

Discussion Paper: Interdependencies between international
politics and international economy

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International politics and international economy are linked together by a vast system of complicated and active interdependencies which - in our world - assume their shape either directly or through the interest system of the national societies and economies. Consequently, when analysing the individual processes, three spheres should be investigated: the actual situation of international politics and international economy, the influence of this situation upon the interest relations of the national societies and economies, and the joint assessment by governments of these two factors.

The understanding of these interdependencies is rendered somewhat difficult by the fact that the objects of our analysis - international politics and international economy - are subject to constant changes and transformation. For instance, the weight of the leading powers in relation to one another and to the rest of the world is subject to change; so also are the countries that are regarded as dominating powers and even the criteria by which they are considered to be so. These changes have a heavy impact on the international economy since recent history has shown that the economic development of leading powers who are sensitive to foreign trade, such as Great Britain, has been influenced decisively by the trends in international economic relations. The Soviet Union and the USA, on the other hand, possess a vast domestic market and huge resources of raw materials and - because of the ratio of their population to their area - can be regarded as sparsely populated countries. Thus the rate and structure of their economic development have not been determined primarily by the dynamics of their foreign trade relations.

International economy is subject to rapid changes, partly directly, that is in techniques, in commodity structure, in the forms of the division of labour, in trade methods and monetary systems, and partly indirectly, because the individual national economies (states) change their views on the role international trade can play in solving their development problems. The transformation of such attitudes - provided it results in action - has a considerable effect on international politics, because countries which are capable of strong economic expansion but are coping with, or fearing, market shortage, which are poor in raw materials and relatively densely populated,

have often in the past deemed military conquests to be the surest method of economic expansion. Yet economic history since the Second World War has proved that countries which have lost territories they had previously conquered or colonized can achieve a much quicker economic growth nowadays than ever before: e.g. Japan, the Netherlands, the Federal Republic of Germany, Italy and so on. Consequently, present-day economic development may render redundant the use of the political-military means that used to figure among the customary methods of the expansionist-aggressive powers in the past.

East-West trade - despite signs of renewal in the past years - is still a marginal factor in a world economy that is assuming unprecedented dimensions. The reasons are mainly political. Let me quote two outstanding authors to support this statement. George F. Kennan has summed up his opinion on East-West relations as follows: "East-West trade is a political problem in the first place, and that is how it should be approached. This is particularly true when it comes to United States trade with Russia and the bloc: for the economic dimensions are entirely of a secondary order. But it is also true when it comes to the question of Western European policies in this field".⁽¹⁾ Secondly, Gunnar Myrdal, secretary-general of the European Economic Committee in the most critical days of the cold war and in the early days of the thaw, also stresses the decisive significance of political factors: "There is one general point that I believe needs to be stressed in any discussion of East-West economic relations, viz. the paramount importance of politics in economic affairs. During the whole century before the First World War and right up to today there has been a tendency to give too much stress to economic factors in international relations."⁽²⁾ I completely endorse Myrdal's statements insofar as they relate to East-West relations. I agree with the second part of his remarks only when they are applied in the short term and to countries which are less sensitive to foreign trade.

The reason is that in the short term, politics can create conditions in keeping with its endeavours both in the domestic and in the world economy but is unable to make these conditions last and turn them to its advantage if, while shaping them, the inherent laws, and the interest system of the economy attached to them, are disregarded. In such cases there may arise troubles

(1) George F. Kennan: On Dealing with the Communist World, New York, 1964, p. 29.

(2) Gunnar Myrdal: Political Factors Affecting East-West Trade in Europe. Coexistence, vol. 5, Pergamon Press, 1968.

and difficulties which take very different forms - the most usual of which is imbalance - and under their impact, politics will give further scope to certain economic movements or may even initiate them.

In the days of the cold war not only East-West economic relations froze, but also the armaments race started. Expenditures on armaments reached astronomical figures and constituted up to 1967 the most dynamically growing sector of all social activities. (The annual increment of armaments expenditures between 1965 and 1967 was 13 per cent, which exceeded by far the annual increment of the economy, the budget, public education and public health.)⁽³⁾ In 1967 the world spent \$181 billion on armaments and only \$128 billion on public education, \$60 billion on public health and \$9 billion on foreign aid. One of the results of this situation was to slow down the economic growth of countries participating intensively in this armaments race, while that of others (e.g. of Japan) has made considerable headway.

In these circumstances new developments have appeared in international politics. These developments are the outcome of three different yet closely interrelated factors.

1. The relations between the two super-powers and of the alliance systems under their leadership have attained a military equilibrium. An obvious sign of a gradual re-arrangement of European relations is that the leading power of the Warsaw Pact and a European member of the NATO alliance have signed an agreement on the mutual renunciation of the use of force.

2. Contemporary arms represent an untold source of destruction, and defence systems are unable to keep pace with this extremely rapid development. Moreover, the cost of constructing such defence systems is extremely high, and the equipment grows obsolete at an unprecedented rate. Consequently, more armaments do not increase the security of the super-powers in relation to each other but do increase the factor of uncertainty in international politics.

3. So-called security problems have other aspects than the purely military. In the case of some national danger it is possible to reach a certain "national public consent" on the issues of armaments as experience has shown. Under the effect of such a public consent the population is ready to renounce certain things or "to postpone their demand", - as economists would put it. Yet after a few years the rise in the standard of living slows down, with

(3) World Military Expenditures, 1969, United States Arms Control and Disarmament Agency. Washington, D.C. 20.451.

adverse affects on all workers in a socialist society, and on the working class and various peripheral layers of society, including "discriminated strata" (the coloured, new immigrants; foreign workers) in a capitalist society. On the other hand, the weight of a country in the international economy may diminish in spite of a growing military potential, since the economic power of countries spending less on armaments is rapidly growing. This situation then reacts upon the international political potential of the country concerned since economic means play a very important part in the arsenal of international politics. If a country has no adequate economic surpluses, it cannot utilize its economic resources, or can only use them to a limited extent, and must therefore give up certain objectives or attain them by other means. If these two developments run parallel, that is, if wide-scale discontent and tension arises and spreads in a society, and if - partly for economic reasons - the international political position of the country grows weak, then discontent gives birth to a new international political conception. In one way or other, this conception requires the revision of the country's international political and military obligations, because its present international policy coupled with its growing burdens is felt to be irrational. (Let me refer in this connection to the views and trends in the United States on the "limits of power"; Eugene McCarthy, J. William Fulbright etc.)

Under the impact of these developments, new decisions mature in international politics, decisions which - if the proper steps are taken - will gradually lead to the creation of a European security system. These decisions ripen, in the first place, in the sphere of international political security since - owing to their potential - the super-powers are primarily more interested in international politics than in international economy - as we have pointed out above. Naturally, these decisions also have economic motives which derive from the character of national economies as interest systems and become components of government policy. In the case of a rational system of government decisions and actions, the interest systems (political, military, economic, cultural etc.) existing in national societies must be kept balanced. The components of this balance change according to the fields of life affected by the decision or action in question. It is, however, evident that the violation of the correct proportions required by the subject of a decision (for instance, the neglect of economic viewpoints in the course of political decisions, or the other way round) results in imbalance, and the conditions thus created will soon need correction or adjustment. Viewed from the international angle, the problem today is that the quantity and quality of the common economic interests of the two parties are still limited so that the sphere of "single-motive decisions" is still exceedingly wide. The amount of potential common economic interests

is, naturally, large, yet the internal interest system of societies is usually built on existing power factors rather than on those that could preferably be created. If, however, the amount of common economic interests is small, the security system cannot ensure the viability of the all-important mutual guarantees which assert themselves through the altered interest system of the national economies. Without these the security system would be "one-sided" since the "pure" political security in the strictest sense of the term is jeopardized by the political shifts and crises that are necessarily involved. In such cases the action that becomes necessary on account of political crises will not have its economic counter-parts; economic interests are unable to exert a moderating influence in the sphere of "pure" political decisions.

Of course, doubts may arise and objections be made as to what political shifts or crises we have in mind. Let us suppose - for the sake of simplicity - that comparatively-balanced power relations can be created in Europe. Even so, we remain exposed to tensions that may spread to Europe from agitated continents. The countries of the developing world go through growth tensions so far unknown in the history of mankind; for instance, the collisions of the inherited civilization with the requirements of economic progress, the demographic explosion, the sharp conflict between the system of traditional values and that of values inaugurated by the economy, exaggerated nationalism intertwined with mutual racial prejudices, conflicts between tribes and ethnic groups and so on. In a world as interdependent as ours, these effects radiate all over the world, including Europe; one of the characteristic features of our development is that the effects of activities and processes in one place hit the globe as a whole. But in Europe itself, where development is gathering impetus, we cannot foretell when certain critical conditions are likely to arise. János Neumann⁽⁴⁾ explains with dramatic force that no automatic security channels can be found for the present very explosive variants of progress.

It is therefore evident that in the course of setting up a European security system, it is to the advantage of both parties to create a quantity and quality of common economic interests which will - through the interest system of the national economies - ensure an appropriate counterbalance to the possibilities of one-sided ("pure") political decisions.

But why am I consistently speaking of the necessity to "create" common interests? Somebody reared on formal logic might say that the political sphere has been an obstacle to the development of East-West relations in the past but will not be so in the future so that the possibility exists for the automatic

(4) Neumann János: Válogatott előadások és tanulmányok (Selected lectures and studies). Közgazdasági és Jogi Kiadó, Budapest, 1965

expansion of relations (without the interference of governments). Unfortunately the situation is not as simple as that: politics has promoted certain relations in the past, and economic interests have been built on them. Consequently, there is now a confrontation between actual and potential economic interests. In general economic relations follow actual interests, especially when there are in existence well-established channels to drain large volumes of water in order to maintain the course actually followed. Against formal logic, therefore, governments ought to undertake an active role (beautiful examples could be quoted) in creating common, long-term interests that grant continuity in the economic sense of the term. It is not, of course, possible to do this unless the governments definitely break away from the conception formulated by Bernard Baruch in the days of the cold war and more recently by Z. Brzezinski⁽⁵⁾: "It is not the intention of the USA to promote the development of Soviet economy". International economic relations based on equality cannot be built on anything except the correct distribution of mutual advantages; namely, it should be realized that something that is useful to one party is also useful to the other, in other words, that economic relations can promote the economic advancement of both parties.

In the course of creating common economic interests governments (the political sphere) are in a comparatively advantageous position; they are meant to take initiatives. But once these are taken, European economic co-operation becomes first a self-generating process and then one that exerts a beneficial influence in the sphere of political security.

It becomes a self-generating process because the number of potential common interests is very high, and every common interest once recognized and exploited gives birth to further common interests. This happens also in cultural co-operation; although our social-political systems are different, the civilization we have inherited is common to all of us. True enough, one party may appreciate the progressive-revolutionary tendencies in history while the other looks more to the conservation of traditions as of greater importance, yet these differences constitute chapters in a common history. The importance of this can only be felt fully when coming home to Europe from other continents.

Common economic interests will also produce such surpluses of energy as will feed and strengthen the system of political security. Common interests are created and co-operation developed in an economico-historical period when

(5) Alternative to Partition. McGraw-Hill Book Comp. New York, 1965.

foreign trade (foreign economy) is the most dynamic factor in economic growth and progress. The unit increment of production (national product) is coupled with an export increment of 1.5 to 2.5 per cent in most countries of Europe. Consequently, the elements in the development of national economies that are internationally determined are constantly expanding. As a result of this, the development of the individual national economies is promoted by the successful growth of other national economies and is correspondingly hampered by any regression affecting these other economies.

Promoting developments and increasing the political significance of economic relations are new forms of co-operation. It may well be that the socialist interpretation of this idea of co-operation differs from that customary in capitalist economies, but such differences can be clarified in the course of co-operation, and new forms can be developed.

At any rate one thing is certain: commodity exchanges are single actions even though they can be repeated, and they do not give the lasting and long-term character to common interests that co-operation gives. In the course of co-operation capital is invested, long-term credits and expertise come into motion, the paying off of credits becomes due, the tasks in production are distributed, co-operation is extended to third markets, profits are shared, perhaps joint enterprises are established and so on. Consequently, the common economic interests that take shape through co-operation presuppose the maintenance or the further improvement of the political atmosphere which has made that co-operation possible.

The problem of whether a country has an interest in strengthening its partner cannot arise in co-operation because that interest is self-evident, even if the existing co-operation covers only part of all the economic interests of the individual enterprises.

Co-operation is consistent with the different conceptions of foreign trade of the two economic systems; it is evident that in their selling and buying activities capitalist enterprises are more profit-orientated, while socialist enterprises - because capital is state-owned - are more development-orientated.

The picture is made more colourful by the fact that with the establishment of large multinational enterprises an economic formation has appeared in capitalist economy that thinks in terms of profits achieved through its over-all activities and not of profits that can be made by marketing individual commodities. On the other hand, by increasing the direct export interests of producing enterprises, economic units have appeared in socialist economies that think also in terms of their own profits.

It is evident that in addition to co-operation many other things are necessary: one is the recognition of the principle that long-term credit represents an integral part of the actual practice of international trade.

But it is not my task here to become submerged in^{the} details of the purely economic problems of co-operation. I only wish to point out that committees on the state-ministerial level, co-ordination and information centres for planning and development and so on will constitute an integral part of co-operation and will enable the statesmen and public personages of Europe to better understand one another and to have a clearer picture of what is actually going on in other countries.

To organize co-operation, vast circumspection and rapid and resolute actions are needed. Speed is necessary because otherwise the conditions for co-operation may deteriorate and because, within a short range of two or three years, common economic interests can only play a restricted role.

Later, under the impact of the growing number of common economic interests, the international economy will be able to fulfil its task of promoting the equilibrium of the system of actions and decisions, and in this sense European economic co-operation may turn into a solid guarantee for maintaining political security.

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Discussion Paper: Trends in Western Europe by Christoph Bertram

To define current trends in Western Europe poses the habitual problem of analysing a process: either the analysis is consistent but vague, or it is more accurate but full of contrary elements. There is an additional difficulty: are the political moods, patterns for decisions, views, hopes, expectations - all the ingredients of trends - in Western Europe today the results of old trends that are nearing an end or the elements of new trends that have just started? The present discussion on the possibility of American troop reductions, for instance, is in many ways familiar a repetition of the discussion which preceded the 1969 offset agreement between West Germany and the United States; yet the troop reductions are being interpreted as the expression of an American redefinition of interests in Europe, the sign of a new trend.

The Contradictions

In a recent article, Wolfgang Wagner has listed as the three major trends in current Western Europe: the distance between Western Europe and the United States is increasing, that between Western Europe and the Soviet Union is decreasing; the self-confidence of Europeans is growing¹⁾. Yet this statement assumes a tidiness which does not exist, and anyone trying to allocate the various political events in Western Europe to these three major slots will face some difficulty. Contradiction, not tidiness, prevails. While bilateralism seems to become more respected in many West European capitals, the Werner Report just published by the European Community and worked out in agreement with finance ministers and heads of reserve banks in Western Europe lays down a ten year time-table for achieving monetary and economic union and openly advocates supranational institutions for the latter third of this period to implement the necessary decisions, thus markedly reducing the scope for bilateral policies in the near future. While a sense of security prevails in all West European countries, none of them is eager to see a reduction of American troops, and even France has stressed that an American military presence in Europe is not only useful but necessary for the time being²⁾. However, to add to the contradiction, few West European countries except West Germany seem prepared to agree to any substantial financial sacrifice in order to keep the Americans in Europe at their present level. While all of West Germany's allies in the West have openly and repeatedly supported Brandt's Eastern policy, there is a powerful undercurrent

1) Voraussetzung und Folgen der deutschen Ostpolitik, Europa-Archiv 1970, S. 627

2) President Pompidou at the National Press Club in February 1970

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of apprehension on account of this policy in Western capitals. While few governments are unreservedly in favour of a Conference on European Security, they all declare themselves in favour provided that "it is thoroughly prepared". While major agreements for trade and technical assistance are entered into between various West European and East European countries and the Soviet Union, the common commercial policy of the Common market looms over the horizon and looks like being ready for implementation at the end of 1971. While Ostpolitik has increased the freedom of manoeuvre of the Federal Republic, it has at the same time emphasised her need for support in the West.

This list of openly or apparently contradictory policies and trends is far from complete. There are many trends in West European policies today, but it is difficult to define those that will emerge as the most powerful and permanent ones, and it might well be that Europe will have to live with contradictory trends for some time to come. As Ted Sommer has pointed out, we register in Europe today a fair number of new departures but not, as yet, any new arrivals³⁾. And some departures may never arrive. The mountain is certainly labouring, but whether it will bring forth a mouse or a new set of political relationships in the West and in Europe remains to be seen.

For the purpose of this paper, I suggest current trends in Western Europe should be considered in two categories: the reactive and the active trends. As passivity generally encounters fewer obstacles than do initiatives, reaction rather than action will, in many cases, be more attractive to ad hoc-minded governments, and there is a prima facie assumption that reactive trends may be of relative permanence. The same cannot be said for the active trends in Western Europe, although the distinction is, as inevitable in politics, often blurred.

The Reactive Trends

1. The most remarkable trend in Western Europe today is the overall sense of security, both in public opinion and in administrations. At the beginning of the fifties and the sixties, few observers would have been prepared to predict a state of relative stability and absence of military conflict for the decade, yet this is generally assumed for the seventies. How powerful this sense of security has become, has been demonstrated by Western interpretation of the security implications of the invasion in Czechoslovakia in 1968, and it is being demonstrated today by the relatively calm reaction of West European public opinion towards the Middle East crisis. If governments think differently, they have not allowed this to affect the general political climate. The recent Warsaw Pact manoeuvres in East Germany, with their Cold War flavour - their name, "Brotherhood of Arms", and the sabre-rattling statements of Mr. Hoffmann, the GDR defence minister in "Neues Deutschland" seemed particularly out of tune with East European and Soviet encouragement for a Conference on European Security - may have puzzled Western observers, but they seemed too anachronistic to be regarded as significant for the European scene as a whole.

³⁾ Detente and Security: the Options. Paper for the 12th Annual Conference of the Institute, 1970

2. This sense of security in Western Europe explains to some extent why the reaction to signs of American military disengagement has not been more outspoken. True, West Europeans are used to the problem, and there are signs that the reduction of American troops, contemplated for mid-1971, will be much less substantial than many in Europe have feared. Sense of security and absence of surprise are the reasons why the prospect of American troop reductions - and though they may be modest in 1971, there is little doubt that American plans for an overall reduction of armed forces imply more substantial cuts in the medium-term - have not yet generated a sense of urgency in Western Europe. It is doubtful, therefore, that even substantial reductions would produce, as some have claimed, a psychological landslide and possibly lead to an agonising political reassessment in Western Europe⁴⁾.

This is not to say that US troop reductions will not have important military implications. They will add further doubts as to the feasibility of NATO's flexible response doctrine, will increase Soviet conventional superiority if unmatched by balancing reductions of Soviet troops in Eastern Europe, and may undermine the prospects for mutual and balanced force reductions as a meaningful subject for a European security conference. These anxieties will remain very much in the minds of the governments of the major countries in Western Europe under the surface political mood in which military considerations have ceased to play a primary role.

So far the prospect of American military disengagement has not generated European anti-Americanism which would have been inevitable if it were regarded as the betrayal of the basic American commitment. This commitment is not in doubt. But West Europeans have realized that far from requiring unanimity of interests between the members of the Alliance on both sides of the Atlantic, it is indeed compatible with diversity of interests. The reactions of Europeans to the SALT talks are a case in point: they have recognized that the United States, in trying to reach an agreement on strategic arms with the Soviet Union, cannot be guided solely by concern for European security interests, although these interests will be directly and possibly adversely affected. This and the thorough consultation in NATO have helped to avoid the disharmony in European - Atlantic relations that many feared might result from the Soviet-American negotiations.

3. The sense of security in Europe is coupled with the feeling that the present organisation of West European defence continues to be useful even essential. Predictions that NATO might not survive a substantial reduction in American troops seem at least premature, just as the warnings of continuous erosion of NATO are exaggerated. They reflect disappointed expectations in NATO's political potential rather than an accurate description of the increasing day-to-day cooperation in the organisation.

NATO has ceased in most West European countries to be a political issue, and while this has reduced its usefulness for political initiatives, it has, at the same time, encouraged practical cooperation, including with France. Besides, the Alliance has long become, in addition to its military responsibilities, a useful

4) See H. Schmidt: Germany in the Era of Negotiation, Foreign Affairs, October 1970, p. 43

forum for the discussion and occasionally, the coordination of detente policy. Given the size of its membership, it may not be the ideal forum for defining a common Western policy, towards Eastern Europe and the Soviet Union, and it can scarcely negotiate on behalf of its members in European security issues, simply because it is not a supranational organisation. But faute de mieux, it will continue to provide the framework for discussion between governments on detente and security and the platform for Western signals in the slowly emerging dialogue between East and West. Also, the new importance attributed to the Warsaw Pact by Soviet policy in the past two years has provided additional justification for NATO. In Western Europe today, no contradiction is seen between NATO membership and the pursuance of detente policy. On the contrary: those countries apprehensive of West Germany's Ostpolitik may stress the importance of the Alliance framework as a means of influence on West German policy, and for West Germany unaltered loyalty to the Alliance is essential both to limit the risks of her policy in the East and to allay fears of its consequences in the west.

NATO will, therefore, remain the framework for West European defence for some time to come, and while the prospect of American troop reductions and the general need to streamline defence in all West European countries would argue for tighter military integration particularly among West Europeans, any structural changes in the organisation to meet these needs seem a long way off. It is in the present framework that West European defence in the seventies will be discussed, ranging from the problem of offsetting manpower reductions in all member states to MBFR and the problem of the use of tactical nuclear weapons.

4. The trend towards confirmation of the nation state is continuing in Western Europe, and no country thinks in terms of merging into a larger West European supranational political union. The resignation of President de Gaulle has not changed this and his successor has firmly stuck to Gaullist concepts and vocabulary in pointing out that "Europe will come about in full respect for the personality of the member states, or it will not come about at all".⁵⁾ Most major West European countries today share this view. The enlargement of the European Community by Britain, Ireland, Norway and Denmark may not check this trend but reinforce it; with more members, the residual supranational elements in the community may be replaced by the rules of traditional international organisations.

Perhaps the entry of new members, all of whom have a strong democratic tradition, will provide a new stimulus for institutional and political initiatives in the Communities. Yet, Britain's foreign policy has a powerful nationalist element in it, and the Scandinavian countries may, because of a political outlook distinct from that of the central European region, slow down rather than encourage greater political harmonisation in the enlarged community.

5) President Pompidou in his Strasbourg speech of June 27th, 1970

The confirmation of the nation state finds its expression also in the trend towards bilateralism in relations towards Eastern Europe, towards the United States and within Western Europe itself. Recent German Ostpolitik has added to this trend, both in its reluctance to multilateralise East-West negotiations and in setting an example for others to follow, particularly in trade. As West Germany's political posture has increased, so has the wish by her allies to establish sound bilateral relationships with her. Bilateralism also reflects the predominantly pragmatic mood in Western Europe; this and not "glamorous architectonics" are the watchword of the day⁶⁾. Pragmatism is by definition a-structural, and if governments cease to be concerned with the creation of new international structures, bilateralism is the most rewarding approach to international politics, although perhaps not the most farsighted one.

5. The last in this list of reactive trends is the West European attitude towards the Eastern proposals for a European security conference. All of the West European governments have reacted favourably, but only in principle. Underneath the surface of general acceptance there is a host of doubts and reservations. The fundamental question is still why such a conference, or series of conferences should be in the interest of the West. Little thought has been given to possible advantages for Western and European interests, partly because the agenda proposed by the Warsaw Pact countries suggests that the conference is primarily designed to meet Eastern problems and aims, partly because of suspicion of the Soviet motives behind it. When the proposal was initially made in 1965 three aims seemed obvious: to obtain Western and particularly West German recognition of the territorial "realities created by the Second World War"; to gain recognition for Soviet predominance in Eastern Europe; and to provide a framework for increased Soviet influence in Western Europe. Today, the first aim should be more or less achieved by recent or current West German negotiations with Eastern Europe and the Soviet Union; the second and third, on the other hand, may have acquired a new importance.

The reluctance of West Europeans has also been influenced by the way they have interpreted the interests of smaller East European countries in the conference. Would a long period of preparation with many bilateral meetings with the West help them to assert a limited independence and thereby neutralize to some extent the doctrine of limited sovereignty? Or would the conference itself and the procedures initiated by it serve this purpose better?

Finally, West Europeans have questioned the items on the agenda as proposed by the Warsaw Pact. A renunciation of the use of force would be just a declaration without political consequences for East-West relations, particularly once the German round of negotiations in Eastern Europe will be completed. Economic co-operation has developed regardless of a European security conference and is likely to continue to do so. Cultural exchanges take place today, and if they are not always satisfactory it is difficult to see how a security conference could change this. The problem of the environment is an acute one, but here, too,

6) Theo Sommer, op.cit.

other organisational frames seem more suited to deal with them.

All this has puzzled West Europeans, and they have tended to deduce that while a European security conference might be of interest to the Warsaw Pact there was little in it for them. This is why at least some member countries of NATO attach so much importance to having the subject of mutual and balanced force reductions included in the conference agenda. Yet it is evident that, while being important, this cannot be the main subject of the conference, as it is also evident that, for Eastern Europe, economic and cultural relations have an important security connotation. West Europeans have, as a rule, reacted to Eastern conference proposals rather than taken the initiative. They have concentrated on the possible disadvantages of a conference rather than thought through the possible advantages it might hold for them, too.

The Active Trends

1. If one looks back over the past year, one political initiative in Western Europe stands out with particular clarity: West Germany's Ostpolitik. It was bound to be spectacular, simply because normalisation with Eastern Europe was an infinitely more difficult task for the Federal Republic than for any of her Western allies; the unsettled affairs between West Germany and Eastern Europe and the Soviet Union had for so long been a major stumbling block in East-West relations.

This does not mean that active detente policy is restricted to West Germany. It is an important political aim for most West European countries. Western criticism of German Ostpolitik is not addressed to the results achieved - although some claim that the German - Soviet Treaty of August 1970 in recognizing the existing frontiers in Europe as inviolable has in fact confirmed the Brezhnev doctrine⁷⁾. It mainly expresses fears of the possible implications of the treaty, such as a major shift of West German policy away from the trusted structure of Western cooperation to adventurism in detente. However, there is a major flaw in the arguments of these critics, (as of some ardent supporters of an active detente policy in West Germany and elsewhere): they project the recent activity and pace of Ostpolitik into the future without defining how this could be sustained. Detente policy, whatever hope and good-will it may generate, is bound to be a slow process, and German Ostpolitik will be no exception to the rule. However, one defines the reasons for detente - to make Europe a safer place, to maintain the territorial status quo and change the political status quo - this policy will be successful only if modest, and creative only if realistic.

Detente will be a long march - not a succession of spectacular events, but the slow weaving of a pattern of relations between East and West. It will have its risks and setbacks; the will to negotiate and talk does not mean that opposing interests have been suddenly reconciled - a fact that has only recently been underlined by the Middle East cease fire negotiations. Yet the current in favour of detente in Western Europe seems strong enough to sustain the difficulties of the process and will not easily be discouraged by too many obstacles nor jeopardized by impatience: consideration for Eastern Europe has become a fact of life in West European

⁷⁾ See Eric Mettler: Whose success? Neue Zuercher Zeitung, 11/8/1970

politics. Even if the current negotiations on Berlin fail and the relations between the two Germanies remain in deadlock this is not likely radically to reverse the trend.

2. Until recently, detente policy seemed to be given priority over West European economic integration. And expectations of future integration had become low. One of the more dynamic trends in Europe has often not been fully realized because it moves in jumps and stages rather than in a steady process. The Communities are now engaged in the major task of admitting new members and adjusting their institutional system to an enlarged membership. It is by no means certain that they will be successful; in the December edition of SURVIVAL, for instance, we will reprint a series of articles claiming that neither the United States nor the Soviet Union nor France want Britain to join the Communities and Britain herself is nourishing some doubts. It is also, as I have pointed out earlier, by no means certain that enlargement will mean greater political unity in Western Europe. But what seems certain is that any deliberate attempt among the Six to keep Britain out will lead to a severe political crisis in Western Europe which the idea of political unity might not survive.

Simultaneously with the negotiations on enlargement, the Common Market is preparing a common commercial policy and a common monetary and economic policy. According to the Common Market Treaty, commercial policy should have been harmonised and "communitised" long ago. The concern of some member states including West Germany and France to trade with the East on a bilateral basis, has been responsible for the delay. Now Ostpolitik has increased the chances of a common commercial policy: West Germany's partners must be eager to tie her to common rules and if she opposed it this would raise doubts about the effects of German policy towards the East on German sincerity towards the West.

The Werner Report on economic and monetary union⁸⁾, while being primarily concerned with the first stage of harmonising monetary, economic and fiscal policies in the Common Market, envisages a common decision on medium-term quantitative objectives, a common agreement on the major lines of economic policy in the member states and a centralisation of all principal decisions in the field of monetary policy. It advocates the transfer of a number of hitherto national responsibilities to Community institutions. Some of these recommendations may, of course, not be implemented, and on the report's own timetable, full economic and monetary union will take until 1980 to complete. But there is little doubt that the Council of Ministers will endorse the essential parts of the report and that it will provide a powerful impulse for economic integration in Western Europe in the years to come.

Economic integration will not mean political integration nor integration of West European defence. While some countries, particularly Britain, whose Common Market negotiator made explicit reference to defence in his opening speech in Luxemburg, would like to see closer cooperation in military matters in a West European framework, this does not apply to all EEC members now and will apply even less in an enlarged Community. Integration

8) Rapport interimaire concernant la realisation par etapes de l'union economique et monetaire Supplement Bulletin 7 - 1970 des Communautes Europeennes.

in defence, if it comes, may well require a different group of countries than those taking part in economic integration.

As to political integration in Western Europe, it is worth noting that, with economic unity becoming more concrete, the models for political unity have become more vague, primarily because the old models did not provide a convincing place for all-European cooperation. President Pompidou has put it bluntly when he said: "France is for European unity, but should this unity be an obstacle to good East-West relations, France must refuse to participate"⁹⁾. At the SPD-Congress in Saarbruecken this year, Brandt stated that the European Community should not become a new block but an "exemplary order" that might serve us a "building block for a balanced all-European peaceful order".

This political vagueness may hamper the economic effort. Yet West European economic integration will remain a fact of life in Europe and an important element in East-West economic cooperation, one that cannot simply be passed over in silence.

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3. West Europe countries are no exception to the general inward-looking trend of modern industrial societies. Foreign policy has receded in the priority list of governments. The catchword in France today is not gloire and international prestige but "la societe nouvelle". Mr. Heath too made this the main theme of his address to the Conservative Party Congress in October, in spite of his government's East of Suez and South African policies. In West Germany, the often embittered debate on the government's Eastern policy and the glamour of international negotiation has made many overlook Brandt's pledge of a year ago that he wanted to be judged as "the Chancellor of reform". All West European governments realize that their record will be assessed by their domestic policy, and while Brandt's Ostpolitik is highly popular it will not by itself make him win elections.

This trend does not mean isolationism. In spite of growing trade difficulties between major industrial powers there is also a continuing awareness of the interdependent elements of the international system. The meeting of the International Monetary Fund in Copenhagen was as much an indication of this as the textile talks between Western Europe, Japan and the United States in GATT. These and the current theme of pollution and ecology are issues not of foreign policy in the traditional sense, but of "world domestic policy".

4. Finally, a list of the active trends in Western Europe today has to include the feeling of self-assurance and confidence. It is not based on traditional notions of power, nor necessarily on economic achievements. In part, it stems from the feeling that the two super-powers have problems of their own and few solutions for them. The Soviet Union while still formidable seems in constant danger of overextending her resources, thus running the risk of having to learn the same lessons America learnt in Vietnam; her political system seems particularly inadequate for the requirements of modern society, and West Europeans have had their ego flattered by Soviet requests for technological assistance. The United States on the other hand appears to many West Europeans to be undergoing a severe internal crisis and to have lost self-assurance and confidence both in its own system and its politics. America has ceased to be the model of development for industrial nations: it was believed to be for so long. West Europeans feel

⁹⁾ Press Conference 4/7/1970

they might come up with an answer of their own for the problems of domestic reform, society participation and the ecological crisis, and while they still admire the power of technological innovation and economic dynamism of American industry, the American challenge, so vividly described by J.J. Servan-Schreiber, has for many of them lost its urgency.

This West European confidence may be short-sighted, and it certainly is still a delicate plant. It may be illusory - perhaps the internal strife and unrest that mark the American domestic scene are the elements of normal stages of development for industrial societies as a whole. If this should be so it will deeply affect the political scene in Europe, not just economic integration and political cooperation in the West but also the stability of any East-West agreement that might emerge from the era of negotiation.