"DEVELOPMENTS AFFECTING RELATIONS BETWEEN THE UNITED STATES AND WESTERN EUROPE, AND THE ATLANTIC ALLIANCE"
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(1) Chalfont,Lord: "The meaning and effect of detente (a review of the progress made in the first three conferences, and the inferences to be drawn from them"
(2) Chalfont,Lord: "Intervention for the concluding session"
(3) Ditchley Foundation: "Developmentsvaffecting relations between the United States and Western Europe, and the Atlantic Alliance"

The Meaning and Effect of Détente

(A review of the progress made in the first three conferences, and the inferences to be drawn from them).

A paper by Lord Chalfont

My principal impression of the first three conferences, reinforced by a study of Dr. Roger Morgan's admirable reports, is one of almost uniform scepticism, relieved only occasionally by interludes of acute pessimism. This somewhat oppressive atmosphere of world-weariness can be traced partly to the composition of our group. We are, almost without exception, middle-aged, conservative and in the current jargon, establishment-orientated. Our only concession to the alternative society has been to invite to the second of our conferences a mature ex-student politician, and to discuss perfunctorily the attitudes of the younger generation, which we defined somewhat curiously as people under thirty five.

This is not to cast doubt on the value of our deliberations. The matters which we have been discussing, and the frame of reference in which we operate, do not lend themselves to the emotional, anti-statist iconoclasm which characterises the attitudes of most of the contemporary student generation to political activity.

The combination of academic ~~destruction~~ distinction and practical experience brought together at Ditchley conferences ensures a sophisticated and generally constructive level of debate. It does, however, lead almost inevitably to a degree of cynicism and cautious pragmatism. These introductory comments are made only to suggest that whatever conclusions we draw from our study of détente might be regarded in more radically-inclined circles as unduly pessimistic.

The consensus of the first conference of the study, held in July 1974, was that however flexible Soviet tactics might be from time to time, their strategy remained consistently dynamic and directed towards an extension of Communist influence. This led to the generally accepted proposition that the West should conduct its détente policies with the utmost caution. Unverifiable arms control agreements were held to be unacceptable, and there was general unease about the disunity of the West and its implications for the West's ostpolitik. There was a suggestion that Western policies tended to be too defensive, and that we could with advantage be more positive in demonstrating our belief in the superiority of our own system.

There was some discussion about progress in the three main areas of East-West negotiation - SALT, MBFR and CSCE. The debate on SALT led inevitably to a good deal of discussion about the technical aspects of the arms race, and also about the dangers of Soviet-American condominium. The general conclusion was that there was no reason for great optimism about the emergence of any dramatic agreement from SALT, but that the talks would probably survive as a continuous and, on balance, desirable strategic dialogue between the superpowers. MBFR appeared to be deadlocked by a fundamental difference of approach and perceived interests between the Soviet Union and the West. CSCE was in an uncertain state, the principal obstacle to progress being the reluctance of the Soviet Union to make concessions on the issue of free movement.

The general conclusion from the first conference was that the East-West dialogue had slowed down during 1974, as the various negotiations revealed, not altogether surprisingly, that the two sides had fundamentally conflicting interests and objectives. A final comment on the last day reflected the general air of disenchantment - an American participant observed that whatever might be said against détente, it was at least more desirable than some of the alternatives.

The second conference, in November 1974, reinforced the basic premise that the strategic Leninist aim of victory over capitalism remained at the heart of Soviet foreign policy. There was, however, evidence of a new community of interest between the societies of the Soviet Union and the Western world; of a joint commitment to crisis management by the United States and the Soviet Union; and of a readiness on the part of the Russians to integrate their economy into the world economy on a greater scale than hitherto.

One of the most useful aspects of the second conference was an attempt to establish guide lines for the further examination of the problems of détente. It was suggested that there were five basic issues:-

(a) What are the precise stages of transition to a lower level of tension?

(b) Is it possible to envisage a change in Soviet tactics including an indefinite postponement of its ideological goals.

(c) How far can stabilisation in the military field progress, independently of progress towards political understanding?

(d) To what extent can the Soviet need for Western technology be exploited to affect Russian foreign policy?

(e) How effectively is it possible to co-ordinate the policies of the West?

There were discussions about the pressure on Western governments resulting from unrealistic economic expectations in the West; OPEC and energy; and the attitudes of the "younger generation". The general conclusion of the second conference was that the 1970's marked a turning point in East West relations, but that progress was still painfully slow. There was, once more, a good deal of talk about the need for caution and pragmatism, a general attitude typified by an exchange on the last day, when one participant offered four specific predictions about the future of East and West Europe, only to be told by the following speaker that any detailed predicition of the events of the next few years was unrealistic. The conference ended with a reiteration of the need for organisation and integration in Western Europe.

Between the second conference and the third, in February 1975, there were a number of developments affecting the progress of détente. The SALT II agreement at Vladivostok was regarded as a step forward, mainly on the grounds that the limitation of strategic systems to 2,400 for each side meant a reduction of 100 on the total the Soviet Union had been expected to achieve by 1977. On the other hand the Soviet rejection of the Russian-American trade treaty (as a result of attempts by the U.S. administration to link the questions of commerce and freedom of movement) was a clear set-back. MBFR negotiations had been slow and contacts between the EEC and COMECON had proved to be inconclusive.

The third conference addressed itself to problems of security and natural resources. The main concern in the discussion on the Middle East was the possibility of an Arab oil embargo and in particular Dr. Kissinger's suggestion that military force might have to be used to prevent the West being strangled. There was a long and somewhat inconclusive discussion on Nato, concentrating mainly on the uncertainties and weaknesses in the Alliance; and a discussion on Sino-Soviet relations underlined the incompatibility of the Chinese and Russian peoples and the likelihood of continuing hostility between the two Communist powers.

The discussions on energy, food, and other raw materials led to the conclusion that only oil was directly relevant to the problems of détente. The general impression of the third conference was that it was more comprehensive and detailed than the first two, but no more conclusive.

The first three conferences as a whole have provided some valuable and enlightening discussion on the context and substance of East-West negotiations. The main inferences to be drawn are inevitably somewhat predictable. Détente is clearly a complicated and delicate process. Its tempo and tactics are subject to constant change - in which the initiative seems to be largely in the hands of the Soviet Union whose long term political aims remain unchanged. The need to preserve Western security while pursuing the aim of better relations with the Soviet Union has been constantly emphasised, yet paradoxically the West, especially Western Europe, seems irredeemably apathetic in its approach to the problems of defence.

I suggest that it would, in the course of the final conference, be useful to consider at least some of the following questions all of which fall within the framework of the agenda for the fourth conference:-

(a) What steps should the West be taking to improve its cohesion?

(b) How can Western Europe contribute more effectively to Western defence?

(c) Has the EEC a role to play in European defence?

(d) To what extent can MBFR and CSCE still be considered to have real hope of success?

(e) What are the prospects for any real measures of nuclear disarmament arising from SALT?

(f) What are the prospects for a settlement in the Middle East and how will the outcome affect détente?

(g) Is the pursuit of détente, given the flexibility of Russian foreign policy, really in the interests of the West?

(h) If it is, what steps can be taken to break some of the log jams?

In my personal view this series of conferences has been of considerable value. No-one who has taken part in it is likely, in spite of the misgivings frequently expressed at the first three conferences, to entertain exaggerated expectations about the possibility of rapid progress in the involved and intricate pattern of relationships which we have examined under the general heading of détente.

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Session IX (concluding Session)

Paper by Lord Chalfont

Introduction

The fourth conference has created an encouraging impression of qualified optimism - as, indeed, might be expected from a gathering so young, progressive and radically orientated.

There was a certain amount of semantic uncertainty. Many people expressed a distaste for the word détente and suggested such ingenious alternatives as "constructive co-existence", "normalisation", or more simply "relations with the Soviet Union". There emerged, however, fairly general agreement about what it meant. It was not to be confused with alliance or even friendship; its real meaning was the solution of the continuing problem of living on Earth (described by one delegate as a space ship) with the Soviet Union and its allies while at the same time having a joint interest in the management of the inevitable crises which will arise in such a situation.

It seems to me that we should not be over influenced by our distaste for the word détente. It has after all a precise meaning - relaxation of tension - which was appropriate when it first came into use in this context. Like much other verbal currency it has been debased by careless use. It is certain that any other word or phrase which we evolved would be equally debased in a short time. I propose therefore to continue to use the word, at least in this paper.

AIM

The aim of this paper is to attempt a subjective assessment of some of the conclusions reached on our series of conferences with a view to using them as the general basis for a book on the general theme of the series. The conclusions are deliberately subjective; the book will reflect my own views and conclusions although they are of course bound to be conditioned to a very considerable extent by the views expressed at Ditchley and not least by the reactions of members of the conference to this paper.

Although this paper follows naturally from the one which I presented at the beginning of this conference I shall in fact make no attempt to adhere closely to its framework nor to follow in detail the questions which I posed on page 8 of my earlier paper. Some of these questions have been overtaken in discussion; some have been comprehensively answered; the priority of others has changed.

I propose therefore to approach this last session under the following headings.

(a) An assessment of the threat to the West.

(b) A consideration of some of the principal factors and possible future developments in détente policies.

(c) Some conclusions for Western policy makers.

(d) Final reflections.

It is essential to emphasise at the outset that there was consensus, if not unanimous agreement, that it was essential for the West to continue to pursue the policies of détente. The alternatives are too formidable to contemplate. No one is disposed to take seriously the proposal that such policies should be discontinued because they might release the Soviet Union from the need to face some of its more pressing economic and political problems.

There was also a consensus that close co-ordination between North America and Western Europe was an essential prerequisite for safe and successful détente policies. It was also accepted that Japan could not safely be left out of these calculations.

THE THREAT

Soviet policy is likely to remain fairly immutable in its strategic aims. There will be a characteristic flexibility of tactics and there is a likelihood that when the Soviet leadership changes, as it must fairly soon, there will be consequential changes of foreign policy. It is not clear whether the new policies will be more conservative or more adventurous.

My impression in the early stages of our conference was that there was a slightly over-sanguine view of the threat. It gradually emerged, however, that this was also to a great extent a question of semantics. Whether we use the term

"threat", "Soviet potential" or "imbalance of power" the simple fact remains that there exists, in the longer term, a clearly identifiable threat to the security, stability and prosperity of the free World. Some would suggest that there is even a threat to its survival.

The threat consists basically of the following elements:-

(a) The geo-political threat from the Soviet armed forces. Russian military strength is growing every day, not only in terms of its land forces in Europe and on the Chinese frontier but also in terms of its maritime presence in the Atlantic, Pacific and Indian Oceans and the Mediterranean Sea.

(b) The lack of a common interest in the countries of the West, more especially those of Western Europe.

(c) The dangers of inflation with its attendant possibilities of political and social dislocation.

(d) A marked leftward tendancy in the political climate of Western Europe. The effects of internal subversion and international terrorism and the opportunies which these provide for exploitation by the Soviet Union.

(e) The problems of continuing supplies of natural resources including food and non-oil resources.

(f) The continuing supply of oil at prices which will not further cripple the economies of the West.

It has been rightly pointed out that many of these factors do not derive in any way from our policies of détente. It is, however,

possible to construct a scenario in which galloping inflation and unemployment created conditions of political and social instability in Western Europe, in which this situation is exasperated by the general leftward trend in Western politics, and further aggravated by the operations of all subversive organisations and international participants. It seems reasonable to conclude that in the circumstances the Soviet Union can scarcely refrain from exploiting the position. Détente policies should therefore be constructed in the context of this possible semantic.

In this connection it is important to consider in some depth the case of Portugal. Even if recent political upheaval there was not a result of conscious policy it has almost certainly upset the balance of power in Europe. This would of course be further disturbed if a Communist Government sympathetic to the Soviet Union came to power in Italy. Even if Italian Communist administration were not openly aligned with the Soviet Union it is not likely that it would for very long remain an an integral part of NATO; nor is it certain that continued membership in these circumstances would be acceptable to the rest of the alliance.

CONCLUSIONS FOR WESTERN POLICY MAKERS

Western policy makers are likely to be faced with a number of developing situations in relations with the Soviet Union. They include

(a) The progress of formal détente negotiations - CSCE, SALT and MBFR.

(b) The possibility of a further crises in the Middle East and the possibility of a super power confrontation arising from it.

(c) The continuation of a process of unilateral disarmament in Wester Europe together with isolationist pressures in the United States.

(d) Changing Governments which might give rise to changes in the power balance - China and Yugoslavia are classic examples.

(e) The possibility of another dramatic rise in oil prices (possibly connected with another Middle East crises) and the effects of this on Western economies shown on their defence establishments in part.

It seems therefore that there are a certain number of inescapable conclusions for Western policy makers. They include:

(a) The need for close continuing collaboration between the United States and Western Europe together with a greater degree of mutual understanding.

(b) The importance of bringing Japan into this entente.

(c) The vital urgency of attacking the problem of inflation both at the national and international level.

(d) The need for a high degree of integration in Western Europe. Monetary integration would be an important first step towards the solution of the global problem of inflation; and the benefits of closer harmonisation of foreign and defence policies are obvious.

(e) The importance of co-ordination at the National and International level in trading with the Soviet Union.

(f) The need for a constructive dialogue with primary producers and especially with OPEC.

FINAL REFLECTIONS

It will be obvious that this paper is provisional and far from comprehensive. It does, however, provide a spring board. I have the following final reflections to make on the series of conferences as a whole.

I believe that there is still a good deal of complacency about the nature of the threat to the surival of the West. We are facing, it seems to me, not only a crises of Capitalism but also a crises of liberal democracy.

There is still, in my view, too great an emphasis on the sovereignty of the nation state. If we really continue to accept that our political leaders should be concerned only with the kind of issues which will win them votes at their national election and who have no higher vision we shall certainly conduct our foreign policies in the West including our détente policies at a crippling disadvantage. It seems to me that the result of the recent common market referendum in Britain indicates that when an intelligent electorate is confronted with an important political decision it makes that decision without too much regard for its immediate material interests. Finally, I believe that we in Western Europe are being altogether too pragmatic and unconscious and unimaginative about our future. It is simply not necessary to accept that the ideals of common foreign, defence and monetary policies must be sub-orientated to the realities of nationalist aspirations.

THE DITCHLEY FOUNDATIONS

STUDY ON THE MEANING AND EFFECT OF DETENTE

FINAL CONFERENCE: JUNE 6-9, 1975

DEVELOPMENTS AFFECTING RELATIONS BETWEEN THE UNITED STATES AND WESTERN EUROPE, AND THE ATLANTIC ALLIANCE

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SUBJECT I: Review of Detente Negotiations Since the Third Ditchley Conference in February and Expected Future Developments in these Negotiations.

As a preliminary to the business of this session, it was noted that two corrections were necessary in the report of the previous conference. On page 20 of that report, in Paragraph 1, emphasis should be placed on the fact that the actual price received by oil-producing countries was much less than its nominal value, as a result of the devaluation of the dollar. It should further be stressed that the actual price of oil should not and would not decrease, but on the contrary - with the eventual establishment of an index system related to the prices of other goods - it should gradually rise, so that the terms of trade would not be to the disadvantage of the producer countries. Secondly, in the third paragraph of the same page, the reference to Professor Chenery's article should in fact state that the total potential investment of oil-producing countries in the industrialised countries would be about 2% of the value of shares in the stock market and about 5% of the total assets.

The opening speaker in the first session divided his consideration of world events since February into two: firstly the course of East-West negotiations since that date, and their likely prospects in the short-term future, and secondly the international environment in which these negotiations were taking place. Under the first heading he observed that the CSCE was an important testing ground for the strength of will of East and West: many difficult issues were still unresolved, and the conclusion to the conference appeared to this speaker more likely to occur in the autumn than in July. On the second set of multi-lateral East-West negotiations, MBFR, there was no progress to report since February, but on the bi-lateral SALT negotiations, the resumption scheduled for June 23rd in Geneva could mark a significant development (in which, among other things, the United States and the USSR would have to come to terms with the points of view of the major West European countries and of China).

Turning to the international environment of East-West negotiations, the speaker suggested that the crumbling of the regimes in South Vietnam and Cambodia, with the resulting loss of standing for the United States, was the most significant external event to be noted. He suggested that whereas fear of the unreliability of American guarantees elsewhere in the world was misplaced, there was something to be feared from a probable reluctance of the United States to continue the pursuit of East-West detente, at a time when Western Europe was still relatively keen on this. Taking the impact of events in Vietnam, in the Mediterranean (Cyprus, Portugal and Spain) together, the speaker suggested that the United States would be unwilling to continue to sign agreements with the Soviet bloc at a time when such agreements appeared not to be taken seriously. The threatening Soviet attitude towards West Berlin was a further factor making detente less likely, and the same was true of the unfavourable economic situation affecting both East and West. This economic

situation, for instance, decreased the prospects of East-West economic cooperation; it also led to a situation in which the European Community, though it had a good record of cohesion in the CSCE negotiations themselves, appeared unable to ensure the effective compliance of its member-states with the application of the Common Commercial Policy towards Eastern Europe.

In the ensuing discussion, American participants warned the conference against the danger of generalising about the likely response of the US administration to the breakdown of the Paris agreements. Whereas this breakdown had indeed disappointed the more optimistic expectations of Americans there should be no doubt that the American commitment to NATO remained fully intact. There was some discussion of the impact on the of the current situation/ MBFR negotiations, and it was suggested that Western Europe might play a role somewhat more independent from the American one in these and other East-West discussions. It was also suggested that the CSCE might in fact be concluded in July.

One of the American speakers reminded the conference that it might be a mistake to judge the turbulent events in the Mediterranean- from Turkey to Portugal - purely in terms of the intellectual framework of East-West detente. It was a mistake to relate everything in world politics to the relationship between the two super powers, though on the other hand it should always be recalled that Soviet power was in fact one of the most dynamic elements in world politics today. Detente, it should not be forgotten, was not really about the means of achieving a new era of East-West peace and cooperation, but was about the more practical problem of how Soviet power could be managed by the West. The Soviet Union, now to be seen as a super-power which was still growing, appeared to be pressing for a rapid conclusion to the CSCE (though it had taken no action for two or three weeks after the fall of Saigon - possibly due to ill-health on the part of Brezhnev), and it was up to the West to use the CSCE to press for real detente, for instance by using the conclusions of Basket 3 as yardsticks for future Soviet behaviour. On arms control matters, little should be expected of MBFR until the CSCE was out of the way and a clear conclusion had been reached in the next phase of SALT.

A French participant agreed with / the view that CSCE should be used to press for really effective detente, particularly in terms of measures in Basket 3: the Soviet Union should not be allowed to go on talking of the dissolution of the blocs, without doing something effective. Basket 3, indeed, could be a factor of disequilibrium for the Soviet Bloc, which could give the West an advantage. The speaker questioned the necessity of holding up the MBFR talks until the end of the CSCE: this might be a logical timetable for the Russians, but why should the West go along with it?

A Canadian speaker warned the conference against allowing the Russians to get away with concessions from the West in Basket 1, in exchange for Soviet concessions on Basket 3. It was interesting, he noted, that the Soviet Union was no longer pressing for a substantial follow-up to the conference, and this might indicate the need for the West to be firm in that direction, including particularly an effective

implementation of Basket 3. Detente agreements, he suggested, would have only a marginal effect on Soviet strength, but marginal was not the same thing as negligible.

An Australian speaker took the discussion back to the effects of debacle in Vietnam: this, he affirmed, had not been due to detente, though it did mark the end of over-involvement in Vietnam on the part of the great powers. The debacle, he suggested, should help those concerned to reach a new awareness of the problems of achieving real detente.

An American speaker, issuing a warning against the dangers of exaggerating the effects of specific episodes on the American mentality, underlined that Vietnam, though it had ended as a debacle, had not ended as a defeat. The American people would see the involvement of the US in Vietnam as a mistake, which had been ended: the collapse of the US-supported regime after American withdrawal would not be perceived by Americans as a defeat.

Another American added that American opinion might even feel relief at "losing Vietnam", which was not seen in remotely the same way as "losing China" had been in 1949.

A speaker from Washington confirmed this, reminding the conference that the United States had been keen to withdraw from Vietnam from as early as 1968. What remained - as well as the problem of justifying an expensive and bloody war to the American people - was the practical question whether the balance of power in Asia required an American military presence. More precisely, the old question remained as before, was an American presence on the Asian mainland still necessary?

SUBJECT 11: Review of Progress Made in the First Three Conferences of the Study, and of the Inferences to be Drawn From Them.

Lord Chalfont opened the session by presenting a paper on "The Meaning and Effect of Detente" (of which a copy is attached to this report).

The first part of the discussion which followed Lord Chalfont's presentation revolved around the question of how far a younger generation than those present at these conferences would differ in its assessment of the subject under discussion. It was suggested that whereas the present student generation was good at making its elders reassess many problems in world affairs - for instance the problems of Europe, or China - even they had to admit that the Soviet Union was a depressingly unchanging cold war phenomenon. On this subject, unlike some others, there is therefore little enlightenment to be expected from the generation under 25. A contrast was also drawn with the situation in the 1930s when all radically-minded westerners gravitated towards the "socialist fatherland": nowadays, it was suggested, no-one could see the Soviet Union in this light, and young radicals were simply unwilling to face the fact that the Soviet Union was a super-power involved in the business of international strategy and its technicalities.

An American participant argued that the brighter members of the student generation in the United States were interested in "nuclear theology" in general, and - despite their tendency to believe that

the United States was partly responsible for the Cold War - they would now mostly accept that a second-strike nuclear capacity was essential for America. The policy of detente, most Americans would argue, would not in itself prevent the Russians from intervening in Portugal in the short run, but in the longer run, the fact of making them play according to the rules of the game would make them more co-operative. The Russians would gradually come to realise that if they wanted to have a say in world economic issues, and to have the benefit of economic dealings with the West, they would have to abide by the rules of the political game. Again, once more a long term prospect, contacts with the West might very well affect the internal development of Soviet society, and in this connection Basket 3 of the CSCE was highly significant and the activities of Western multi-national companies in the Soviet Union could be an important factor in affecting Soviet behaviour.

A French participant remarked that the younger generation in France today was without any sense of danger from a Soviet threat: French youth had not gone so far as Dutch young people in rejecting nuclear strategy, but there was a problem of educating younger people in the necessity for spending on weapons. The younger generation, according to another French participant, was more interested in North-South than in East-West problems. Young people did not have automaticthe/tendency of their elders to think of any problem - for instance the Middle East situation - within the Cold War framework. It might be better, the speaker suggested, to talk of "normalisation" than "detente": now that East-West tension of an acute kind was a thing of the past, the word detente was not so relevant.

It was also suggested that, whereas in the late 1960s France had less need to worry about public apathy towards detente than other Western countries, because of the Gaullist insistence on the need for defence as a national concern, it appeared that the same "civilian" trends were now coming to the fore in France as in other Western countries.

An American participant observed that today's younger generation appeared more cynical than its predecessors: such an endeavour as the U.S. peace corps would be hard to restart in the present climate, and the present cultural revolution, with the prospect of drastic inflation continuing into the 1980s, would impose a continued mood of "modified gloom".

The discussion turned to the question whether the rulers of Western societies could reasonably expect young people to support military spending unless they were clearly told what its purpose was. If the older generation was not sure quite why the West needed submarines, how could a younger generation - ignorant of history and not really interested in foreign policy - be persuaded to accept the argument? The younger generation, which tended to moralise rather than to understand issues of Real-politik, found the concerns of the older generation irrelevant. One important point which might be included in the book due to emerge from these conferences would be the question what was new about detente in the 1970s, as opposed to the period of the mid-1960s when the concept was promoted by Kruschev.

It was emphasised that the present day younger generation was more interested in social and economic than in political or international problems: they would criticise the United States not in terms of its government or even of its foreign policy, but as the home of multi-national companies and social injustice. In contrast to the speaker who had suggested that the younger generation had no sense of history, another participant argued that in terms of the history of social life, the history of science or of economics, today's younger generation did have an active interest: they were merely indifferent to the history of states and of their relations. One reason why detente was a matter of indifference to some younger people was that, like the Cold War itself, it was a question of relations between states. When Europe had appeared capable of offering an alternative model of society - differing both from the United States and from USSR - there had been greater public support for the aim of European unity.

An American participant posed the question of what interest the Russians themselves had in detente. Apart from their irritation at the cancellation of the Trade Bill, were the Russians more interested in economic relations with the West for their own sake - either relations with the multi-national companies of the Western colony or relations in general?

The discussion was broadened to the question whether the Russians had recently been seriously reviving the Marxist theory of a general crisis of capitalism? If the indications of this trend were accurate, this might perhaps explain their interest in detente, a policy which would help to hasten the general crisis of capitalism which the Russians saw as imminent.

Another American participant suggested that the planned book should be entitled Beyond Detente or After Detente: both the Cold War and the period of detente, he argued, now lay in the past, so that the important question was now that of what the West wanted by way of normal relations with the East. He suggested that there were four important aspects of this question: Firstly, how can Russian interest in international crisis management be maintained, as well as Russian interest in the maintenance of the existing military balance? Secondly (a longer term question) how can the Soviet Union be induced to involve itself more actively in North-South problems, and to increase rather than decrease the volume of its economic aid? Thirdly, how can the Soviet Union be persuaded to join in a co-operative effort at solving the problems of resources in the world? Fourthly, how can a liberal development inside the Soviet Union be promoted?

These four questions - all representing long term dynamic concerns for the West - would, the speaker suggested, last us for 35 years.

Another American member of the conference argued that the young of today were not so much hostile to questions of international power as simply indifferent to them. In Europe, they took the absence of war for granted. This posed the problem for governments of leading societies in the right direction. He also argued that the

book must address the problem of change in East-West relations, and asked how far the Soviet Union was evolving both internally and in its foreign policy. The influence of "eternal Russia", he argued, should not be exaggerated: the traditional attitude of introversion was slowly giving way to an acceptance of inter-dependence, and the traditional autonomy of Soviet decision making was susceptible to influence from the West. The SALT agreement represented a minimal check on Soviet and Western military practices, but in the longer perspective it opened the hope of a "droit de regard" for the West on Soviet policy.

At the conclusion of the session the opening speaker reaffirmed that political leaders should not be too defensive about taking the responsibilities of leadership; he argued, however, that since the decisions of political leaders might be wrong, they should be taken with particular care.

SUBJECT 3: The Consequences for Inter-Western Relationships of Detente Policies:

(a) The Economic Field

The American introducer of the session, defining the priority for the non-Communist world as survival and prosperity, emphasised that this had to be seen in terms of interdependence between the advanced nations and the less developed countries: the West needed their raw materials, and they needed Western know-how. The speaker raised the question whether the West should put its own house in order before embarking on detente policies, in order to work for detente from a position of strength. He emphasised that it would be fatal for the United States and West Europe to approach detente separately rather than unitedly. If there were no united Western approach, where could the necessary capital for world economic development come from? The Russians were challenging the Western economic system through the convertibility of the ruble, and the West appeared to have no united answer to this challenge. Was it even true that the West had an economic interest in detente in the first place, as the Russians certainly did? The West had sufficient markets already, and we should ask what detente would give us in addition. If we failed to keep the right balance between individual enterprise and governmental control, as between free trade and legitimate protectionism, the result would be the loss of the Third World to the Soviet bloc.

On the question of inflation, it appeared unfortunately likely that energy prices would again rise, precipitating inflation, which would be made worse by increases in other raw material prices. A recent speech by Professor Hayek in Chicago had re-affirmed that unemployment was the result of policies designed to produce full employment, and that the root cause of inflation was the excessive money supply. According to Hayek, Keynes himself had said, six weeks before his death, that policies of full employment, although inflationary in the short run, could be rectified by Keynes's re-converting public opinion to more restrictive policies when they became necessary. Certain of Keynes's disciples, for instance Joan Robinson, appeared to welcome inflation because it would end the free enterprise economic system: even though Keynes himself had not wished for his result, his doctrines led in that direction.

In conclusion, the speaker issued a warning against opening up the Western economic system to Soviet influence without first getting our own house in order and without defining clearly what we intended to get out of the process.

A British economist continued the discussion by examining the economic aspects of detente as they appeared to the Soviet Union. The report of the International Bank for Economic Co-operation for 1974 showed a rapid increase in trade and output for all the banks customers, and the share of COMECON in world exports had now risen to 10%. On the other hand, the Soviet Union, unlike the smaller members of COMECON, was not heavily dependent on foreign trade. However, there was considerable potential for trade between all COMECON members and the Western world. In terms of investment in industrial plant, the latest Soviet figures indicated that imports accounted for 5% of this investment. In some sectors - for instance acrylic fibre - there was much heavier dependence on the West, and in general, the application of technology in the Soviet Union lagged behind the level of theoretical knowledge there.

Turning to the broader issue of Societ participation in the development of a new international economic order, the speaker emphasised that such participation ought to make a contribution to stability. In fact, the Soviet Union, in its purchases from less developed countries, had purchased when the West was not purchasing, and this counter-cyclical purchasing policy helped the stability of prices for the products of the less developed countries. A report by the CIA, according to information in the International Herald Tribune in April, suggested that the Soviet Union was likely to increase its exports faster than its imports, but the speaker regarded this as unlikely in view of the shortages of basic commodities, for instance oil and timber, in the USSR. As for aid to the less developed countries, Russian aid was still very small, and the West ought to ask the question whether we actually wanted it to increase.

Assuming that the aim of the West was to improve the rules of the international economic order as a whole - and the Lome Convention had made a contribution to this end - we should ask how far the Soviet Union could be involved for instance by agreeing to abstain from destabilising purchases of grain. (The price fluctuation caused by the purchase in 1970, in retrospect, appeared only a slight one.)

Turning to the impact of economic transactions on Soviet society, the speaker argued that the Russians were likely to persist in keeping multi-national companies at arms length, though there were indications that this policy was now being modified, and Soviet management was likely to be somewhat more receptive to Western influences. The economic relationship between the Soviet Union and Eastern Europe now contained more elements of conflict than hitherto, so the Soviet Union was less likely to continue the generous subsidies of recent years. Instead of subsidising the trade of her COMECON partners to the extent of one third of the value of goods exchanged, the decision of January 1975 by which

Soviet export prices to COMECON would be put up, and the price paid for purchases from COMECON would be reduced, marked a radical change. There might be an opportunity for the West to exploit this new situation by increasing Western trade with the East European members of COMECON, but it should be recalled that from an economic point of view the West would do better from trade with the Soviet Union. Against this, it should not be forgotten that the West had important political motives for developing economic relations with certain East European countries, for instance (in view of the potentially highly unstable internal situation) Yugoslavia.

The first speaker in the ensuing discussion urged the West to remove restrictions on the transfer of technology to the Soviet Union. Soviet managerial attitudes, he argued, were changing, and the use made of Western technology - both in the Soviet Union and other members of COMECON - would be more efficient than in the past.

Against this, another speaker argued that the differences between Eastern and Western policies on trade were so great - in particular the high degree of centralised planning on the Eastern side - that the opening up of trade between West and East would inevitably be more advantageous to the latter. In particular the transfer of Western technology to the Soviet Union might only increase Soviet military strength, and it appeared that the recent British and French agreements with the Soviet Union had been concluded mainly for political motives. It was also argued that whereas trade agreements only regulated trade, co-operation agreements between the East and West would actually create it. Such co-operation agreements could have the advantage for the West of a flow of cheaply produced goods back to the Western market - though this carried with it the disadvantage that jobs in Western economies might be threatened so that it might be threatened, so that it might in some cases be better for the goods manufactured in the East to stay there.

The discussion turned to the general question whether economic interdependence between East and West would actually reduce the risk of war. It was argued that there was no necessary connection between economic interdependence and the reduction of political conflict, though the benefits of interdependence would certainly be greater if East-West transactions were arranged in such a way that the connection with the East helped the Western economy at moments of down-turn. On the question whether economic dealings with the West would simply allow the Soviet Union to devote more of its own resources to "guns" rather than "butter", it was argued that the Soviet budgetary system was inflexible: the outlay of resources on defence was unlikely to be increased if the West made resources available for investment in other sectors.

It was also suggested that in U.S.-Soviet grain transactions in particular, the Soviet Union had been able to exploit a scandalous situation in the U.S., in which several firms had competed against one another. It was then suggested that although the Russians had

skilfully upset an established market in the past, the lesson had been learned and East-West transactions were now regulated in such a way that the problem would not recur.

An American participant emphasised that we should not expect the Soviets to enter economic relationships in order to make life easier for the West. We had to establish our own rules for our own purposes, and to stick to them: for instance, the problem over grain sales in 1972 arose because the U.S. kept subsidies on grain for too long, and in 1974 the President had intervened more effectively.

The discussion turned to the capacity of the Soviet Union to adapt its "techno-structure" to take advantage of Western technology: unlike Japan, the Russians appeared weak in applied science, and bad at innovating, so that they had to return to the West for a new instalment of technology every five years - again, unlike the Japanese. The main reason for this appeared to be bureaucratic blockages in the Soviet system, and the compartmentalisation of society, which prevented the effective diffusion of technological knowledge and in particular - combined with the absence of the profit motive - made Soviet managers keep obsolete plant in use for much too long.

Reverting to the question whether the West could put its own house in order before pursuing detente, a North American participant argued that this choice was no longer possible. The West already had taken a decision to open up the Western economy to co-operation with the Soviet bloc, and the only question now was on what terms this co-operation should proceed. The West should insist on strict reciprocity in economic, social and political terms. This would require effective co-ordination with the West - though this should not entail excessive centralisation - to obviate any inconsistencies which would open the way for Soviet influence. The interface between the two economic systems could be managed, though the difficulties were enormous.

There was some discussion of the appropriate forum for this inter-Western co-operation, and attention was drawn to the particular problem of co-ordinating credit terms between all the customers of the Eastern bloc. It was reported that a "gentlemen's agreement" on trade credits for the East, between Japan, the United States and the EEC, was near to conclusion, and it was hoped to extend it to other areas. OECD and GATT, as well as the regular U.S.-EEC meetings, had a role to play in the co-ordinating process.

There was some speculation about the Soviet motive in encouraging direct contacts between the EEC and COMECON, and it was suggested that these contacts - which were likely to continue for some time at the low level of technical and statistical exchanges - were seen by the Soviet Union as a way of maintaining control over Eastern Europe.

It was argued by several participants that the West should encourage "consumerism" in the Soviet Union, to remove the differences between Soviet and Western societies. In connection

with this, it was suggested that the West should refrain from limiting exports of heavy capital goods - for instance pipelines - to the Soviet Union, since the result of banning such exports would be that the Russians would divert resources from consumer goods in order to produce the capital equipment themselves.

In contrast to the view that Russian policy making in economic affairs was inflexible, an American participant argued that the Russians had often shown themselves capable of producing new equipment very fast when they chose to do so: this had mainly been the case in the military field so far but it might in future be applied to consumer goods too.

A French participant pointed out that if the Soviet Union and other Socialist countries did become more fully involved in GATT, IMF and other Western organisations - as the West on the whole wished - there was no doubt that the existing commitment of these bodies to economic liberalism would be diluted. The West should be aware that a price would have to be paid for Soviet involvement. It was pointed out that some East European countries were already members of GATT, and had an interest in the IMF and in the development of certain sorts of international co-operation in satellite communications: their participation in the international body controlling maritime satellite communications had already changed the nature of this body.

On the question of co-ordination within the West and within the East, another French participant issued a warning against allowing the Russians to tighten their control over COMECON, at a time when unity within the West was declining. He suggested that the West needed not only more effective co-ordination - involving the U.S., Japan and the EEC - but also closer control by each national government of economic transactions with the East. In terms of science and technology, it appears that the Russians knew exactly what they wanted, and their own centralised approach to these matters should be matched by effective centralisation within the West. The lesson of Franco-Soviet economic co-operation, supervised by the "Grand Commission" was that the Russians always attempted to win advantages by playing off one group against another, if this were not prevented. In reply to this, an American participant expressed doubts about whether such co-ordination, within a Western society, could ever be effective.

Another American speaker argued that, however excited the Russians might be about the prospects of technological interaction with the West, we should not exaggerate the likely impact of this economic dimension on the political behaviour of the Soviet leadership. As far as the feasibility of co-ordination in the West was concerned, the Western governments concerned would at least stand a better chance of this if legislative bodies - in particular the U.S. Congress - would refrain from preventing the effective use of the commercial and economic weapons at the West's disposal. If the Trade Agreement of 1972 had remained in force, instead of being repudiated, it would have been possible to make the Soviet Union legally responsible for observing a set of rules and to enforce better behaviour. The Export-Import Bank, for instance, would in

normal circumstances be able to control the flow of credit to the Soviet Union, and to play a role in checking Soviet behaviour: it was frustrating that this normal functioning of the Bank was now impossible.

The session concluded with a reminder that the Russians now - as in the time of Lenin and even of Witte - needed Western economic help and that their political objectives should never be forgotten.

SUBJECT 4. The Consequences for Inter-Western Relationships of Detente Policies.

(b) The Military (including maritime) Field

The British introducer of this session posed the question how far economic and political transaction between East and West carried with them a "read-across" into military stabilisation. An indication of Soviet motives was given by a statement of Breshnev in 1973 to the effect that the Socialist countries must co-exist peacefully with the West until 1985 or so, concentrating on economic and military integration so as to be able then to "dictate the terms of their relationship" with the West. The Russians believed that the long-run decline of the West was certain, so that they could afford to be patient. In sum, detente had no military counterpart: even though economic transactions increased, the Russians still maintained large military forces, and even though these might be designed for defensive purposes, and represent the familiar forces of bureaucratic self-interest and over insurance by military planners, they represented a potential threat to the West. Both sides, indeed, were liable to plan their defences on the basis of inaccurate and exaggerated intelligence reports about the capacity of the other side. In the field of naval armaments, the reason for the substantial Soviet build-up was probably that the Russians saw the advantages to the West of naval strength in the Mediterranean, and wished to derive similar advantages not only in the Mediterranean but globally. Detente in the economic and political fields thus appeared to be totally discoupled from a large scale Soviet arms build up, which could be designed either for protection or for possible use to put pressure on a disorganised West. It was possible that the arms build-up on both sides might be controlled by MBFR, but a crucial problem was the irreconcilability of the definitions of security adopted by the two sides: both wished to maintain a safe level, in case something went wrong. The long term prospects for military detente were not hopeless - the Soviets were now suggesting an exchange of staff college students, for instance - but they should not be exaggerated.

In terms of Western public opinion, a great problem lay in the fact that the Soviet threat was not perceptible, even to people over 35 who might be members of cabinets in Western countries. Those responsible for defence planning found it difficult to obtain resources to maintain a credible military balance, when there was no tangible evidence that the Soviet Union was thinking of aggression.

It was even hard to convince cabinets that unilateral Western reductions would increase the risk of war by miscalculation, in other words would actually increase the threat of war.

The speaker emphasised that the Soviet military build-up which had begun in the years after the Cuban crisis had developed a self-perpetuating momentum; the Soviet Union was building up its forces on the Western front and also on the frontier with China and even though the Chinese frontier might get priority in a time of crisis, this was not the case for the moment.

An American participant asked whether detente meant an overall stabilisation of an antagonistic relationship, or, more modestly, agreement only on a limited range of technical issues. He was personally inclined towards the latter interpretation, and emphasised that the problem of keeping up military spending in the absence of a visible Russian threat was particularly acute at a time when defence costs on the Western side were escalating because of inflation. Many Western governments were under pressure to cut their military strengths - and were giving way to this pressure - at a time when several local conflicts prevailed in different parts of the world, for instance in the Mediterranean. In relation to the military balance between the superpowers, the declared aim of the United States was "essential equivalence", but the Chinese and Russians accused America of aiming for supremacy. Many Soviet leaders - for instance Suslov and Gretchko - argued that the West was being compelled to adopt a policy of detente through the growing military strength of the Soviet Union and this encouraged them to go on building up Soviet strength in missiles, naval and land forces, to the point where Soviet military power could be projected very far away from the Soviet Union. According to recent CIA estimates, the Soviet Union was now spending 20% more on defence than the United States. The SALT Agreement in Vladivostock, the speaker argued, set limits on missiles, and allowed some missile forces to be moved out to sea by permitting the mixing of different kinds of launchers, but the follow-up to this agreement presented serious difficulties. In MBFR, progress was slow, but an initial agreement in 12 or 18 months' time appeared likely. The U.S. administration was not under congressional pressure to hurry, and this made it possible for the details to be got right. In the CSCE , certain proposals under discussion could help the West - for instance the prior notification of military manoeuvres proposed as a "confidence-building measure", if this included manoeuvres inside the Soviet Union - and the conference should not be seen entirely as harmful from the Western point of view. In this context as in others, the speaker emphasised the need for Western governments to see their defence as a collective enterprise, and not to try to seek their own security at the expense of their allies. From this point of view, the supporters of "minimal deterrets" in the United States were as dangerous as supporters of a provocative and over-reactive nuclear pasture: the policy of "limited, selective and flexible" response supported by the present Secretary of Defence represented the right balance.

A British speaker argued that the main question was the nature and perception of the military threat. There was, he argued, a

perceptible threat from the USSR, and it was wrong to suggest otherwise. It was patently dishonest for the Russians to argue that the West - at this time of Western cuts in military spending - was ready or willing to attack the East. The high Russian level of rearmament was motivated, perhaps, in part by a wish to ensure the cohesion of the Warsaw Pact, and partly in order that disarmament, if it occurred, took place from a high base line. At a time when the Russians were clearly intervening quite actively in Portugal, and when there were visible links between Middle East tension and the East-West balance in Europe, we should not accept that there was no Soviet military threat, but rather educate Western opinion on its nature. In response to this argument, it was suggested that Soviet intelligence experts too could write a scenario indicating that the West was fishing in troubled waters, for instance in Yugoslavia. Other speakers added that the Russians still did have a genuine fear of possible West German intervention (notably in the GDR), and that the Russians genuinely did feel encircled by Western strength.

A British speaker argued that the Russians clearly hoped to gain some political advantages in leverage on the West from their military strength, and that the SALT negotiations should not really be regarded as part of detente, but merely the reflection of a joint interest in imposing some limits on nuclear armaments. As for MBFR, the Russians were not in this in order to save large amounts of money and other resources, but to ensure for themselves a "droit de regard" on Western arms programmes, particularly in West Germany. This speaker advanced the argument that a re-introduction of military conscription might be a useful way to bring home the nature of the international threat to the younger generation, but other members of the conference, speaking from continental European experience, responded that conscription would not have this effect.

An American participant emphasised that the Russians genuinely wished for "equal security" instead of "essential equivalence", because they saw their country as surrounded by hostile forces - especially those of China - and for this reason needed higher force levels than the USA. Some Russian leaders, it was reliably reported, wished to make a more open threat against Western Europe, to underline the degree of military power they possessed: others, however, were more cautious.

The discussion turned to the particular problems of the Southern flank of NATO, and it was argued that the main problem was the maintenance of the efficiency and cohesion of the alliance in the face of the Soviet naval build up. It was argued that the French redeployment of two aircraft carriers to the Mediterranean, and the extensive capacity of the US second fleet to penetrate from the Atlantic into the Mediterranean, together with the Italian naval budget increase, would help to improve the situation.

A participant from continental Europe argued that it was not essential to have a sense of external threat to inspire readiness for a collective European defence effort. He asked why the Europeans could not develop a sense of mission, of the kind which

used to inspire national readiness for defence efforts, without the stimulous of an external threat. It was clear that the European Community as such could not enter into the defence business, but could not a military dimension be included in the forthcoming report by Tindemans on European union? (The speaker recalled that the Netherlands government, for instance, was particularly keen on political union and defence co-operation). Perhaps a defence role for Europe would help to bring back France towards her European partners, and political co-operation (which clearly appealed to the British government) would lead naturally to the idea of defence co-operation in British thinking.

An American participant observed that if the Europeans were trying to construct a European defence identity largely in order to save money, he would prefer the prospect of spending being kept constant and the military performance being improved. Until Europe was politically constituted in such a way that it could take decisions on foreign policy and defence, the US would inevitably continue to play its leading role. A British speaker expressed doubts about the possibility of European defence efforts being spurred on by a sense of mission: he was opposed to any idea of an imperialist mission, and a defensive one surely did require an external threat. In response to this, it was argued that the United States was clearly prepared to make big defence efforts without having any overwhelming sense of an external threat, and without any sense of an imperial mission acting as a substitute.

Reverting to the argument that many Western countries were cutting their arms budgets in response to short term political pressures, one participant argued that in times of economic difficulty, cutting an arms budget might be the right thing: an excessively large arms budget might make social and economic problems worse, so that the system could be more and not less readily undermined from outside. It could also be argued that economic constraints would have the beneficial effect of enforcing a more rational division of labour within the alliance, and a really effective co-ordination of procurement policies. Other participants argued that this was not so, that this argument had been familiar for almost 20 years, and that the wasteful duplication of national programmes still persisted. It was however argued that the new "two-way street" concept at last offered a reasonable and promising framework for a trans-Atlantic division of labour. There would still be the obstacle arising from the fact that large national investments were made with a view to production 10 or 15 years ahead, but some progress towards rationalisation now appeared possible, particularly as high level politicians in the Euro-group endorsed the "two-way street".

The final part of this discussion reverted to the question of the potential strength of the Soviet Union: a British participant recalled that the Soviet Union was now, in 1974-75, at the peak of its demographic strength, and that the achievement of high levels of military manpower would become progressively more difficult. He also urged the conference not to forget that NATO had other purposes besides that of warding off a Russian threat:

it should also be seen as a device, for instance, for keeping the Greeks and Turks apart.

SUBJECT 5. Consequences for Inter-Western Relationships of Detente Policies.

(c) Political and Social Aspects and Crisis Management

A German participant, introducing this session, argued that the West should not be worried by any fear that a competition was being lost through the pursuit of detente. Detente was not the only process at work in the world, indeed not even one of the main forces at work: for instance, the shifts in structural elements in the economic system (involving particularly relations with the Third World and the "Fourth World") were more important. These forces had a profound effect on all parties to the detente process, in the East as well as the West. Again, even though there was a domestic impact of detente within society, this was clearly at work on the Eastern side too: even though "roll-back" in the sense used in the 1950s had not come to pass, something of a "roll-back" phenomenon was at work within the Soviet bloc. In the Soviet Union and East European countries, dissidents had been able to support their position by reference to speeches and declarations made by their leaders in the course of East-West negotiations. The liberalisation of societies on the Eastern side would of course be hard to achieve, but this should be seen as part of a wider phenomenon: the current state of Portugal - struggling to become part of the free world to which it had not belonged before - suggested that the modernisation of dictatorship was a difficult process wherever it occurred.

The speaker argued strongly that detente was good for liberty in the East, and warned the West against feeling that we had achieved enough, and should now break the process off. On the contrary, it was the Russian and East European leaders who wanted to stop the process of detente since it allowed too much liberalisation. Their answer was repression, and the West should not encourage this.

The problem of Western cohesion was in some way accentuated by detente, since the Western alliance faced new problems as well as the continuation of the old ones. On balance, however, the process of detente had not prevented a big improvement in relations between the Western countries, whether one looked at NATO or at OECD. European-American relations were now much better than a few years back, despite the lack of formal institutions, and the Trilateral Commission, including active Japanese participation, was also working well. The speaker argued that the governments of the "free world" were acting in reasonable harmony, and possessed all the instruments they needed for successful cricis management.

Turning to EEC-COMECON relations, the speaker criticised both sides for thinking of these relations in mechanical terms: it should be realised that the two organisations were radically different, so that even if the two super-powers achieved closer

agreement, and the two German states followed suit, it would not necessarily follow that EEC and COMECON should get together. We should beware of the argument that the EEC by playing a larger part in the East-West dialogue, would allow the Russians to use COMECON as an instrument for increased control over Eastern Europe. If the Russians wanted to do this, they would do it anyway, irrespective of any action by the EEC. The proper aim for the EEC was to build up its own structure, holding open the doors for links with the East, rather than to hold back on its internal development in order to wait for the East.

The speaker took issue with the argument that the West in general should give priority to "getting its own house in order". While accepting that the West had many problems, he urged the conference to note that democratic societies possessed substantial advantages over Communist ones. Even the unemployed in Western societies had a better life than those in work in the East, and the "regulated market economy", despite its current problems, worked in general very well. The question whether governments could function and whether the societies could remain governable in times of economic stagnation, was a much more serious one for Brezhnev than for Ford. Democratic societies could adapt flexibly to new problems in a way which was impossible for Communist regimes. The crisis - if indeed there was one - was a crisis of self-confidence: optimism should not be confused with blandness and complacency, and the West should go forward in detente policies with a sense of pride in its own strength.

The first American speaker reverted to the question how far Soviet military strength was being used to put political pressure on the West. He argued that Soviet behaviour was now in many ways more cautious than ten years ago, and this appeared to be because the Russians now understood the dangers of the military balance of power better. It was hard to argue that the rise in Soviet military power had in fact led to qualitative changes in their international behaviour. One reason for the relative moderation of Soviet policy was that the shift in the military balance in favour of the Soviet bloc had fortunately not affected the cohesion of NATO, which was more vigorous than in the past.

This speaker agreed that Western societies were capable of solving their domestic problems (capitalism was not in its final crisis), and that the forums for the "new agenda" of international relations existed, in the OECD, IMF, IEA and the rest. The essential question, however, was whether Western countries would tackle both their internal and their international problems in ways that would enhance their military strength. Many Western countries now appeared to accept the argument that an economically sound nation was in a better defensive position against Communism than a military strong one: there was something in this argument, but it should not be exaggerated. Again, the swing to the political left in Western Europe was dangerous despite the unorthodox views of the Communist Party in Italy, there was no doubt that an Italian government including the PCI would be less attached to NATO than the present one, and the effect on Italy of current events in Portugal could be very strong. A Communist takeover in Portugal appeared unlikely, but some of the more likely

alternatives - including general uncertainty - could have more destabilising effects. How would the countries of Western Europe in fact adjust to the proximity of increasing Soviet power? From the point of view of the US, the American role in Europe would still be important, but - the speaker asked - would this role be effective in consolidating a constructive European response to this US commitment?

A French participant urged the EEC not to help the Russians to increase their grip over COMECON, and argued that the impact of detente on the nature of Soviet society could be quite considerable: the problems posed in the Soviet Union might be quite different in five years from those of today. The apparent unity of the Soviet leadership today - compared with the acute divisions of the 1960s - might be deceptive, and the apparent stability might give way to renewed turbulence when the question of the succession arose. The new leaders, another participant observed, would surely feel more secure than the men of Brezhnev's generation, who were deeply marked by the pre-war purges and by the experience of World War II. The new leaders would stress the need for more efficient production, and would know the West better, and they would also start with the assumptions of leaders of a rising super-power, not the complexes and hang-ups of survivors of World War II. In many ways, they would be like their Western counterparts, but the question was how tough they would in fact be to deal with.

The discussion reverted to the question of armaments budgets as a factor undermining the viability of Western economies, and a British participant argued that if inflation continued at the current rate, Western democratic systems would surely fall to a combination of internal extremism and Soviet pressure. There was evidence - from a Czechoslovak defector of the 1968 era - that the Russians planned a Communist takeover in Portugal, in two stages, to be achieved by about 1976.

The opening speaker's optimism about the strength of the West was challenged in other aspects too. Even if unemployed people in the West were well off, it was argued, there was ample evidence that poverty in Western societies was on the increase. Western governments might not be able to meet the economic needs of their people. Again, it was argued, it was unrealistic to assert that economic difficulties were harder for the Russian leadership to cope with than for Western governments: the Soviet leadership, after all, did not have to satisfy the demands of consumers. So long as they prevented hunger in the big cities, they could hold on to power.

There was strong discussion of the nature of Soviet interests in Portugal, and it was argued that the Russians might prefer to see a radical Communist supported regime there, since this would - like the Allende regime in Chile - involve great risks of international disorder. The Russians appeared to be giving contradictory advice to different West European Communist parties - in Italy, France and Portugal - which resulted in confusion. It was also argued that one factor restraining the Russians in Portugal might be their overall relationship with the West, which

would surely be damaged if they pushed for complete power there. If Portugal did go to the extreme left, it was argued, Portuguese representatives could hardly be kept in the committees of NATO, since any exchange of views on strategy would be stifled. It was recalled that NATO had already dropped out of the Nuclear Planning Group, but the general shift towards a neutralist position was mitigated by the recent declaration of the Portuguese Prime Minister that he wished his country to stay in NATO, so as not to upset the balance of power, which - by promoting East-West detente - gave Portugal its best hopes for stability.

On the internal development of Soviet society, further arguments were brought forward to indicate the growth in pragmatism. It was suggested that the Soviet military - a highly professional body of men - would play a bigger role as a result of the renovation of the Politburo due in the next five years, and that the army might get considerably more power at the expense of the party, now seen as increasingly parasitic. At lower levels in society, industrial management also was now more pragmatic: the manager of a Soviet factory which was not doing well, instead of being despatched to Siberia as he would have been in 1953, would by the late 1960s go to the Ministry of Foreign Trade, to get more machinery from Germany and elsewhere to fulfil his production quota.

The discussion reverted to current trends in Western societies and emphasis was laid on the fact that so many university graduates appeared unwilling to get into the capitalist system and make it work better. It was however pointed out that certain professions connected with the economic system - for instance accountancy and law - were still in great demand.

An American speaker emphasised the central role of inflation in weakening the economic position of the West, and argued that the monetary system of the West should be subjected to much stricter discipline.

There was some discussion of the relationship between convergence and detente. One British participant argued that a radical separation needed to be made between the two: detente was a process of intergovernmental relations which went back as far as the 1950s, and had no connection with the hypothetical convergence between Western and Soviet societies. It had no connection with the Vietnam war either: in fact, as an influence on the general development of US foreign policy, Vietnam had been less important than international economic developments in the 1960s and 1970s, the changes in Sino-Soviet relations and the development of America's own relations with China.

Reverting to the possible impact on Italian foreign policy of the PCI's entering the government, a participant with expert knowledge argued that the presence of the PCI would hardly make the government less enthusiastic about defence than was the present coalition. The PCI had accepted the need for West European defence co-operation in principle, and this might offer a means of absorbing the PCI into the Italian political system.

A more serious problem, however, was that of the economic and political fragility of Southern Europe as a whole. The outside world should make special allowances for the apparently dramatic nature of political developments in Italy - as in Portugal - and accept that fruitful development might be the result of an apparent shift towards Communism.

This led to a warning, from a French participant, about the danger of generalising about "Western Europe" as if it were a single entity. The balance of political forces, and the nature of the economic situation, differed vastly from one country to another. For this reason, it was not enough to rely on diplomatic manoeuvres and "political co-operation" to bring Europe together: all this was fine in its way, but something more profound was needed, nothing other than the mobilisation of the political forces within the Nine through direct elections to the European Parliament and other institutional improvements which would bring the European Community institutions nearer to the grass roots. Relations with Spain and Portugal, again, were an area where the approach of the Nine need not be co-ordinated in every detail with that of the USA: a certain degree of decoupling was desirable.

A British speaker disputed the view that the PCI did not have to be regarded as strictly part of the international Communist movement: this was a comforting myth which had been propagated by many people, including the Italian Right, for years. If the Western Alliance cold-shouldered the Spaniards, when they asked for recognition of the considerable contribution they had made to NATO, and at the same time brought Communist parties into the military defence arrangements of the West, we should be in great trouble. Turning to the problems of East-West crisis management more generally, the speaker argued that the principle now agreed between the United States and the Soviet Union - that both sides should approach crises without trying to win advantage from them - could be fruitfully applied to other aspects of East-West relations. It could be valuable, he argued, to build up a complex web of economic, technological and other relationships between East and West, which could be brought into play when a crisis arose the more factors of common interest, extraneous to the sources of any particular crisis, the better the chances of moderating Soviet behaviour. This recommendation appeared to be confirmed by recent history: in the case of the Indo-Pakistan war, in the Yom Kippur war, and even in the war of 1967, economic links between the Soviet Union and the West had been useful. These links - together with the military dispositions of the West - had helped at the time of the Indo-Pakistan war (when India appeared to be aiming to dismember Pakistan), to get Russia diplomatically active in New Delhi, and in 1973 the same factors that held them back from unilateral intervention in the Middle East. The allies of the United States would be happy with a continuation of these special relationships between the United States and the Soviet Union - relationships which often require such quick action that US consultation - at least on the immediate

crisis, as opposed to general principles - would be impossible. The speaker looked ahead to a time when Western Europe would organise itself effectively for its own military defence: then Western Europe, too, might have to act quickly in a crisis, taking action without first consulting the US.

SUBJECTS VI and VII: The Effect of Western European Institutional Developments, and of Divergences between U.S. and Western European policies on Detente (and on other External Matters) on the Cohesion, Purpose and Sense of community of the Atlantic Power.

An American speaker, introducing Subjects VI and VII of the original conference agenda, emphasised that Western European institutional developments were not in themselves a problem for the United States. Recalling the history of East-West relations since 1945, he noted that the Cuban missile crisis of 1962 had ended a period of threats and boasting by Kruschev, and that the Russians in the ensuing years had concentrated on building up the economic basis of their military power. This apparently more moderate Soviet behaviour, together with the rise of Sino-Soviet tension during the 1960s, had persuaded the West (Europeans more than Americans) that the Soviet threat had diminished. By the early 1970s, President Nixon had - quite correctly - aimed to establish better relations both with the Soviet Union and with China. This situation had induced the Russians to move towards the U.S., with the result that the 1972 SALT agreement had become possible. It was understood that the principles agreed in 1972, and in the Washington agreement on the prevention of nuclear war, would be applied to SALT II, to the Middle East, and to Vietnam, but the United States had been disappointed in all three areas. Soviet behaviour in the Middle East war in 1973, in particular, had shown no signs of self-restraint. As for the SALT negotiations, the value of the Vladivostock agreement was strictly limited.

The result of this situation, the speaker concluded, was that East-West detente was now an unpopular or uninteresting theme in the United States: it was connected with ex-President Nixon. More generally, American opinion was worried by the failure in Vietnam, and was reluctant to support any new extension of American power abroad: the development of this mood, combined with anti-American tendencies among the younger generation in Western Europe, could lead to the risk of a large extension of Soviet power - currently not a serious danger - becoming a real one.

A European participant reverted to the question of Western European institutions, emphasising that these were only slowly eroding the differences between national interests. In the current economic difficulties, states tended to argue that their own economic problems had priority, and since these problems were regarded as internal, national leaders sought remedies on a national basis. The governments of the Western world all tended to look inward: it was not only in Britain, with the particular problem of the referendum campaign, that attention was focussed mainly on

internal issues and personalities.

The United States, it was argued, must accept for some time to come the need to deal with the national capitals of Western Europe, rather than with Brussels, as European states dealing with pre-Civil War America would have had to deal with Richmond, Montgomery and Charleston rather than Washington.

As for East-West relations, the big difference between Washington and Western Europe remained that of perspective: the United States was concerned with the global power balances, whereas the capitals of Western Europe needed to cultivate friendly relations with the Soviet Union for their own reasons of politics or publicity. Western European criticism of U.S.-Soviet detent, and accusations of a Soviet American condominion, had to be judged by reference to the domestic political concerns of Western Europe. These concerns, in every country of the alliance, must be tolerated by the other members. The cohesion of the West was more threatened by impatient or abrasive behaviour by Western leaders themselves than by any likely Soviet action. The Soviet 'threat' had provided a scaffolding for the U.S.-European relationship in the 1950s and 1960s: now the building must stand on its architectural merits alone.

A British participant expressed a warning against approaching West-West problems only via East-West ones, as this conference was tending to do. This approach, he argued, resulted in the by-passing of the central issues facing the West, and the main relevance of the two themes to each other was simply that the West could deal better with the Soviet bloc from strength than from weakness. He suggested that the task of putting the West's house in order had three main dimensions: firstly the achievement of more clarity and certainty of purpose in the cultural and intellectual dimension (including particularly the achievement of a proper perspective on Keynesian economics); secondly the resolution of the problems of internal economic policy, in particular the allocation of the GNP between incomes and other spending; and thirdly the acute problems of the international economic situation. On this third issue, the speaker expressed great concern: no agreement was in sight even on such elementary matters as the future of gold, the rules to be adopted for the floating of currencies, and the co-ordination of policies on energy. Both on oil and on raw materials, all the work and experience accumulated by experts over the years was being ignored by the politicians. How could we, the speaker asked, move towards a 'new international economic order'? It seemed easier for Western governments to agree on issues of politics and military strategy than on the economic questions which bit into the electoral prospects of politicians, but the effort had to be made.

An American speaker argued that the economic situation of the West was not as bad as a few months ago. The supply and demand

situation in the energy field appeared to be stablising, and even though the price of oil might rise this Autumn by $2 a barrel, this was not the main issue. It was more important for the oil consuming countries to decide clearly, before entering into negotiations, what exactly they wanted the IEA or a producer/consumer meeting to achieve. The role of Western governments and of private companies in ensuring oil supplies for the West should be reassessed, and some of the proposed IEA arrangements - particularly the agreement on sharing - needed further study, since the implementation of this agreement in a new Middle Eastern crisis would be very difficult unless the momentum shown in the earlier months of planning were resumed.

Turning to the economic situation more generally, the speaker suggested that the Lomé agreement and certain other plans now adopted were more advanced than those proposed so far by the United States. The speaker recalled that in the forthcoming electoral campaign period in the United States, effective answers to international economic difficulties might be harder to achieve.

A participant from the Middle East recalled that the Russians, far from supporting OPEC from the beginning, had supported it only when they had to. When Iranian gas supplies for the Soviet Union had been agreed, the Russians were unhappy that the price had to be based on that of oil in the Persian Gulf. Similarly, the price of gas from Afghanistan, supplied to the Soviet Union, had gone up to the same level. Contrary to the impressions of some Western observers, the Soviet Union's relations with Iran and Saudi Arabia were not particularly close. The speaker recalled that in February, many Westerners had been misled into thinking that the oil problem had been solved. In fact, what had happened was that a mild winter and reduced consumption had brought about a partial solution only. From the point of view of the producing countries, the reduction in the extraction rate was very welcome: for instance, Iran was delighted that instead of the projected supply of 6.8 or 7 million barrels per day, the current rate was down to 5 million. At the same time, the producing countries were dissatisfied with the failure of the consumers to agree to the indexation of oil prices, particularly at a time when the prices of machinery imported by the producing countries had risen by 50% in a very short time. The West ought to adopt a more generous and realistic approach.

A French participant argued that France's refusal to join the IEA was explained by the decision taken by other members to go beyond a form of institution which was useful, and to develop a new machinery for political purposes. He emphasised that there were no fundamental differences between Western countries on the problem of how to live with the power of the Soviet Union, since all Western governments agreed on the essentials, and on the need to try to co-ordinate their policies. An important obstacle to this, however, arose from the fact that

in the 1970s - in contrast to the late 1940s and the 1950s - there were many issues in US-Soviet relations which had nothing to do with the affairs of Europe. Many matters of global importance now had to be discussed directly between Washington and Moscow, and this decoupling of the super-power relationship from the situation in Europe led to a situation where West European and American perceptions might differ considerably. One reason why France was not keen to resume her membership of the NATO structure was that this might drag her into a conflict arising in an area of no concern to her. The 1973 US-Soviet agreement on the prevention of nuclear war could be said to reflect the way in which the super-power and European levels of East-West relations were apt not to coincide. On many issues - for instance the Mediterranean - an effective division of labour between the United States and Western Europe might be possible. For instance, on the Greek-Turk issue, Europe had a point of view which could be promoted by collective action, co-ordinated with but distinct from US approaches to the same issues. It might be appropriate for Europe, as the process of political co-operation between the Nine developed, to take a relatively more active role, and for the United States to limit its activities, while at the same time giving overall strategic protection of the operations undertaken.

An American speaker responded that Dr. Kissinger's speech of April 1973 had indeed drawn attention to the problems arising from the discrepancy between America's global role and Europe's regional one. This distinction, he argued, had been intended diagnostically and not prescriptively, and its correctness had been confirmed by European statements at this conference. From the American point of view, shifts in the moods and priorities within the United States meant that the US government had seen the US-Soviet problem globally, but it also realised that the problem could not be dealt with globally. This was the background to the idea of a five-power world, in which an increased number of power centres would emerge and take their share of responsibility. The United States did indeed want Europe to take on special responsibilities in the Mediterranean, and did indeed want to interpret NATO as covering much broader issues than merely the East-West balance in Europe. From the American point of view, European political co-operation was most welcome, and it was to be hoped that Europeans would now lift their sights towards sharing with the United States the responsibilities of promoting world order.

Another American participant insisted that the West's approach to the problems of inflation and so forth must be international. Even if politicians began by imagining that they could deliver the good within a national framework of action, their own constituents would be sure to see that this was not possible, and would then accept a lead towards international action. This would be all the more necessary if the extortionate rises in the price of oil continued: inflation throughout the world had been made 20% or 30% worse during 1974 by the rise in the price of oil, which had severely worsened the balance of payments of many Western countries and had led to strains and conflicts between them. It was irresponsible for the oil-producing countries to impose further demands on the West, at a time when the Soviet bloc - not being dependent on imported oil - could stand aside and profit from the situation.

A British participant responded by suggesting that the price of oil was determined essentially by the balance of political power between producers and consumers. The real issue, rather than the re-cycling of money, was the transfer of real wealth from one country to another, through the purchase of property in the West by the oil-producing nations.

A French speaker further emphasised the political aspects of oil prices by querying the optimistic view that market forces would bring the price down: on the contrary, this view, by failing to allow for political solidarity between the OPEC countries, left out of account their capacity to co-ordinate production cuts in order to keep up the price. The United States, he argued, should counter this political solidarity by putting more pressure on Iran and Saudi Arabia. Unless the United States dealt more effectively with the producing countries, the whole structure of sharing and other arrangements envisaged by the IEA was unrealistic.

Another speaker drew attention to the difficulties of co-ordinating European and American policies, at a time when there were great problems of internal co-ordination both between the member states of the European Community and between Congress and the President in Washington.

An American speaker argued that detente did represent in general the right line of policy for the West, provided it was properly understood: detente, he argued, did not mean friendliness, or even co-operation with the Soviet Union, but essentially it meant survival and the working out of rules on how to play the politics of the balance of power (not whether to do so), in order to avoid "a nuclear event". Foreign policy, he argued, now had to be 4-handed: one hand was needed for shaking, one for signing agreements, and one each for holding a sword and buckler. Furthermore, a policy of detente towards the East made a close co-ordination of European and American positions essential. On the Middle-East, and on other trouble spots, a more effective division of labour between Western Europe and the United States ought to be worked out. The speaker also issued a warning against underestimating the rate of advance actually achieved in the European integration process: it was partly because the exaggerated hopes of the pioneers had been disappointed that Europeans often failed to see how much actually had been achieved. The speaker emphasised that the economic problems of the West called imperatively for a solution - in which Japan which must be involved - without which any talk of detente with the East would be meaningless. He suggested that the EEC - which had set an impressive example through the Lome agreement - might take the lead in working out imaginative models for the solution of the West's economic difficulties, in a sort of exchange for the United States undertaking the main role in the West's military defence.

A British participant agreed with the view that detente was the right way forward, and suggested that the continuation of the dialogue with the Soviet Union gave the West a chance of managing the relationship effectively and fruitfully. Political co-operation between the countries of Western Europe - as practised with great success in the CSCE, when it had been followed by co-ordination between European and American policies through NATO - offered a good model for future means of procedure. He suggested that the United States would be ill-advised to veto any West European policy initiative (not that he regarded this as likely), and suggested three general guidelines for the West's detente policy in future: firstly, the US should resist any Soviet attempt to develop a bilateral dialogue, in which the US would impose its will on its allies as the Russians did in the Warsaw pact; secondly, the US should always consult Western Europe in advance of important action, avoiding the deplorable degree of non-consultation which had prevailed in the run-up to the 1973 Middle East crisis; thirdly, the EEC countries in their turn should make a firm effort not to cut themselves off from the United States, for instance, by repeating the ill-advised attempt to define a "European identity".

Now that the British Referendum was over, the EEC must go forward or it would go back: President Scheel's expectation that Europe would have a Minister of Foreign Affairs and a Minister of Defence by 1980 was clearly now unrealistic, but these things must come with time, and the United States, as an adult federation, should guide the faltering steps of the baby federation of Western Europe. On specific issues, the speaker argued that the West should not press for a permanent institution to follow up the CSCE, but should press its own interests, which lay in Baskets 2 and (above all) 3 ; he argued that SALT II might work, provided the US kept the allies informed, though any real disarmament was unlikely; and that MBFR was unlikely to achieve any more than an agreement to maintain present arms levels. A European role in defence, he argued, was acceptable, but not a European nuclear force: quite apart from the consideration that European nuclear forces (e.g. the British) depended on the NATO-wide early warning system and on the maintenance of the ABM agreement, a European nuclear force would either bring Germany in (in which case detente would be finished) or would exclude Germany (in which case the EEC would be finished). European co-operation in conventional defence could develop, however, and so could European arms production, provided the US took a tolerant attitude towards the economic problems of the infant European arms industry, and refrained from exploiting the advantages of scale to the limit. The speaker issued a warning against expecting too much from West European initiative in certain parts of the Mediterranean: in Yugoslavia, for instance, Europe should not take the lead since the US-Soviet special relationship must be brought into play to stabilise the future situation.

At the close of this session, another British participant warned the Americans not to entertain any expectation that the EEC would take an effective initiative to solve the world's monetary problems: although the EEC could and should try, it should be remembered that the Marjolin Committee had unanimously reported that monetary union in the EEC was most unlikely unless institutional and political developments were achieved first.

CONCLUSIONS

A Canadian participant, opening this last session, emphasised that the solution of the West's internal economic problems was an absolute prerequisite for any effective foreign policy, whether on East-West or on North-South problems. The West, he argued, should be politically assertive and positive in dealings with the Soviet bloc, though not provocative. The Russians should be forced, in exchange for the Western technology they were acquiring, to adopt rules of civilised international behaviour. In this context, the CSCE had marked important successes for the West in terms of opening possibilities of internal change in Eastern Europe. The judgment that repression in this region was increasing was either premature or an indication that the CSCE had effectively planted the seeds of dynamic movement in Eastern Europe. The current represssion would be countered by the natural urge of the East European populations for closer links with the West. All this, however, required a unity of approach in the West, and the maintenance of Western strength, so that the East-West relationship could be managed in aid of mutual security. Western European unity was important, but crisis management at the Atlantic level was important too, and a prerequisite for this was a harmonisation of the perceptions of East-West threats between different members of the alliance. The partnership between Europe and the United States could never be an equal one in terms of power, but it could be a real one provided the Europeans overcame their internal differences. The special role of Canada in Atlantic relations should not be forgotten, and neither should the importance of Japan.

A French speaker reverted to the question of France's membership of the NATO command structure, and argued that the Russians knew very well that this did not affect France's commitment under the treaty. France's absence from the Eurogroup and IEA, he argued, was not significant, because these organisations had little practical importance in terms of real issues. He urged the conference not to forget the genuine differences of interest between the members of the alliance: Europe, for instance, had the problem of ex-colonies, while the USA did not. There were also economic and structural differences between Western states, which had a bearing on East-West relations. In the CSCE, for instance, the state-controlled educational and mass media systems in West European countries on the Continent could interact

with the Eastern system more readily than the decentralised institutions of the United States and the United Kingdom. Consultation in the Western alliance might be more effective if the Americans refrained from asking their European allies to undertake new verbal commitments and to accept abstract declarations, and talk to them instead about concrete matters. The formula of political consultation between the Nine, followed by collective co-ordination with the United States, appeared promising. In the Mediterranean, for instance, there were some problems which were suitable for a direct approach by the Nine, with the United States holding back. This was true, for instance, of the problem of Communist influence in Portugal and Spain.

Lord Chalfont, presenting a further paper (attached) which summarised the main themes of the series of conferences, insisted that detente did not mean the same as peace, but merely meant the relaxation of tensions. The pursuit of detente, he suggested, carried with it the danger or threat of instability or weakness in the West. This threat, despite changes in the policies of the Kremlin, remained constant, and it had been under-estimated in this conference, since it had repeatedly been described merely as 'potential'. In reality, Soviet naval strength had been extensively built up, and this was a threat which, combined with the current rate of inflation and other factors of social tension within Western societies, gave the Soviet Union dangerous opportunities for taking advantage. Even though the Russians might not be expecting the final crisis of capitalism, they might well decide to exploit any crises which they saw arising. It was necessary to examine the situation in Portugal and in Italy very closely, in order to assess overall Soviet strategy and tactics. Negotiations with the Russians, whether on CSCE issues or on the Middle East, would raise great difficulties.

Another British participant emphasised that while the Russians might not aim at aggression against the West, they would inevitably be tempted to fish in troubled waters if the West allowed its economic problems to get out of hand. Despite the costs of defence, the West needed an effective conventional capacity for the first defensive response, as well as tactical and strategic nuclear weapons. It was necessary in dealing with Portugal and Italy, he suggested, not to drive them away from the Western alliance; the prospect appeared to be that Portugal and Italy, subject to varying degrees of Communist influence, could try to remain militarily active in NATO, even though they chose to go for more active diplomatic relations with the Soviet Union.

An American participant commented that the distinction between long-term and short-term prospects was important. The long-term trend in Soviet power had to be distinguished from the rise or fall of Soviet strength in any given region. Again, there were many areas - such as the Middle East - where the behaviour of local powers was more likely to precipitate events than any pressure from outside. Although the rise in Soviet naval

strength was impressive, the lines of communication of the Soviet navy were still, at the present time, more fragile and tenuous than those of the British navy at the turn of the century or the American navy after the Second World War. It was thus an illusion to argue that every dimension of Soviet strength was powerfully increasing all the time.

A British speaker added the consideration that the economic position of the Soviet Union and her allies was not uniformly favourable either. In the current five-year plan (the 9th plan), the production of consumer goods should have overtaken capital investment, but this had failed to occur because of failure to meet the targets indicated by the plan, so that a five-year plan was being seriously under-fulfilled for the first time since the first five-year plan of 1928-1932. Since the Russians were failing to fulfil their own plan, their talk of the general crisis of capitalism appeared to be subdued.

The session concluded with a reminder that Western governments should handle the situation in Portugal with care, in order to avoid precipitating the wrong evolution in Spain, and a further reminder that, in dealing with the Soviet bloc, the distinction between the Soviet Union and the other Eastern European countries should be very clearly kept in mind.