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2. CONFERENZA DI UNA SERIE DI 4: "TRENDS  
LIKELY TO AFFECT DÉTENTE IN THE UNITED STATES,  
WESTERN EUROPE, THE SOVIET UNION AND EASTERN EUROPE."

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NON HA PARTECIPATO NESSUNO DELL'IAI

"TRENDS LIKELY TO AFFECT DETENTE IN THE UNITED STATES,  
WESTERN EUROPE, THE SOVIET UNION AND EASTERN EUROPE"  
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Detente. Report of the second conference"

DITCHLEY  
FOUNDATION  
RECORD

Study on the Meaning and Effect of Detente

Report of Second Conference

November 1-4, 1974

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THE DITCHLEY FOUNDATIONS

STUDY ON THE MEANING AND EFFECT OF DÉTENTE

SECOND CONFERENCE: NOVEMBER 1-4, 1974

TRENDS LIKELY TO AFFECT DÉTENTE IN THE UNITED STATES,  
WESTERN EUROPE, THE SOVIET UNION AND EASTERN EUROPE

PROGRAMME AND AGENDA

Friday November 1, 1974

SESSION I: Review of the report of the first conference and discussion of its conclusions.

The Soviet Union and Eastern Europe

SESSION II: The internal social, economic and political pressures within the Soviet Union and their likelihood of influencing Soviet policies and attitudes to "détente".

Saturday November 2, 1974

SESSION III: a) Relations between non-Soviet Warsaw Pact countries and the Soviet Union, and how these and also Soviet attitudes and policies towards a possible post-Tito Yugoslavia are expected to develop by the end of the decade;

b) The likely or possible effect of these developments on "détente" negotiations.

The United States and Western Europe

SESSION IV: a) Differences between the political concerns and attitudes of younger people under the age of 35 and of those older people now responsible for policy-making;

b) Consequences for Western policies when these younger people reach positions of power and authority.

SESSION V: a) The effect of the vast additional funds obtained by OPEC on the international monetary situation, and of increased oil prices on inflationary pressures in the United States and Western Europe;

b) The attitude to OPEC monetary transactions of central bankers in the West and the Soviet Union and Eastern Europe.

SESSION VI: a) The extent to which unrealised economic expectations, changes in social attitudes and disillusion with the democratic political process as practised in the West are likely to grow and affect the militancy and effectiveness of direct non-parliamentary pressures on Government authority;

b) The outlook for stable democratic Government;

c) How the Soviet Union is likely to react.

Sunday November 3, 1974

- SESSION VII:
- a) Prospects for an international monetary agreement and control of monetary inflation;
  - b) Consequences of success or failure upon
    - (i) the economies of Western Countries;
    - (ii) the attitudes of their Governments to external commitments;
    - (iii) the attitudes and actions of the Soviet Union and East European Countries.

East-West Relations

SESSION VIII: The prospects for the growth of pan-European policies by agreements or contacts between Western and Eastern European countries including the Soviet Union, and for the pursuit of "détente" by a range of negotiations at different levels taking place simultaneously.

SESSION IX: The effect of all the different factors discussed in Sessions I to VIII upon the attitudes and strengths of the parties to "détente" negotiations; concluding business.

## SESSION I

After some discussion of the Report of the First Conference, and its conclusions, the main business of the session was introduced by an American participant, who suggested that there were three new elements in the East-West situation.

The first new element was a high degree of inter-linkage between the societies of the Soviet Union and the Western world, which had now probably reached a level unprecedented since 1917. It was true that only a small proportion of the Soviet population was so far involved, but the multiplication of social and economic links was proceeding actively and creating a number of vested interests in the continuation of détente.

The second new element which applied particularly to the U.S.-Soviet relationship, was a sense of joint commitment to crisis-management: this limitation of the adversary relationship - itself already limited - indicated an unexpected degree of co-operativeness on the Soviet side.

The third new development, the speaker argued, was that the Soviet leaders were now ready to knit their economy into the world economy to a greater degree than hitherto: even though a high degree of autarky was still maintained, a significant threshold was attained at the 24th Party Congress. This raised a number of questions for the West: would simple barter agreements be enough, or should the West, responding to this Soviet change, actively develop a higher degree of interdependence? Further, how exactly could the new economic links be used to influence Soviet political behaviour? In response to questions, the opening speaker added that in the strictly strategic area, the prospect for U.S.-Soviet relations was one of stabilisation, despite certain new technological developments.

The discussion dealt first with strategic negotiations, starting with the point that the Soviet Union was continuing to press for German and other Western force reductions in the MBFR negotiations. Even though pressures for détente might be increasing throughout Soviet society, the pressures of détente could not yet be seen as irreversible. The Middle East events of 1973 onwards had shown that super power crisis management might well fail, but Soviet behaviour in Cyprus and elsewhere indicated a certain readiness to try. One important question, it was suggested, was how far the Soviet military leaders would go along with a policy of crisis management.

Reverting to the economic considerations, another participant queried the proposition that the Soviet leaders would really allow a significant degree of inter-weaving of their economy with the West. The opening speaker conceded that this process was still limited, in part because the Russians were reluctant to trade their natural resources, even in exchange for Western technology. He maintained however that the long term trend was the one he indicated, since the Russians - despite a generally conservative and unimaginative attitude to the new problems of

energy, natural resources, etc. - still showed an unprecedented readiness for East-West inter-linkage.

One difficulty to which attention was drawn was the asymmetrical nature of the interdependence created by economic links. What would happen, it was asked, if the result of economic linkages was to give the Russians increased political leverage, without corresponding benefits for the Western side? The response to this was that the question had to be considered as a whole: the Russians would realise that the long term provision of economic benefits for themselves would depend on the continuation of a good political climate. They would recall that before 1972 the U.S. created difficulties in the trade field, precisely because the political climate was not right. Western governments should approach East-West economic dealings with a clear political concept in mind, particularly since the commercial relationship between the U.S.A. and the U.S.S.R. was not in itself a complicated one: even with the increase in agricultural and technological exports to Russia the total amounts involved were not enormous. We would need to look ahead 18 months to assess the importance of the m.f.n. issue, now linked to the question of immigration. It was also necessary to assess the direction of the new trends now perceptible in the Soviet economy.

One participant queried the value to the West - either politically or economically - of a large-scale expansion of economic co-operation with the U.S.S.R. but the majority view was that a considerable expansion was both likely and desirable.

The opening speaker reverted to the need for the West to approach this matter with a long term strategy in mind, and with a high degree of intra-Western co-ordination. Such a co-ordinated policy was all the more necessary as the prospect for expanded trade in itself was not hopeful.

An American speaker drew attention to the broader dimensions of East-West relations, including the attempt by the Russians to establish an international monetary system of their own, including Middle East oil revenue in competition with the Western system: the West was urged not to fall into the trap which this represented - more generally, it was agreed that it was unrealistic to place too much confidence in Russian intentions, but the attempt to inject new influence into Russian society by means of economic co-operation was still judged to be in the interest of the West.

Another speaker drew attention to the acute problems for East-West relations created by the current instability of the Western economy. The East Europeans, even more than the Russians, had good reason to fear that the West might not keep its own house in order and might not be able to deliver the goods. In this context, would the Russians really be co-operative - for instance, would they really work for non-proliferation in the nuclear field? The opening speaker concluded the session by recalling that although the Russians in theory "wanted" the West to collapse, they could also see that Western stability was very much in their own interests -

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indeed the 24th Party Congress was predicted on this prospect. The Russians, who were well aware that the great slump had brought Hitler to power and nearly destroyed the Soviet Union, could not really wish to see the collapse of the West.

SESSION II: Internal pressures within the Soviet Union

The opening speaker observed that, as well as internal factors, two external ones had a powerful influence in shaping Soviet attitudes to détente: firstly, Soviet uncertainty about what the new American administration would do, both in economic and in foreign policy; secondly Soviet uncertainty about the new economic problems facing the world, notably energy, inflation and the instability of the monetary system. The speaker underlined the point already made, that the Russians had a clear interest in not pushing the West into total chaos, since Soviet economic planning for the next 5 years or indeed the next 15 years was based on the absence of such chaos.

The speaker then outlined three internal factors influencing Soviet attitudes to détente: economic considerations, political change, and the development of Soviet society.

On the economic aspect, he underlined the importance for the Russians of developing their economy, including their natural resources, by means of international economic transactions in preference to domestic institutional reforms. The result of this choice was a Soviet interest in a lessening of tensions with the West. The overall pattern was likely to be one of closer Soviet involvement in the world economy, including a revision of the 15 year plan to allow more foreign investment. The other aspect of the economic prospect was the Soviet emphasis on the need for each sector of the economy to do more for the Soviet standard of living.

In the realm of political affairs, the speaker drew attention to conflict between orthodox party institutions and the new innovating forces with an interest in international détente. The use of repression against dissidents, or against would-be emigrants, and a tough line in the C.S.C.E., would be counter-productive for the Soviet image abroad, and therefore might be moderated. It was important for Western observers to give up their black and white stereotype of the Soviet political system as a system containing only extreme repression and extreme dissidents, and to take account of groups along the spectrum, for instance the influential group of "within-system modernisers" now in their 30s and 40s. The influence of this group was particularly strong in the management of research institutes, and the political power of this generation was likely to advance further. The success of the Jewish section of society in asserting itself against the authorities had encouraged other dissident groups, so that the right to emigrate was now more freely expressed, and it might be difficult for the political authorities to resist it.

Turning in conclusion to the factor of social change, the speaker pointed to the increased availability of information about foreign countries. Contact with the West was clearly prompting social change of a kind in the U.S.S.R. as the 24th Party Congress clearly showed: even though a transformation of the Soviet society into a Western liberal society could not be expected, the prospect was one of a perceptible advance towards more flexibility.

The first commentator in the discussion drew attention to the parallels between the present day and earlier periods of change for Russian society: as Marx had written to Engels in 1858, young Russian intellectuals had a habit of adopting revolutionary ideas, only to relapse into authoritarian attitudes when they grew older. Seen in historical perspective, the changes in Russia offered little ground for optimism as to change in the basic Leninist aim of victory over capitalism. Even though the Russians might attenuate their commitment to ideology, and even though there might be some tendency for liberal attitudes to remain when the young people of today became older, the essential point was that the Soviet system - even during the period of considerable economic reforms of the last 20 years - had not changed the basically autocratic character it had shown since 1917. Détente therefore meant little more than the old system in a new guise. Even the Soviet determination to avoid nuclear conflict was not new, but could be traced back to the beginnings of the nuclear deadlock in the 1950s. Again, even within the framework of a nuclear stalemate the Russians would try to manoeuvre to gain their own advantage. For the Russians, détente was a matter of state-to-state, not people-to-people relations, and a real change in the East-West situation was therefore unlikely.

The speaker disputed the proposition that the increase of economic relations with the West, endorsed by the 24th Party Congress, was likely to become a major theme in Soviet external policy. This line, he argued, was controversial in the Soviet leadership, and even the new trends in economic modernisation implied no basic diminution of ideological hostility to the West. It was misguided, in this speaker's view, to argue that economic modernisation inside the Soviet Union would greatly affect Soviet attitudes to international Soviet co-operation. Again, we should beware of exaggerating the influence of dissenters on the political leadership of the country.

The question was then discussed of how far the West could actually use economic transactions to exert political leverage and influence Soviet foreign policy. It was suggested that there was little hope of this unless the Western Alliance co-ordinated its commercial and other dealings with the Soviet Union: the main aim of the West, in any case, was the relatively limited one of inducing restraint in Soviet behaviour during crises, and some restraint on the Soviet military build-up.

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The speaker who had opened the Conference argued that the West could benefit both from the indirect effects of international transactions on Soviet society, and also by a deliberate political strategy of linking export credits and other commercial concessions to political demands.

The next phase of the discussion revolved around the question how far Soviet long-term foreign policy objectives had really changed: although some speakers maintained that there had been no change, others argued that Soviet economic dealings with the West, and the great advantage for Russia of such dealings over those within the Soviet bloc, had fundamentally altered Soviet objectives. It was however emphasised that change could only be gradual, that really profound changes inside Soviet society were unlikely and that in the meantime unilateral military cuts by the West would not help the détente process.

In the concluding part of this discussion, the Conference was warned against assuming that economic interaction between East and West was necessarily the same thing as interdependence. A warning was also delivered against assuming that greater freedom of international action for communist states would automatically have a relationship to internal social change. The opening speaker of the session urged the Conference to differentiate between the five basic issues, which he defined as follows:

Firstly, looking beyond the semantics of détente, we should clarify the precise stages of the possible transition to a lower level of tension;

Secondly, in considering the nature of Soviet society, we should be clear that even if the Apparatus maintained a tight grip, circumstances might force a change in its actual policies, and an indefinite postponement of its ideological goals;

Thirdly, we should ask how far stabilisation in the military field could proceed, independently of progress towards political understanding;

Fourthly, in considering economic relations with the Soviet Union, the West should use every opportunity to exploit the Soviet need for Western technology in order to enforce restraint in Soviet foreign policy;

Fifthly, in order to avoid strains on the Western Alliance, the allied governments should devote particular attention to co-ordinating their policies.

### SESSION III: Relations within the Warsaw Pact

The opening speaker stressed the very considerable differences between states in Eastern Europe, and the fundamental importance of ideology as a means for the Soviet Union to maintain control. This control was of course aided by Russia's military presence, which would certainly continue to dominate Eastern Europe

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throughout the rest of the decade. The C.S.C.E. had not succeeded, despite some Western hopes, in giving the states of Eastern Europe any increased freedom of action. Indeed, Brezhnev clearly hoped to use the C.S.C.E. to consolidate the territorial settlement of 1945 definitively before the 25th Party Congress.

Economic relations within the Soviet bloc were also important to Russia: if other members of the Warsaw pact followed the Rumanian example in increasing the proportion of their non-bloc foreign trade to over 40%, Soviet control would be weakened. In this speaker's view, the modernisation of the Soviet economy could proceed both through internal changes and through links with the West: it was not an "either/or" question.

One of the hardest questions facing Western policy now was whether the West could afford, economically, to pursue an active policy of economic diplomacy towards the Soviet bloc at all.

The next speaker argued that economic changes inside the Soviet bloc would inevitably lead to substantial reductions in the power of ideology, and to an increase in dealings with the West. In pursuing a policy of "bridge-building" in Eastern Europe, the West must take care to avoid encouraging any repetition of the Czechoslovak crisis of 1968.

It was generally agreed that the Soviet position in Eastern Europe must be recognised, though the West should resist any attempts at this dominant position being consolidated. Recent attempts by Poland, Hungary and Bulgaria to achieve greater internal autonomy could and should be gently encouraged by the West, though the multilateral framework of the C.S.C.E. was not the best one for encouraging a reduction of Soviet influence. For this reason, in the view of an American participant, the West should wind up the C.S.C.E. and revert to a multilateral diplomatic approach.

The relationship between Western European integration and East-West détente was then discussed, and it was suggested that the West should always keep in mind the impact of its actions - for instance monetary policy - on Eastern Europe. It was also argued that the co-ordination of policies between Western governments should not be carried too far: if the countries of the Soviet bloc were faced with a monolithic Western approach, this might drive them together and consolidate Soviet leadership.

It was agreed that Soviet modernisation needed both internal and international changes, but several reasons were advanced why Western hopes should not be too high: the West was economically too weak to undertake very much, and Soviet influence over Eastern Europe was bound to remain predominant. It was argued that the attempt to develop effective "confidence-building measures" was doomed to failure because of the unwillingness of the Soviet military leadership to allow any fundamental changes to the Warsaw pact.

On the prospects for C.S.C.E. generally, a European speaker disputed the view that the Conference should be wound up: even if no agreement were reached on Basket 3, he argued, it was important that the negotiations continue because of their gradual effect in improving relations.

The opening speaker concluded the session by underlining that the Russians should not be thought of as distinguishing economic from military considerations: they saw national security policy as a unified whole, in which the means used must vary according to the situation.

#### SESSION IV: Attitudes of the Younger Generation

The opening speaker recalled that people under 35 could no longer remember the Second World War, nor (perhaps more importantly) could they personally remember Stalinism and the acute phase of the Cold War. In the British Labour Party and the Trade Union movement, the younger generation were not anti-communist as their elders were. The decline in Britain's military power had also played a part in reducing the younger generation's awareness of strategic considerations and of the point of view of professional soldiers or diplomats.

A further factor influencing the views of the younger generation was that there often seemed little to choose between the policies of the two super-powers. Young people would regard the attitude of the West towards the less developed countries as more important than the East-West confrontation.

The main question, he suggested, was how far the attitudes of people now under 35 would change when they attained positions of greater responsibility. As far as the British Labour Party was concerned, the views expressed in the election manifesto, that British foreign policy should help to lead the world out of the confrontation between military pacts, was likely to remain influential. It was even likely, if conflicts developed between the need for defence spending and spending on welfare programmes, that pressures within the Labour Party for a withdrawal from NATO might rise significantly. The next speaker urged the need for the younger generation to see that the Soviet Union as well as the West had a powerful military aspect, and that anti-Communism was merely enlightened self-interest.

An American speaker commented that young people in the United States were increasingly uninterested in international affairs: in the 1960s the younger generation had become concerned with domestic reforms, and in the 1970s had become disillusioned and cynical at the revelations of governmental corruption. Public pressures in the United States were likely to go in the direction of reducing military spending and also overseas aid.

Another speaker mentioned that these attitudes were paralleled by those to be found among young people in the Soviet Union.

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In France, according to a speaker from that country, most young people were now convinced that international war was impossible: they simply did not know who Hitler and Stalin were, and - since they judged foreign policy issues in terms of justice rather than security - they followed the lead of the Marxist opposition parties in condemning American multi-national corporations rather than any aspect of Soviet foreign policy.

Another speaker suggested that one of the underlying characteristics of young peoples' attitudes was that they distrusted institutions altogether: they believed in international co-operation and in contacts between peoples, but not in international organisations.

An American participant reported that the section of young American opinion which was still politically minded was now more interested in working for members of the Senate than for the Executive Branch. There was a strong concern for justice, expressed on such issues as Israel, South Africa, and the role of multi-national companies. Young Americans were perhaps more concerned with world affairs than young Europeans, and their influence was certainly likely to be exerted on the side of East-West détente policies.

Another speaker suggested that youthful idealism in support of the Third World should not be carried too far: many governments in the Third World were extremely militaristic. A German participant underlined, however, that the majority of young people seemed far more interested in the Third World than in the problems of European integration.

As far as attitudes to détente were concerned, it was reported that recent opinion polls showed a shift on the part of younger Germans against the degree of optimism about Ostpolitik which had been prevalent 2 or 3 years ago.

At the end of the session the Conference was reminded that whereas politically-minded young people were in general committed to solving international problems, most of them would give higher priority to the problems of population, food resources and development aid than to problems of East-West détente.

SESSION V: Unrealistic Economic Expectations and other pressures on Western Governments

The opening speaker indicated that the accurate forecasting of economic and social trends, even over a comparatively short period of 5 years or so, was not easy. In particular, the likely need for economic retrenchment and its effect on employment prospects and consequently on social stability, was hard to assess.

As far as East-West relations were concerned, the economic dimension was likely to be reduced in importance because of the prospective recession in the West.

The session continued on this pessimistic note. One speaker remarked that disillusionment and disappointment as material expectations were unfulfilled, would be likely to take the form of increasing hostility and bitterness towards political leaders, as well as the acceptance of a higher degree of violence in society. Political authority was likely to leave the hands of elected governments and parliaments, and to be taken over by trade unions, industrial corporations and other private bodies. Inflation, of course - particularly if its dimensions increase - would only worsen these trends. Discussion then reverted to the question how far the Soviet Union would be interested in exploiting these tensions in Western society: a number of participants argued that while the Russians were unlikely to press actively forward to exploit the situation, they would be happy to benefit from the long-term trends.

A French participant drew the attention of the Conference to the strength of the pro-Soviet left - which in the Latin countries of Europe - he saw as weakening the political will to resist the Soviet Union. A polarisation between right and left in France was to be expected.

On the joint question of how far Western opinion was now sceptical about democratic institutions, the view was expressed that Western institutions were strong enough to withstand the likely degree of scepticism and cynicism even on the part of the younger generation. An American speaker disputed the view that American opinion was moving towards isolationism: what he saw was a shift of public interest away from Europe towards the Third World and relations with the Soviet Union.

Soviet public opinion itself, the Conference was told, was now more pragmatic and relatively uninfluenced by Marxist ideology: many groups in Soviet society had some relations with the West, and had some perceptible influence on Soviet official policy.

Reverting to the difficulties of the Western World, one speaker drew attention to the "extra gloom factor" represented by separatist tendencies in the United Kingdom and many other Western states. Another speaker argued that these tendencies, like the rising power of trade unions and other extra-parliamentary fronts, were unlikely to damage the basic stability of democratic institutions.

There was some discussion of the role of the armed fronts in Soviet foreign policy. Were they merely the status symbol of a super-power, it was asked, or were they intended for use against a Western World falling into internal crisis? One possibility was that if the Western World fell into serious disarray, the Russians might be tempted to intervene in order to prevent any possible aggressive action by an extreme right-wing Western government.

The session concluded with a reminder that the current level of economic disorder and social violence in the Western World, judged against historical precedents, need not be regarded as desperate.

SESSION VI: OPEC and Energy

The introductory speaker argued that the energy problem represented the greatest challenge before the West, affecting every aspect of domestic and international affairs. The contribution of the energy problem to inflation was immense, and could not be underrated: the expectation of the 1960s, that economic growth could continue indefinitely on the basis of low-cost energy, must now be abandoned. The divisive impact of the energy problem on the Western World had been clearly shown by the conflict between France and the United States at the Washington Conference in February 1974. This action had also seen the first open split between members of the EEC in an international conference. At the UN Conference on energy and other commodities, and in the I.M.F. discussions on recycling, little had so far been achieved. There were better prospects for success in the framework of the new OECD energy action group: the countries engaged in this venture were agreed that the exchange of information was not enough, and that they must commit themselves to an effective sharing operation. Even though the sharing operation was not the central role of the proposed agency - since it was also dealing with the conservation of resources, research on new technologies, and co-operative arrangements with oil companies - the commitment in advance to an effective sharing proposal represented the essential insurance policy. Even though the membership of the new agency was not as full as it might have been (Norway remaining outside), the organisation looked extremely promising. Between the members of EEC, again, strenuous efforts were being made to resolve the differences which had come to light at the Washington Conference. The speaker characterised the French position - based on the hope that the Arabs would do more for Europe in response to a conciliatory attitude - as unrealistic.

The next speaker drew attention to the incapacity so far shown by the I.M.F. to resolve the inflation caused by rising oil prices and other problems. Even though alternative sources of energy could be accepted, oil was likely to remain relatively the most advantageous - particularly if the rate of increase of Western consumption was reduced.

Attention was drawn to the effect of the energy crisis in strengthening the position of the Soviet Union vis a vis the countries of Eastern Europe, since all these countries except Rumania were heavily dependent on Soviet energy supplies.



It was then decided to introduce the subject matter of Session VII - the problem of inflation - at this stage, in view of the close links between the two subjects. The speaker who introduced this subject began by issuing a warning against over-hasty generalisations about the economic, social and diplomatic position of the various oil producing countries - some of them were able to absorb large monetary and technological inputs from the West, but others were not. Overall, however, the Arabs were still receiving far more money than they could effectively spend. No solution to this problem could be found in purely monetary terms, the speaker argued: the only solution lay in a long term programme of action (10 years at least) involving co-operation between all the industrial countries, the oil producers, and those other less developed countries with potential for economic development but no indigenous resources.

Another speaker urged that the Western World should face the fact that the Bretton Woods system was totally outmoded, and that a new balance in the functioning of the international economic system must be found. This entailed a new balance of activity between the public and private sectors of national economies, and also the acceptance that oil producing countries should be allowed to participate in international organisations regulating the world market.

Other speakers underlined the importance of co-operation between the richer and poorer members in the international community, in order to establish a working pattern of prices and payments.

When the discussion of this issue was resumed on the last morning of the Conference, emphasis was placed on the need to reach a workable source of compromises between the national interests involved: there were important differences of opinion on, for instance, the question of separating the oil-related inflation in Western countries from the inflation due to other causes, and the West was thus more divided on basic issues than at any time since the war.

Attention was then drawn to the risks of a trade war between industrialised countries, of attempts to solve their trade problems by competitive exporting: it was quite possible that a most dangerous competition between Japan, the United States and Western Europe might result.

The discussion then reverted to Soviet policy in the field of energy, and it was argued that the share of Soviet oil exports going to the West might by 1980 rise above one half so that the Soviet Union could benefit from the higher prices being paid. In this situation, the Soviet balance of trade would constantly improve whereas that of the Eastern European countries would worsen: apart from the economic consequences of this - including the likelihood that the rouble would become convertible - they would be important facts on the political balance between the Soviet Union and Eastern European countries.

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One speaker warned the Conference against assuming that the Russians had clear plans for their economic and political strategy in the years ahead - the present economic uncertainties in the World made it difficult for the Russians to plan for five years ahead, let alone 15. While the Russians clearly wanted individual Western European states to be more helpful to them - for instance West Germany - and while they would exert pressure where they could, e.g. on Berlin, they were quite certainly not interested in converting Western Europe to Communism.

Another speaker returned to the question of how the Western World should get out of its current economic mess. The United States strategy on energy, he suggested, was to get more oil on to the international market so as to reduce the price, and only then to negotiate with OPEC. It was also clear that close co-operation between the central bankers of Western countries was vital.

A European participant underlined the real difference of interest between the United States and Western Europe: it was essential, he stated, for the European consumers to talk directly with the Arab producers about the whole range of problems from prices to recycling.

Looking ahead, the view was expressed that the oil consuming nations must find substitute sources of energy by the year 2000. One reason why Western economies must be placed on a sounder basis was that they would otherwise be unable to withstand the pressure the Russians would inevitably be tempted to exert.

#### SESSION VII: Prospects for pan-European Agreements

The opening argument was that it was essential to face the fact that the attention of Western governments had now shifted decisively - since August 1971 this was the case - away from issues of East-West détente and towards those of international economic relations. Against this background, what did détente now mean? It was clear that there had been certain useful developments - for instance, German Ostpolitik - which, without fulfilling grand objectives in themselves, had opened the way for more multilateral contacts between East and West. The speaker argued that it should be an essential aim of Western policy to import liberal values, on economic, social, and cultural matters, into Eastern European society: this was a legitimate aim for Western policy, and should not be lost sight of.

In the institutional field, it was not vital to aim at the establishment of pan-European institutions, since the process of East-West dialogue could continue through a variety of overlapping multilateral contacts. Another institutional question was whether the EEC could or should establish close relations with COMECON: this, the speaker argued, was difficult because COMECON was more like the OECD than like EEC. The

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Russians' presence in COMECON made an effective European dialogue very difficult. Despite these disadvantages, the European Community was doing the right thing in moving from informal to formal exchanges with COMECON.

Another important question was how far, and on which issues, the European states could or should talk to the East without the U.S.A. being represented: on almost every important issue, it was in the interests of Western Europe for the U.S.A. to be a party to the dialogue. It was questionable, for instance, whether Western Europe could play a particular role in developing contacts with Eastern Europe, leaving the United States to deal with the Soviet Union. The speaker concluded, however, that Western Europe might have a modest role of its own through the development of multilateral contacts with the East.

The next speaker drew attention to the potential importance of non-governmental agents in developing East-West contacts. Joint industrial ventures by multinational companies, for instance, might develop without the political overtones which the Russians resisted. One of the problems of joint ventures in advanced technology was, however, the military implications of this type of technology. Again, the true economic costs of these ventures should be accurately assessed and the East European partner should be made to pay it. This speaker also underlined the importance of co-ordination of Western countries in their joint ventures with the Eastern bloc, if the West wish to obtain suitable political benefits from them.

It might be possible, it was suggested, for Western know-how to be made available to East European countries without the attachment of any political strings, but not to the Soviet Union: this would increase the bargaining position of East European countries vis a vis the U.S.S.R.

On the question of whether Western Europe could play a specific role in East-West relations, or indeed in World affairs generally, the view was expressed that most of the major problems in fact needed action on a world-wide level, but that Europe could play an effective part if it first put its own house in order.

The session concluded, after some further discussion of Soviet motives, with a reassertion of the need for both governmental and non-governmental action from the Western side.

#### SESSION VIII: Summary and Conclusions

The opening speaker expressed the view that the World in the 1970s was going through one of the major turning points in its history: the issue of East-West détente had to be seen against the background of a wide variety of profound economic, political and technological changes. The various East-West negotiations now in progress were greatly affected by their economic context,

and the divisions in the Western World which the oil crisis had brought to light reflected a potentially dangerous situation.

Another speaker drew attention to the very slow rate of progress in the East-West negotiations, and the difference between Western governments on the tactics to be adopted. Some Western economic enterprises in the East, he argued, were indeed politically important, but many of them were big enough to have no real effect.

Summarising the discussion of forces of stability and instability in Western society, one participant argued that if Western societies had not yet seen fascist movements arise in response to the economic difficulties of the 1970s, it was likely that these societies could stand a good deal more strain before such movements arose. The economic disorder in the World, which affects other political issues under discussion, had also profoundly affected the chances of creating a viable European Community: the failure of the EEC to develop into a supra-national organisation should be a warning to us not to expect strong international institutions of any kind, but rather to concentrate on workable and pragmatic arrangements for international co-operation. One reason for pessimism was, however, that the World of the 1970s unlike that of 1945, was not fully conscious of the need to make a determined effort to establish new international structures.

Both Eastern and Western policies, it was argued, were going through a period of great ambiguity, but one speaker offered four predictions:

Firstly, the apparent breakdown of the Western economic system would induce a sharp struggle in the Kremlin, in which Brezhnev - even though not yet on the way out - would be subject to strong pressure from his critics;

Secondly, the new ambiguity of the situation would lead both East and West into a more competitive phase in which the accent would be placed more on an adversary relationship, and less on a co-operative one;

Thirdly, life for the East Europeans would become more difficult, as their economic problems allowed Soviet pressure to be increased without any compensatory support from the West;

Fourthly, something approaching "Finlandisation" in Western Europe could become more likely since - even without Soviet tanks rolling across the Elbe - Russian toughness in the Vienna negotiations indicated the growth of Soviet influence in Western decision-making.

Another speaker, pointing to the impossibility of foreseeing in 1972 the political events which had since then occurred in the United States, argued that detailed prediction of the next few years was unrealistic. Now that the United States had overcome its internal convulsions, however, it was likely that American foreign policy would become more balanced, and would pay

attention to its allies as well as to the adversary. Reverting to Soviet motives, another speaker argued that there could be no question of the Russians wishing to see a Communist Western Europe or a Communist Germany: however, for reasons of national security, the Russians would wish to preserve their position in Berlin and to maintain a strong military position between themselves and Western Europe.

The Conference was urged not to forget the importance of the less developed countries, and the way in which the economic difficulties of the Western World could affect them. If the Western countries attempted to solve their economic difficulties by trading more intensively with the Soviet bloc, many countries in the Third World - as shown at the recent UNCTAD Conference - would feel economically damaged by this process.

The Conference concluded with a reiteration of the need for Western Europe to organise itself in such a way as to protect its interests more effectively amid the pressures of a disordered world environment.

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STUDY ON THE MEANING AND EFFECT OF DÉTENTE

SECOND CONFERENCE: NOVEMBER 1-4 1974

TRENDS LIKELY TO AFFECT DÉTENTE IN THE UNITED STATES,  
WESTERN EUROPE, THE SOVIET UNION AND EASTERN EUROPE.

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