the Common Market. As a result, a comparison of tariff positions is difficult. Europeans, for their part, though many have succeeded in establishing a very precise catalogue of the various equivalents, have not yet come up with a corresponding evaluator of the amount of trade involved given the many sub-positions it was necessary to define to construct the catalogue of equivalents. According to latest reports, the American authorities have finished this task. We don't doubt that, if such is the case, they will impart it to their partners, and that, in this way, the negotiators will have an accurate and common picture of things.

But it must be realized that, to a great extent, this will complicate the problem rather than simplify it: there will be a strong tendancy to take up an examination product by product, that is to say, to set aside the method consisting in looking for one simple formula of general application.

It is not a hidden fact that it is more difficult to come up with such a formula when the final objective is not, like it was for the Common Market, the total elimination of import duties. When one is moving toward total elimination of duties, intermediary reductions are only temporary, and one is less afraid of crystalizing

disparities. On the other hand, when one is tied down by a maximum reduction (50% within the framework of the Trade Expansion Act) the trouble of trying to weigh carefully the actual reciprocity of concessions is brought to light. Therein lies, we think, a very ticklish question.

As for manufactured products, the average incidence for most of the big categories of products is lower in the "Common External tariff" [4] than in the American tariff.

To be more exact, it can be pointed out that the average incidence of the American tariff is greater than that of the Common External Tariff for categories representing close to 80% of American imports of industrial products, and less than the C.E.T. for categories representing close to 20% of these imports (paper and paper articles, non-electric machines, transportation material including automobiles).[5] Moreover, the Common External Tariff is more unified than the American tariff. The duties are distributed about an average without too many variations, whereas the American tariff is much more selective: for the Common Market, seven types of industrial products can be distinquished for which the duty is greater than 25%, whereas there are 110 such types in the American tariff, of which some exceed 50, 80 and even 100%.

Now, the question is immediately asked what would be the incidence of a cutting in half of duties which, from the beginning,

are considerably unequal. Of course, the Americans tend to maintain that in lowering their highest tariffs by one-half, they are making a great concession, and the Europeans maintain that this concession is only apparent and that a very high duty, even if cut in half, remains a high duty. These two positions are certainly excessive, because in certain cases the reducing in half of a prohibitive tariff can keep it at the level of a prohibitive tariff, and in other cases, it may lower it below the threshold where the door is wide open to imports.

It would be a gigantic task, and most often illusory, to be obliged to predict with precision what would happen for each product. Objective information is rare, and information obtained from industry is often prejudiced.

If we do not want to see the negotiations engulfed by the scruting, case by case, of actual or supposed disparities, it is appropriate to come to an agreement on a simple formula which would take into account the more discriminating and protective nature of the American tariff.

One method which comes immediately to mind, would be to foresee a linear reduction whose percentage would however, be slightly different for the two partners. The advantage of such a solution is that not only would it apply to the United States and the Common Market, but it would answer the problem posed by the application of

the "Most Favored Nation Clause." All of the reductions could be linear. Only their percentages would vary as a function of a degree of protection of the different countries.

Another method, the opposite of the American linear reduction, would be that the Common Market consent to reductions whose level would vary but whose weighted average would be equal to the amount of the American linear reduction. The Common Market could do this since no internal legislation prohibits the member countries from lowering their import duties more than 50%; there could be another advantage to this method to the extent that this operation would leave certain duties untouched and would permit the European countries to counteract the ups and downs of American tariffs.

It must be recognized that we are still far from regarding the problem in such simple terms. Negotiations are becoming increasingly complex. Should this be interpreted only as a natural tendency common to experts? Or, on the other hand, should we consider it as a smoke curtain hiding a deep-seated unwillingness or unavowed fears? For our part we don't believe in Machiavelism; and if we think that experts' scruples play an important role, we believe also that European hesitations, as to the evaluation of the risks and chances offered by a reciprocal lowering of tariff barriers, are amplified by a true feeling of inferiority - from which many Europeans suffer because of the "size" of their firms.

In order to be well understood, the reasoning concerning the sizes of firms should be elaborated upon. It's defenders make several arguments. First of all, they say that concentration has not yet had all of its effects on the Common Market, and in some sectors, mass production is the lot of the American system. Secondly, they argue that the considerable amount of aid supplied to research by American Government military contracts falsifies competition in the technologically most advanced sectors. Therefore, the argument risks, for Europe, an enormous delay to make up for. This delay necessitates the maintaining of tariff protections, without which Europe would sacrifice the future of the most promising and essential sectors of her economy to a so-called better distribution of jobs. Thirdly, the fact that many American firms have unused production facilities would incite them, in case of a weakoning of conjuncture or in order to become established in a new market, to sell in Europe at weak or non-existent profit margins. Finally, those current of opinion assess that the financial power of the huge American enterprises gives them a margin for errors which would be deathly to smaller firms. (The most frequently cited example is that of automobiles: It is said that American firms can withstand the failure of two successive models without going bankrupt, whereas the margin in the biggest European firms is only one model.)

The first argument, the one concerning the size, properly so called, of firms, may perhaps be disputed. We have already pointed out the importance of the process of industrial concentration currently in progress in Europe. We undertake to say that its rate will be faster than that of any lowering of import duties that would result from negotiations in progress. Above all, the success of these negotiations would constitute a chief incentive to this concentration proclaimed to be desired. Nothing, in fact, is more compelling in this regard than the announcement of future competition. We need only recall the efforts of the French steel industry which had been put off for so long and were then so suddenly carried out, just before the founding of the European Coal and Steel Community.

Concerning military contracts, it would seem possible that they are at the origin of certain distortions in the competitive capacity of some sensitive sectors. But the number of those outputs is necessarily limited, and it should not be impossible to examine them separately without being detrimental to negotiation and even without complicating it beyond measure.

What is most striking in the two latter arguments is not that they are particularly well or poorly grounded: it is that they are used as obstacles to trade liberation whereas the problems they raise are quite different.

The question of unused capacities, if it is genuine, must bring on not the maintaining of excessive import duties, but the urgent examination of the proper means of simplifying international legislation and rendering it more effective against dumping. The same remark applies to the argument concerning the financial strength of firms, since in international trade matters, the only thing European firms could fear would be that American firms use this financial strength to carry on the practice of dumping.

The problem only becomes complicated when instead of thinking in terms of imports from the United States, one thinks of American subsidiaries established in Europe. If, for example, Ford Germany considered it advantageous to set its prices extremely low for a certain time, and if it did this indiscriminately in all member countries of the Common Market, it would not be accused of dumping. Whether or not such a decision could, in fact, be made (as an answer to this question, it would be interesting to know what percentage the profits of Ford Germany make up in the total income of the Ford World Corporation.). It is nevertheless a fact that the fear of such action actually exists in European automobile manufacturing circles. It goes as far that, one may even wonder if the true reason for the hostility of certain European industrials toward the reduction of import duties is not a sort of irritation over against the American Government which complains about an insufficient trade surplus -

and states that it would like to increase it - whereas large outflows of capital allow firms or American Nationals to "buy" the European economy.

Such feelings if they really exist - and we are tempted to think that they do - could have serious consequences: they could force the discussions from the area of facts to the one of hidden motives, from the concrete to the irrational. It is necessary to cut off the evil at its roots, by examining officially and in common to see if there could be - namely in the form of too large advances granted by corporations to their subsidiaries abroad - a distortion in financing conditions. Such conversations should be all the easier, since all governments would benefit from the avoidance of artificially caused movements of capital.

An example of this type - limited though it may be - emphasizes the link which exists between the tariff negotiations, the determination of rules of competition, and the harmonization of economic policies. But we also know that the tariff talks cannot leave aside questions relating to agricultural trade; that agricultural trade is in no way independent of agricultural policies as a whole; that these policies are connected to aid programs; that aid programs influence the balance of payments; that fluctuations in these balances imply a reinforcing of the monetary system; that this reinforcing would be, at any rate, indispensable since the possibilities

of expansion of large industrialized countries depend on it, and on those possibilities of expansion depend in turn on these countries capabilities of facing up to their world responsibilities.

Hence, the evident necessity of approaching the problem in their true conjunction. To want to divide the solutions into fractions is the same as compromising the chances of negotiation, the same as bringing on failure, not only in one specific area, but by degrees, in all areas.

The moment has come where the Atlantic Community is in need of an unique instance in which economic problems are approached in their reciprocal relation. A right to judge economic problems invested in a "Council of Partnership" would be, in itself, a decisive step toward an Atlantic coordination. This council would at the same time take care that the tariff negotiations do not bog down and that common policies are prepared in an atmosphere of objectivity and confidence. This being done, it would contribute besides, in the exact measure to which agricultural and monetary problems constituted a real obstacle to British adhesion to the Common Market, to reopening the route to new negotiations for the enlarging of the European Community.

Note

Certain readers of this document probably not having had the occasion to read "Partnership for Progress," we take the liberty

of reproducing here three of the tables which appear in this book.

Footnotes:

1) Since the working population should increase faster in the United States than in Europe, the Europeans, in order to maintain a rate of economic growth equal to that of America, would have to have a greater increase in productivity. In any case, this demographic incidence will cause the gap in the standards of living to become smaller more rapidly than the gap in national products.

2) Costs and competition: American experience abroad by Theodore R. Gates and Fabian Linden

3) Fortune, July and August, 1962

4) A tariff which, at the end of the transition period, will be applied jointly by the six member countries of the Common Market

5) International Chamber of Commerce; provisional document.