

83D CONGRESS }
2d Session }

SENATE

REPORT
ON
EUROPEAN MISSION
BY
BRIGADIER GENERAL JULIUS KLEIN
SPECIAL CONSULTANT TO
SUBCOMMITTEE ON ARMED SERVICES
COMMITTEE ON APPROPRIATIONS
UNITED STATES SENATE



SEPTEMBER-OCTOBER 1954

Printed for the use of the Committee on Appropriations

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1955

55772

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LETTER OF TRANSMITTAL

Hon. STYLES BRIDGES,
*Chairman, Committee on Appropriations,
United States Senate, Washington, D. C.*

Hon. HOMER FERGUSON,
*Chairman, Subcommittee on Armed Services,
Committee on Appropriations, United States Senate,
Washington, D. C.*

DEAR MR. CHAIRMEN AND MEMBERS OF THE COMMITTEE: Transmitted herewith is my report on a study mission to Europe during September and October of this year. In conducting this mission, I visited Great Britain, France, the Federal Republic of Germany, the German Democratic Republic, the Saar, Austria, Italy, Belgium, Switzerland, Holland, Spain, Luxembourg, Scandinavia, and the Vatican. Seeking to obtain a balanced picture of the European scene, I talked informally with political leaders, both government and opposition, military authorities, leading figures in European industry and business, religious leaders, journalists, and other authorities, American civil and military officials, American businessmen, and newspapermen working abroad. I also made it a point to talk to the average citizen, the "man in the street." My primary purpose was to procure information to aid in the formulation and execution of a policy in Europe which would operate in the best interests of the United States, while furthering the welfare of individual European nations. The vital importance of the topic of study makes necessary the unusual length of this report.

I submit herewith a summary of the information I gathered and accompanying personal comments and suggestions. Inasmuch as this is a factual and interpretive report, no attempt has been made to anticipate developments in the rapidly moving European situation, although it is my hope that the findings herein will be valuable in appraising events subsequent to the date of their preparation.

I wish to acknowledge with appreciation the assistance given me overseas by American civil and military officials.

I also wish to commend associates and members of my staff in the United States who aided me in analyzing the material which I procured and in the final preparation of my report.

Sincerely yours,

JULIUS KLEIN,
*Consultant, Committee on Appropriations and Subcommittee
on Armed Services, Committee on Appropriations,
United States Senate.*

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REPORT ON EUROPEAN MISSION

SECTION I. AUTHORITY

Solidification of Europe into a common defense entity has been a cardinal goal of United States military and political policy since the first postwar manifestations of Russian imperialist expansion.

In June 1948, by an overwhelming vote of 64 to 4 in the 80th Congress, the Senate adopted the Vandenberg resolution which called for "the association of the United States, by constitutional process, with such regional and other collective agreements as are based on continuance and effective self-help and mutual aid, and as affects its basis for national security." The Congress reaffirmed this policy when it included in the Mutual Security Act of 1952 the following declaration: "The Congress believes it essential that this act should be so administered as to support concrete measures for political federation, military integration, and economic unification in Europe." In the Mutual Security Act of 1953, approximately half the authorized military aid to Europe was reserved for the proposed European Defense Community.

On August 11, 1954, in a period when efforts to achieve America's major objective in Western Europe appeared to have reached a critical stage, I received a communication from Senators Styles Bridges (chairman, Committee on Appropriations) and Homer Ferguson (chairman, Subcommittee on Armed Services, Committee on Appropriations), asking me to proceed to Europe as a nonpaid consultant to the Armed Services Subcommittee of the Senate Appropriations Committee. The letter said in part:

This letter will confirm your appointment as special consultant to the Armed Services Subcommittee of the Appropriations Committee of the United States Senate. As consultant for the committee, you will plan to be in Europe to survey personally conditions with relation to our armed services. You are to report only to the Armed Services Subcommittee of the Appropriations Committee upon your return and on the completion of your report. Your final report and conclusions will be submitted in time for the committee to study your findings before the beginning of the next session of Congress.

We are notifying the Department of Defense, Department of State, and Department of the Army of your mission. We are gratified that you are willing to assume this service and appreciate your public spirit which prompts you to volunteer your services for this assignment.

On August 30, a few days before my scheduled departure for Europe, American hopes for the establishment of a united Western defense structure were dealt a stunning blow when the French National Assembly rejected the European Defense Community (EDC) Treaty. The next day, September 1, brought a telegram from Senators Bridges and Ferguson redefining my assignment. It read in part:

In view of changed conditions as a result of the defeat by France of the EDC plan on August 30, which is a serious blow to the nations of the West and for the present means the collapse of current hopes for EDC ratification we have changed our plans relative to making the proposed European survey with relation to our armed services. Therefore, on your trip to Europe we would be interested

in having you individually survey the resulting effect of the action of France in the defeat of the EDC plan and confer with us on your return. Best wishes on your trip.

Senator Bridges supplemented this communication orally soon after its dispatch. Deeply concerned by the turn of events in Europe, the Senator expressed the hope that in my visit to Europe I try to ascertain, insofar as possible, the after effects of the French action, with special reference to their meaning for the United States. He stressed particularly the importance of sampling the widest possible range of public opinion abroad to determine not only the viewpoints of European government leaders but the sentiments of as much of the average citizenry as might prove accessible.

With this injunction in mind, I proceeded to Europe on September 3, 1954.

SECTION II. INTRODUCTION

The two World Wars of our century have had their origin in European frictions and rivalries. Whatever the alternatives for the United States, we ultimately became involved, at immense costs in blood and treasure. Now, even more appalling to contemplate is the hard fact that these vast struggles have brought us to the threshold of events on whose turning may depend the very survival of civilization.

Since the breathing spell that followed World War II, Western Europe has been the fulcrum of a delicate power balance between East and West. Locked in alternately hot and cold war with Communist imperialism, the United States has wanted this area free, secure, and self-reliant. The Soviet Union has sought to lure it into Communist enslavement or, at the very least, to keep it divided and impotent.

I therefore set upon my mission for the committee to study the post-EDC European scene with a view toward determining such facts as would have relevance for American policy and American interests; i. e., what the United States could expect from Western Europe in terms of united defense, not only against military aggression but against Communist political and economic penetration.

Though on an authorized mission, I traveled as "a roving reporter" to interview and not to be interviewed; to talk to people on an informal basis so that I, in turn, could report back to the Senate Appropriations Committee on as frank and complete a basis as possible. I seldom made use of the authority given me by the committee, feeling that as an ordinary citizen who has spent many years as a foreign correspondent in Europe, I was in an advantageous position to place those to whom I talked at ease and so enable me to obtain detailed facts.

As former President Herbert Hoover eloquently pointed out in his address of December 20, 1950:

"* * * the prime obligation of defense of Western Continental Europe rests upon the nations of Europe. * * * They have more manpower and more productive capacity today than in either one of those wars. To warrant our further aid they should show they have the spiritual strength and unity to avail themselves of their own resources. But it must be far more than pacts, conferences, paper promises, and declarations.

What of the important unity to which President Hoover referred? It was the hope of United States policy through the European Defense Community (EDC) to erect an effective, cohesive force to oppose Soviet advancement in Western Europe. The collapse of the EDC,

signaled by the French Parliament's rejection made necessary a re-assessment of American European policy.

The principal questions involved were the raising, training, arming, and maintaining of a European force sufficient to deter Soviet aggression and bring about the development of amicable inter-Allied relationships, particularly between France and Germany. It was needful to insure the effective unity of such a force, at the same time eliminating any future danger of a German militaristic threat. In early September of this year with the signing of the Manila Pact setting up the Southeast Asia Treaty Organization (SEATO), a defense structure was agreed upon for the Far East. This pact implements a recognition that our defense strategy must be global, a fact long emphasized even by those whose primary attention has been directed toward Asia.

Gen. Douglas MacArthur, whose years of experience have covered all phases of our defense problems, has stressed repeatedly the importance of our European flank. Out of his recognition of the global nature of Communist aggression, he wrote to Speaker Martin on March 20, 1951, sounding this warning:

It seems strangely difficult for some to realize that here in Asia is where the Communist conspirators have elected to make their play for global conquest, and that we have joined the issue thus raised on the battlefield; that here we fight Europe's war with arms while the diplomats there still fight it with words; that if we lose the war to communism in Asia, the fall of Europe is inevitable. Win it and Europe most probably would avoid war and yet preserve freedom. We must win. There is no substitute for victory.

One month later, in his historic address to the United States Congress on April 19, 1951, General MacArthur again reminded the American people that—

These issues are global, and so interlocked that to consider the problem of one sector oblivious to those of another is to court disaster for the whole. While Asia is commonly referred to as the gateway to Europe, it is no less true that Europe is the gateway to Asia, and the broad influence of the one cannot fail to have its impact upon the other. There are those who claim that our strength is inadequate to protect ourselves on both fronts, that we cannot divide our effort. I can think of no greater expression of defeatism.

I undertook my study of our vital European flank, highly conscious of these admonitions by my old Pacific commander.

SECTION III. SURVEY FINDINGS

The defense of the free world requires not only the creation of requisite armed strength but understanding by the free peoples of the threat that confronts them and a willingness to fight if aggression is forced upon them.

Europe, in the period of the French defeat of EDC, was a ship without a helmsman. The magnitude of the Communist peril was remote from the consciousness of the people. Europe's political leadership was in default of its most basic obligations: it had failed to identify Soviet Russia—with international communism as one of its most effective weapons—as the sole threat to peace and the survival of freedom and it had failed to develop an informed, alert public opinion, ready and willing to cope with this menace through common action. In the absence of resolute leadership, there was growing public susceptibility to Communist peace appeals and coexistence blandish-

ments. As public opinion tended more and more to accept these Communist lures, Europe's leaders shied away even more pronouncedly from their duty to expose these deceptions to the people. These leaders had come to fear that they would be exposed to charges of warmongering if they made any attempt to give their people the true meaning of the blandishments by which communism sought to lull us into a false sense of security by propaganda stressing peace and co-existence.

The dilemma to which European leadership had come was immediately apparent at the point where my survey began.

FRANCE

EDC

On October 12, 1954, the French National Assembly by a vote of 350 to 113 (152 abstaining) sustained France's participation in the London Agreement of October 3. French acceptance of this 11th-hour substitute for the defeated EDC plan gave rise to new hopes for the establishment of a unified defense structure for Western Europe. Yet the circumstances attending the death of EDC and the birth of Western European Union were such as to give pause to the United States. In our quest for peace, freedom and security, we must necessarily assess our future European policies in the light of European thought patterns observable in the past. It was necessary, therefore, to examine the underlying factors of French policy and public opinion which led to the rejection of EDC while gaining at least tentative acceptance of the decisions reached later in London. One of the first questions to come to an American mind was whether the overriding needs of Western security might induce France to subordinate her historic fear and distrust of Germany to an accord by which both nations might achieve greater safety against Soviet Russian encroachment. In seeking answers to this and many other questions, I spoke with the Mendes-France group, held extended discussions with some of the Premier's closest advisers, with opposition parliamentarians, with French and American journalists and with American diplomatic and military officials. In France, as elsewhere in Europe, I availed myself of every opportunity to speak with average French citizens in an effort to assess public opinion.

The EDC plan rejected by the French National Assembly on August 30, 1954, was first advanced by French statesmen in May of 1952. This concept had its origin in 1951, when conversations between the United States and France developed the thesis that, under mounting pressures from world communism, the defense of Western Europe must ultimately be imperiled if Western Germany were permitted to remain a military vacuum. The likelihood that this view would gain increasing acceptance in the West impelled the French to advance a plan devised by Rene Pleven and Jean Monnet which accepted the rearmament of Germany, provided this could be accomplished within the framework of a united Western European community. As formulated by Pleven and Monnet, the EDC plan at its inception was not solely a military program but was understood by the French as a step toward the unification of Western Europe. Thus a document which created an impression in the United States that Europe stood on the threshold of military unity was, in actuality, a plan for the political

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integration of Western Europe. Conceived on the political plane, it met with instant resistance among French military circles and political opposition parties including the Communists, who seized on the plan as an issue to be used in exploiting Soviet objectives in France. On the other end of the political pole, nationalist elements in France joined widespread clamor against the proposal as well. It was denounced as a surrender of French sovereignty; the charge was made that French troops would ultimately come under German command. Anxiety mounted in France when rumors were circulated that under the Pleven plan, the proposed European Army would include 12 active and 12 reserve German divisions while the French contribution would be limited to 5 active divisions with another 7 in reserve. Against the cry that Germany would control the proposed European Army, the authors of the EDC plan did not defend their text before the French Assembly nor did they undertake to explain it to the French public.

In fact, during the debate on EDC, ex-Premier Paul Reynaud pointed out that it was the first time in French parliamentary history that a treaty had been rejected without the author (ex-Premier Rene Pleven) or the signer (Robert Schuman) speaking for it. The authors of the plan did, however, give assurances to their American friends that the plan would be accepted. Seasoned American diplomatic personnel to whom I talked remain convinced that a parliamentary majority could have been mustered for the EDC plan in the French National Assembly. On the other hand, French Government leaders insisted that French public opinion was completely opposed to it. In any event, the United States Government, which had come to repose its hopes on acceptance of the EDC by Western Europe, was unaware of the existing obstacles in France because French leadership at that time sought to foster the impression of forthcoming approval rather than risk the displeasure of the United States and interruption of the substantial aid they were receiving.

A cardinal factor in French reluctance to accept EDC was the refusal of Great Britain to participate in this defense arrangement to the extent of making actual troop commitments. The views of British Socialists had a decided impact on the Socialists of France, half of whose 100 deputies in the National Assembly refused to campaign for EDC. The French in general found it impossible to understand why the British Government felt free to advise France to affiliate with EDC when Britain found such a step unsuitable for herself. For their part, the French insisted that full British participation in EDC was essential, there being a conviction in France that not only would Britain's affiliation bolster French defense policy and strengthen the defense community itself but also—and most important—Britain's presence in EDC councils would constitute an effective checkrein on German militarism. Since the time of Clemenceau, French political leadership has been convinced that France cannot deal effectively with Germany without the participation of Great Britain and the United States. In the case of Britain in particular, the French see their cross-channel neighbors as indispensable partners in any association where a revived Germany exists as a threat.

French views on security

While French political leaders today draw a distinction between German soldiers and the German people as such, two world wars, in addition to French history books, have left the contemporary French generation with an indelible distrust of armed Germans. Frenchmen in all walks of life to whom I talked saw in the supranational features of EDC a danger that France would become an auxiliary of Germany in a system dominated by Germany and used for German objectives. Particularly, they feared that West Germany might one day press for unification on a scale that would bring it into armed conflict with the Soviets, thus placing France in the position of taking up arms in support of a purely German objective. As against their perspective on Germany, based on memories of 3 disastrous invasions of French soil within 85 years, France has had no comparable experience at the hands of Soviet militarism. Consequently, fear of Germany is much more real and personal to the French than any "abstract" Soviet threat. One opposition French senator, a member of the MRP Party (consisting mostly of Catholics and Conservatives) went so far as to voice the prediction that in the event of a German military threat, the French would probably rally behind a Communist government in defense against the historical German danger, thus illustrating graphically the greater fear of German militarism than of Communist imperialism.

The French were inclined to dismiss the value of 12 German divisions in a European defense force as a significant deterrent to Communist aggression. Even if German contingents were added to the existing forces at the disposal of Western Europe, they held, the Russians and their satellites would still command a vast preponderance of military manpower in Europe. Frenchmen told me that their country has no desire to participate in any military effort to liberate Soviet captive nations in Eastern and Central Europe. As the French saw it, the real deterrent to a Russian military adventure is America's arsenal of nuclear weapons and her capability for swift and deadly retaliation upon Soviet soil.

The irony inherent in French fear of German rearmament is that the EDC, as originally proposed and accepted by Chancellor Adenauer, would have prevented the formation of an independent German army, while the Brussels Pact, which through the London Agreement is extended to include the Federal Republic of Germany, empowers Germany to build a national military force.

Economic fears

French qualms over Germany's reemergence as a significant factor in Europe is by no means limited to military considerations. As is the case with other European countries, France finds cause for concern in the rapid economic progress which Germany, a completely vanquished nation in 1945, has been able to achieve. This recovery has now reached a point where the Germans are competing successfully with their former enemies for colonial and other world markets and are gaining these markets because of their superior industrial organization and productive capacity. It is generally recognized that one reason for Germany's rapid economic climb has been that the victors of World War II are still expending time, effort and treasure

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for the production of arms while the Germans have been in the position of maintaining a nonmilitary economy.

I found from reliable sources that jealousy of German economic recovery has resulted in flirtations between French businessmen and the Soviets on trade with the Communist bloc. Also contributing to this is the observation in French commercial circles that the British are gainfully trading with the Communists, especially in the Far East.

Neutralism in France

With an economy bled by the Indochina fighting, and facing continuing eruptions in its colonial areas, the French have become increasingly receptive to suggestions from both domestic and foreign sources for a modus vivendi with the East.

French soil is dotted with NATO air bases and a variety of supply and ammunition depots. The strategic significance of these installations is not lost on the French. The omnipresent fear that in the event of a third world war Europe will be a major battlefield, and France a priority target, has heightened French sentiment for continuing efforts to explore the possibility of a peaceful settlement with Russia. This is by no means a view peculiar to the French Communists but is held even by anti-Communist elements in France. Communist propaganda, however, has been quick to exploit this general fear. American aims have been widely distorted as "warlike," American diplomacy has been accused of "meddling" and unguarded statements of American politicians have been enlarged far beyond their actual significance to depict the United States as "aggressive" in intent. While the international proportions of Soviet imperialism have come to be somewhat more clearly realized as a result of the Indochinese war, notably as a result of the tragic Dienbienphu defeat, there still remains a substantial body of thought which is convinced that the Soviet drive for world conquest is for the most part an American propaganda myth.

The Mendes-France Approach

The French contend that a heavy military budget is a detriment to their recovery and economic viability. They have come to believe that their country cannot safely enter into a close relationship with Germany until their economic house has been set in order and until the French economy is operating at full effectiveness. This principle has been most eloquently articulated by Premier Mendes-France, who has set about to institute a series of economic reforms which would remove the shackles of "protectionism" that have been imposed on the French domestic economy over a long period of time. While meeting with some opposition, Mendes-France, at the time of my visit, enjoyed immense popularity and appeared to be the first national leader to have captured the imagination of the French people in many years. He is admired above all as a realist. Charged by some with having many left-wingers among his closest advisers, he has publicly rejected Communist support and has argued that his program to revive France's economic virility is the most practical means of checking Communist influence in his country.

While Mendes-France has stated that he realizes that external aid for France cannot be considered as permanent, he nevertheless has iterated that France, in order to participate fully as America's ally,

needs United States military aid. Mendes-France also is cognizant of his country's value to us outside of Europe; i. e., the strategic location of military bases in French overseas possessions.

Communist Influence in France

Meanwhile, it cannot be overlooked that France has the second largest Communist party on this side of the Iron Curtain. The party polled more than 5 million votes (1 out of every 4) in the 1950 election and seated 103 deputies in the Parliament. It has consistently and obediently pursued Soviet objectives. It has played indefatigably on innate French fear and distrust of Germany, seeking by every means to block any effort at Franco-German reconciliation and the cementing of ties with the United States and the Free West. It has depicted proposals for German inclusion in a Western European defense arrangement—whether through EDC, an expanded Brussels Pact, or NATO—as aggressive moves directed against the Soviets and it has diligently promoted the thesis that German rearmament in any form will speed the evolution of a third world war. It has stumped for a neutralized Germany to be achieved through a French agreement with Russia. Its biggest successes have been scored in the defeat of EDC (in conjunction with the DeGaullists), the stimulation of neutralist sentiment, and the successful exploitation of existing French desires for another round of East-West talks.

The Dienbienphu tragedy served briefly to expose to many Frenchmen the duplicity of Communist aims; this was dramatically brought home when Communist members of the National Assembly refused to rise during memorial observances for the dead heroes of that Indo-chinese battle. The recent arrest of top French police officials for transmitting national secrets to the Soviets has also served to awaken many Frenchmen to the real menace of domestic communism. However, the French Communists still maintain stoutly that they are nationalists seeking only domestic reforms and are not the willing servants of a foreign power.

This Communist pretension, of course, follows the pattern established by the Chinese Communists who donned the false face of "agrarian reformers." In France, unfortunately, the French Communist impersonation has deluded many into espousing and following, wittingly and unwittingly, the Red leadership.

The question that remains to be answered is whether enough Frenchmen will realize in time the actual nature of their domestic Communist Party before severe damage can be done to the free world's defense against Soviet imperialism.

French-American relations

One of the disturbing facts of postwar history is that the intensification of the Communist threat has induced stresses and strains on a historic international friendship—the relationship between the United States and France. It strikes a visiting American as ironic that the French people, who live in far closer proximity to the muzzles of Soviet cannon than we, do not share our conception of communism as a mortal danger to every principle our two countries have represented throughout their separate histories.

The explanation for these divergent outlooks is immediately apparent in the French political structure and in the absence of a sense of accountability to the people by much of France's political leader-

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ship. National policy in France is dominated by politicians to an extent that would never be tolerated in our own country. The French people make no effort comparable to that of our own people in articulating their views on national policies to their elected representatives. In turn, successive French governmental officeholders have been far more concerned with future national elections than with the immediate needs of French national security.

Given firm, enlightened leadership, there is every reason to believe that the French people can achieve greater political stability and a greater measure of economic and military self-reliance.

American support for resolute, progressive French leadership can be a factor of the first importance in maintaining the long tradition of French-American amity and cooperation. We do not have the right to intervene in French political affairs, but we do have the obligation of giving practical assistance to any country whose elected leaders demonstrate in a concrete way that they mean to rally their people to a greater sense of responsibility in meeting the common needs of the free world.

GERMANY

United States policy toward Germany

Since the end of World War II, the United States has poured into Germany some \$4 billion, seeking its economic recovery and political recreation along democratic lines. In the postwar years a divided Germany has come to symbolize the fundamental conflict between freedom and totalitarianism. The Russian zone of occupation has been absorbed by the Soviets and a new satellite state has been created by the Soviets fronting on the free world. On the other side of the occupation line the American, British, and French zones have become the German Federal Republic with its capital at Bonn, the traditional German capital of Berlin remaining as a partially free island in the midst of the Communist zone. In this period, American military power, once a conqueror of Germany, has been committed to the succor of Germans during the Berlin airlift operations. Germany, our enemy in two world wars, now stands at a decisive point vis-a-vis its former conquerors. In accordance with the London agreement, she is about to be accepted into the family of free nations as an equal partner with full national sovereignty. She is about to be rearmed. She is about to be tested on how well she has learned the lessons of constitutional democratic government which her conquerors have endeavored to teach her in an effort to make Germany a peaceful, law-abiding component of the free world.

Secretary Dulles, in his statement of August 31, 1954, enunciated several important points of American policy on Germany:

The effective defense of continental Europe calls for a substantial military contribution from the Germans * * * Germany cannot be subjected indefinitely to neutrality or otherwise be discriminated against in terms of her sovereignty including the inherent right of individual and collective self-defense. Limitations on German sovereignty to be permanently acceptable must be shared by others as part of a collective international order. The prevention of war between neighboring nations which have a long record of fighting cannot be dependably achieved merely by national promises or threats, but only by merging certain functions of their governments into supranational institutions.

The United States, too, stands on the threshold of a new policy vis-a-vis Germany. We have expended much blood and treasure there;

we are now seeking as an ally a former enemy. We are asking 50 million Germans living directly under the muzzles of Soviet guns on their eastern border to join with us in the defense of freedom. We naturally must be certain that we are proceeding wisely and prudently lest still a third generation of American young men fight an authoritarian enemy on German soil. In studying the ramifications of these questions in Germany, I had the opportunity of holding discussions with United States High Commissioner James B. Conant, Chancellor Adenauer's group, Germany's Secretary of State for Foreign Affairs Walter Von Hallstein, Erich Ollenhauer (head of the German Social Democratic Party), Dr. Thomas Dehler (head of the German Free Democratic Party), General Hans Speidel, General Alfred Heussinger and other leaders, both government and opposition, high German military officers, German and American journalists and American diplomatic and military officials.

With the assurance of German sovereignty by the London Agreement, the principal objective of German policy now is the unification of Germany by the reuniting of the Communist eastern zone with the western Federal Republic.

Chancellor Adenauer's role

The pillar on which achievement of this and other German goals seems to rest is a unique figure in the free world. Alone among Western statesmen, Chancellor Konrad Adenauer has completely dominated the political scene, in which he moves. This is at once an asset and a liability to the West. Its virtue resides in Dr. Adenauer's utter dedication to the principal of western unity and solidarity against Communist aggrandizement. He is authority for the thesis that "understanding between France and Germany is the foundation, the necessary prerequisite of European integration." The measure of his leadership is that, despite his own and his country's severe disappointment over the French defeat of EDC, German reaction to the French decision was generally temperate. Equally high purpose is reflected in Dr. Adenauer's determination to build a free society at home.

The defect in the exercise of so dominant a role by an individual is that, in this case, power is being wielded by a man of 79. While the Chancellor is held in great respect by all, I found both among his supporters and his political opposition deep concern as to where firm leadership would pass should time take its inevitable toll of the aging Adenauer. Unlike Prime Minister Winston Churchill, Dr. Adenauer has no Anthony Eden, and the world knows it.

Political undercurrents

The political forces at play in Germany are of such importance to the development of American policy that the appendix to this report includes a detailed analysis of German political parties, their composition, their strength, and their general objectives.

Sharp divisions have emerged on the issue of German reunification. There has been a long-standing difference on this problem between Dr. Adenauer's Christian Democratic Party and the opposition Social Democrats. Recently, Social Democrat views have won acceptance from the Free Democratic Party, which is part of the Adenauer government coalition. For its part, Dr. Adenauer's Christian Democratic Party maintains that German reunification can only be attained

by dealing from strength and that this strength can best be achieved by affiliation of the German Federal Republic with the free West. The Social Democrats and the Free Democrats argue for conferences with Soviet Russia and seem to believe that reunification can be achieved through negotiation and compromise if such efforts are undertaken prior to any final West German commitment to Western European Union. The Social Democrats concede that past Russian offers to discuss reunification have been loaded with booby traps. Nevertheless, they insist that Russian intentions should be tested anew and they cling to the hope that something may yet be achieved by dealing with the Soviets. It must be noted that there is a minority in Dr. Adenauer's own party which also inclines toward this view.

A further difference between Adenauer's Christian Democrats and the Social Democrats and Free Democrats is the problem of how to resolve the Saar question, an issue which has emerged into open conflict following Chancellor Adenauer's acceptance of the French proposals.

The opposition view

The opposition Social Democrats have several reservations about the rearming of their country. They point out that they were the first victims of the Nazi terror and they argue that a new German Army must necessarily draw on the former Nazi officer corps for the development of a new cadre and hence, they contend, the reliability of such an army is in serious question. Their second argument is that a force of 12 divisions would be of negligible military significance in the West's defense against the massive ground forces at the disposal of the Soviets on Germany's borders. A third fear is that the recreation of a German Army will be a deterrent to German economic well-being. Underlying all this is the fact that the strength of the Social Democratic Party lies among the working people who have historically formed the ranks and lower echelons of German armies and who have traditionally been the cannon fodder of German militarism. Another significant factor is that German personal experience has bred a fear of the Russians whose armies sit on Germany's back doorstep; in the event of an East-West conflict, German soil might well sustain the first and most damaging shock of a Communist onslaught with her carefully rebuilt industrial facilities as an initial target. This fear of the Russians should not be underestimated.

While pointing to his group's strong opposition to communism, Herr Erich Ollenhauer, head of the Social Democratic Party, chief opposition to Dr. Adenauer's coalition, told me that he does not believe Russia wants war. He seemed to feel that since the Soviets had won more territory than any other country in, and since, World War II, they might be content to retain what they have and he thought that if they were brought to a conference table they might accept an agreement from the United States to keep what they have gained without losing face. He thought that the Russians are aware that an attack on Germany would unleash world war III, which they would not want to risk in the face of America's atomic capabilities. As for the orientation of a united Germany, Herr Ollenhauer felt that historically and culturally his country must look to the West rather than to the East.

German rearmament

The rearming of Germany poses difficult problems. Unlike the East Germans, Dr. Adenauer's government cannot dip freely into the ranks of former Nazis to officer the new cadres without arousing the most serious apprehensions among Germany's western neighbors. The German military leaders to whom I spoke want an army based on the American model. On this basis, they would adopt the American system of training and the American relationship between enlisted men and noncommissioned and commissioned officers. Even new uniforms would be adopted to complete the break between the new and old German Army traditions. One of the organization plans under consideration is for the establishment of a board of older retired officers, Government officials, and scientists who would pass on all officers accepted for service in the new army. Thus, anyone tainted with Nazism would be unacceptable.

Prussian militarism must never return. The United States shares in the responsibility with the other nations in watching the future rearmament of Germany.

History must not repeat itself. In 1919, at the Versailles Conference, Germany was permitted to build the Reichswehr to fight Bolshevism. This Reichswehr later was the cadre of Hitler's army.

The new German Army must never become a political factor and must only serve the state. The United States and the treaty powers must use all safeguards that never again will German military might become a threat to peace or be used as an instrument of aggression.

The German Army must become a part of the Western World for the defense of the democracies and must remain a part of the NATO system of mutual security against Communist and possible Fascist aggression in the future.

I continue to hold grave reservations about German rearmament in view of ultranationalist sentiment that still exists in Germany, particularly since those who hold these views are now to be found arguing for a German accommodation with Soviet Russia. The one mitigating factor I can see is that the terms under which German rearmament is to be accomplished provide for quantitative limitations on German forces and controls on the type of armaments Germany is to produce. If we are to achieve a needed German military contribution to the western community without undermining and ultimately destroying the painstaking efforts western statesmen, including Chancellor Adenauer, have made to develop a free, democratic climate in Germany, it is essential that the agreed-upon factors governing German rearmament be adhered to faithfully.

In discussing Germany's participation in the new European Defense Community with former German Regular Army Generals Speidel and Heussinger, I was impressed with their view that the old-style German Army must never come back. Speidel and Heussinger participated in the famous putsch of July 20, 1944, against Hitler, when most of their coconspirators were executed by Hitler's hangman. The end of the war and liberation by the Allies saved Speidel and Heussinger from the same fate. If there is to be a German Army controlled by a civilian head and responsible to the Parliament, then no better men could have been chosen for this task than these two anti-Hitler rebels who openly expressed their shame over Hitler's terrible crimes against humanity—a stain that will remain

forever on the German Army which became a willing tool of Hitler with the noble exception of such leaders as Witzleben, Stauffenberg, Goerderler, Schlabrendorff, and hundreds of others who fought Hitler until the bitter end. To this group the present leaders of the new German Army belong.

A dilemma confronting the Adenauer government is that it took office amid Allied insistence that Germany must write finis to its militaristic past. Now, after having been chided for its military tradition, Germany is told that it is moral and necessary to take up arms once more. This has proved specially confusing to the younger people who came to maturity through World War II defeat and in the period of Allied strictures—and intense propaganda—against militarism.

German nationalism

Underscoring the problem of West German military security, as well as the dilemma confronting the West by the prospect of German rearmament, is the fact that the Communist Zone in East Germany is well along in the process of remilitarization. In many cases, Communist German forces are officered by men who shared training and World War II service with former colleagues who remained in West Germany and who presumably would be among the officer cadre of the new West German Army. It is significant that while there have been a number of political defectors who have found their way west from the Communist East Zone of Germany, not a single case of parallel desertion by any pre-1945 high-ranking German officer from the Communist Volkspolizei is known. My own observations convinced me—after a visit to the eastern sector of Berlin—that if a clash came between the free world and the Communists, the Germans, both in the East and the West, will not fight against each other in battle. They will make common cause for their fatherland, Germany, and their choice between the cause of the free world and that of the Communists will be determined by the choice of Germany itself.

The resurgence of ultranationalism in Germany, though not a prime danger at present, nevertheless exists as a threat. There is widespread insistence on the release of imprisoned war criminals and their complete exoneration as honorable public servants who merely carried out the instructions of their superiors. Veterans' organizations, once banned by the victorious powers, have sprung back into existence and in such cases as the *Schutzbund Deutscher Soldaten* (BDS), special efforts have been made to attract Nazi military elements and to provide a public voice for the former SS ex-Nazi and neo-Nazi elements which are highly aware of the bargaining position of the German military. Realizing the West's need of German military contributions, they have begun to make themselves heard on the political scene and have not hesitated to advance the thesis that in seeking concessions for the national interest of Germany no less attention should be given to the East than to the West. A concomitant to this resurgence of extreme nationalism has been a renewal of anti-Semitic sentiment, despite the most earnest efforts of responsible Government leaders and the development by men of good will of German equivalents of our own National Conference of Christians and Jews.

A potential deterrent to neo-Nazi ambitions for gaining control of the new German Army may reside in the officer exchange program which the United States has carried on with other countries. Much

may be gained by exposing reliable German officer cadres to American military training facilities and by providing these officers with an opportunity to view at firsthand the relationships that obtain in our Army between officers, noncommissioned officers, and enlisted men. Most important of all, there is an important object lesson to be gained by the Germans in the relationship between our military services and our Government.

Economic recovery

German economic recovery is a phenomenon in postwar Europe. While German economic experts agree that rearmament would not necessarily lower the country's living standards, it is recognized that an important impact may be exercised on the labor force. In some industries, notably coal, iron, and steel, there is already a shortage of skilled labor. This has turned up some evidence of impending economic difficulties and some reports of dissatisfaction in labor ranks. The organization of the German Army would intensify this shortage and, in addition, would divert production from the overburdened construction industry to the building of military facilities.

German grievances

The wartime confiscation by the United States Government of the property of private individuals of German nationality is the principal grievance which Germans, alike of high and low estate, voice against America. This state of mind is unchanged since my testimony before the Senate Judiciary Subcommittee to amend the Trading With the Enemy Act, which is included in the appendix to this report, to serve as a more extended discussion of the subject. An equitable resolution of this issue (with proper safeguards for our national security) is urgently desirable in the interest of good will.

Twenty years ago I wrote an article, published in the Sunday Los Angeles Times of October 21, 1934, captioned "Will Death Destroy Their Empires?" The article correctly predicted developments within the next few years in the empires ruled by Hitler, Mussolini, and Stalin. In it I made reference to the fact that President Herbert Hoover correctly understood the economic and political situation of Germany and tried to stem the Nazi Party's rise to power by granting Germany a moratorium of her war debts.

As a result of this brief reference to the moratorium I was requested to prepare a followup article, which I did. Its caption was "President Hoover and Hindenburg Tried To Stop Hitler." I did considerable research for the article and had available to me important information not hitherto published. The material thus assembled demonstrated not only Herbert Hoover's farsighted statesmanship, but served to demonstrate clearly that political developments within any given country are influenced immeasurably by economic factors. This is a principle that must be kept in mind in dealing with the problem of confiscated German assets and other economic factors.

Communism in Germany

Organized Communists in Germany appear to be only a negligible factor. Citizens of the Federal Republic have before them the example of what Soviet domination has meant to their countrymen in the East Zone. Domestic Communists, in consequence, polled only about 2 percent of the votes in the last national elections. However, external communism is a factor which cannot be dismissed. The Soviets have

played diligently and skillfully on German sentiment for peace and unification. Germany is a focal point in Russia's continuing diplomatic offensive against the West. Basic Russian strategy in Germany will remain constant, but a series of rapid and deceptive tactical shifts are likely to ensue as Dr. Adenauer seeks to move the Federal Republic into closer ties with the West. The Russians are all too aware that Germany cannot be unified without their consent. Undoubtedly they have weighed the question of whether to give up East Germany on the chance of capturing all Germany in the end. Factors entering into such a consideration are these:

1. Soviet interests could still be safeguarded by the ring of satellite Communist armies on Germany's eastern rim.
2. The Soviets could play on German fears and German neutralist sentiment to bring about closer German ties with Russia.
3. The Soviets may feel that they can subvert or entice the sizable Social Democratic movement in Germany to increase public pressure for closer German ties with Russia, even though the Social Democrats are mortal enemies of communism.

Thus, the possibility must be taken into account that a unified Germany can launch a new and more intensified era of conflict between East and West.

In the East-West struggle for Germany, we must not forget that the German prize offers much more profit for Russia than it does for the United States. Germany's technology and industry would add comparatively little to what the United States already possesses. Its principal value to us resides in the fact that as long as Germany is in the Western camp, her industrial and technological resources are denied to the Russians and represent an immense addition of strength to Europe's capacity for self-defense and economic self-sustenance. For the Russians, on the other hand, the acquisition of German resources—by whatever means—would represent an accretion of productive strength that could match—if not surpass entirely—the industrial strength of the Western World. The Russian stake in Germany, therefore, is immense and we must be prepared for a Russian gamble on a no-limit basis.

Meanwhile, Chancellor Adenauer has shown himself to be a solid and loyal partner of the United States and her friends in the effort to achieve a unified structure of Western security. To bolster relations between the United States and Germany still further, I found great merit in High Commissioner Conant's suggestion for an expanded interchange of travel between Americans and Germans on all levels of industry, science, education, and professional life.

A Personal Note

I would be less than frank if I did not note here that much of what appears in this report with relation to countries such as Germany and Spain represents a revision of views I had previously held. I would never have dreamed a few years ago that I would ever support the rebuilding of a German Army until Germany, through responsible, democratic leadership, had demonstrated that she was ready to give final repudiation to the militaristic ambitions and Nazi philosophy that marred her national conduct in two World Wars. Hardly less could I have imagined that I would see merit in cooperative arrangements between the United States, Communist Yugoslavia and Fascist Spain. The somber fact that came home to me in my tour of Europe

was that judgments I had formed as a result of years of observation of the European scene and military experience in two World Wars were no longer valid in the face of the threat confronting our country. Just as the exigencies of the war against Nazism and Fascism forced us into alliance with the Soviets, so the Communist peril today makes it impossible for us to be as selective as we might like in defending the world's remaining bastions of freedom. And above all, as one who has commanded American youth in combat, I could not escape the conviction that if war is forced upon us, we have the duty of taking every possible step to see to it that Europe's soldiers, rather than ours, bear the primary responsibility for defending European soil against aggression.

GREAT BRITAIN

Responsible British leaders, and the British public generally, have been forced to a recognition that Great Britain's frontier today is on the Elbe. I found general recognition, too, that the security of this frontier, from the British point of view, requires a resolution of French-German differences and a continuation of United States participation in the defense of Europe.

My observations convinced me that EDC would be an accomplished fact today had Great Britain made the same commitment to her European partners as she later did in the London Agreement establishing the Western European Union. The explanation given me for British refusal to affiliate with a supranational European defense establishment was that such an agreement was prevented by Britain's colonial requirements. Whatever the merits of this argument, I found that British political life reflected many of the same differences and apprehensions observable elsewhere in Europe. Britain's vulnerability to attack is less than that of Germany and France by only a matter of minutes as modern aircraft fly. Having experienced the full shock of war upon her soil, Great Britain displayed no more appetite than France for any course appearing to the British to hold out the possibility of a final diplomatic rupture with the East. In the last analysis, the term "isolationist" can be applied to Britain's role in the EDC discussions. Certainly, this is the term that would have been used to characterize the United States if it had behaved in comparable fashion under the same circumstances. Britain, however, preferred to believe that her patriotic interests were served by remaining aloof from an EDC commitment.

While the British public can by no means be charged with anti-American sentiment, there is some antipathy toward the United States, based largely on nervous apprehension of America's refusal to deal with continuing Communist provocations in conciliatory fashion. British Labor Party views on the possibility of weaning Communist China away from an ironclad relationship with Russia, and Labor Party feeling that the Russians ought to be talked with in East-West parleys, have gained wide acceptance in Great Britain. American skepticism, bred by bitter experience with the nature of Chinese communism, and reinforced by scarcely more satisfying experience in postwar relations with the Russians, has proved unsettling to the British.

A disturbing corollary to this lack of understanding is that English newspapers give comparatively little space to interpretations of American policies.

Through the years, Great Britain has adhered steadfastly to her self-interest. With the survival and security of the Empire uppermost in mind, Britain has not lost sight of her need for Western solidarity on the European Continent, including the necessity of a comforting complement of United States military forces. Beset by a considerably body of neutralist and even isolationist sentiment, pressured on all sides for the initiation of another round of talks with the Russians, the nightmare of the present British Government has been the possibility of an ultimate United States withdrawal from the Continent to peripheral bases. It was Britain's recognition of the hard fact that she cannot shoulder the main burden of European defense, either militarily or financially, which led her in the end to make the commitment that brought the Western European Union into being. This conclusion was forced upon her by the realization that a departure from her existing policy was imperative if her self-interest was to be served.

THE SAAR

The Saar is a historic area of conflict in Europe. After World War I, the Pittsburgh of Europe was detached from Germany and administered by the League of Nations through a commission. In compensation for northern French mines damaged during World War I, France was given the right to work the Saar's coal deposits for 15 years.

On January 13, 1935, by an overwhelming vote of 477,119 to 48,637, the Saar declared its desire to return to Germany and this was accomplished on March 1 of that year. In contrast, in the first election after World War II, on October 5, 1947, the Saarlanders voted overwhelmingly for economic union with France.

An autonomous Saarland Government was established in January 1948, subject, however, to French economic and financial supervision. By a 1950 agreement between the French and the Saarlanders, France was granted a 50-year lease on coal mining and the Saar was given a larger measure of autonomy. This lease was protested by the Germans.

On July 19, 1950, the Saar became an associate member of the Council of Europe. In elections 2 years later, on November 30, 1952, 87.3 percent of the Saar electorate voted for Europeanization of the area and continued economic union with France.

The 976,000 people of the Saar, living in a highly concentrated industrial area of 900 square miles, have strong ethnic and linguistic ties to the Germans. Despite this cultural affinity, however, I found very little desire for territorial or political annexation of the Saar to Germany. Were an election to be held today, it is doubtful whether more than 15 or 20 percent of the people would vote for political union with Germany. Economically, the Saar is better off than Germany. Its people have a higher standard of living and a better social security system; hence, union with Germany would mean losses for the Saar, where employment is at its peak today.

Anticommunism is strong in the Saar, the Communist Party having received only about 2 percent of the votes in the 1952 elections. Not the smallest factor in the Saarlanders' antipathy toward communism is that 80 percent of them own their own homes.

For the French meanwhile, the Saar represents an economic value that no French Government would dare surrender. The French Treasury, for example, receives proceeds from a production tax of 18 percent imposed on the Saar.

A particular source of continuing tension resides in the prohibition on pro-German parties against pressing for the Saar's affiliation with Germany. In effect, this is a democratic nonsequitur. One may not admire the aim of the German parties, but it is the shabbiest kind of pretense to contend that while they are legally constituted parties, they are in violation of the law if they give voice to unpopular points of view. Extreme Nationalists, Communists, and even more moderate opposition elements, including the Social Democrats, in the Federal Republic of Germany have been quick to seize on this aspect of the Saar agreement to launch a wholesale attack on West German ratification of the agreements on Western European Union. Even more menacing is the prospect that this issue may be used in the future to destroy some of the gains that have been made in bringing France and Germany closer toward reconciliation.

Despite acceptance by Chancellor Adenauer of the French proposals on the Saar, a peaceful and equitable solution of this long-standing problem poses immense problems. The fundamental desire communicated to me in my discussions with leading Saarlanders was for a settlement that would permit maintenance of both German cultural traditions and economic ties to France, thus establishing the Saar as a semiautonomous area. I found extensive sentiment for participation by the Saarlanders in any international conferences dealing with the political disposition of the valley. As an American, I was reminded by many Saarlanders of the immense value my own country has always placed on the right of people to determine their own political destiny.

ITALY

EDC

While the breakdown of EDC is generally laid on the doorstep of France, it must not be overlooked that much of the responsibility for this failure rests with Italy as well. From high Italian officials with strong pro-American orientation, as well as from one of the most respected veterans of American diplomacy who is intimately acquainted with the Italian scene, I learned that when EDC discussions were first begun Italy was quick to adjourn her parliament to avoid the necessity of voicing a decision on the problem of European integration. The significance of this move was not lost on France which drew encouragement from it for her own position.

In part, my Italian informant told me, the Italian action stemmed from resentment at what is considered by many Italians to be excessive meddling by the United States in Italian affairs. He cited a number of instances in which United States pressure had been brought to bear on Italian leaders to move them toward adoption of policies palatable to the United States. He decried what he characterized as a constant display in Italy of United States administrative and military strength

and he felt strongly that there was a need for much more discretion on the part of America. He pointed out, for example, that Italian Communists have been able to make considerable capital out of the presence in Italian harbors of United States naval vessels. The Communists, he told me, never lose an opportunity to emphasize in their domestic propaganda that the presence of American naval strength in the Mediterranean, and the absence of any comparable display by Soviet Russia, demonstrates that only the United States is pursuing an aggressive policy in that part of the world.

These judgments were balanced, however, when I talked with Ambassador Clair Boothe Luce, whom I found to be one of the most effective and constructive of our diplomatic emissaries in Western Europe. Revered and respected by Americans and Italians alike, she has achieved remarkable coordination of the multifarious American agencies and welded them together in a highly effective team working in concert toward common goals.

In view of the judgments I have cited from Italian sources, I consider it important to emphasize that Ambassador's Luce's challenging task in Italy has not always enjoyed maximum assistance on this side of the ocean. One incident related to me by a high Italian source, is of such significance that it merits mention in this report. This occurred during the period when Ambassador Luce was striving patiently, and with apparent success within her reach, to bring Italy into the European Defense Community. It was during this period that Congress adopted the Richards Amendment to the Mutual Security Act. High Italian officials were given private assurances by American authorities that Italy would be exempted from Richards amendment restrictions on aid to countries not participating in the common defense of the West. As a result, months of painstaking effort went for naught and the EDC plan was dealt a serious blow.

Communism in Italy

Happily, the settlement of the Trieste question has removed a major point of friction in the Mediterranean area. Italian communism, however, continues to be an ominous factor. Italy harbors the largest Communist Party this side of the Iron Curtain. Together with their allies, the leftwing Socialists, the Communists hold 218 of the 586 seats in the Italian Parliament and in many areas of the country they exercise a solid control on local governments.

The Communists have sapped much of the strength that Italy's Government enjoyed under Premier Alcide de Gasperi from 1948 to 1953. Under Premier Mario Scelba, the present Government rests on a coalition that has commanded only a thin majority in the Chamber of Deputies. In combination with extreme nationalist elements, the Communists pose a real threat to Italy's effective participation in Western European Union.

Much has been spoken and written in our own country of communism's exploitation of Italy's economic difficulties. That serious problems confront Italy's economy cannot be denied. However, the argument that large-scale American economic aid can loosen communism's grip on Italy appreciably does not stand up under close scrutiny. It was interesting to find, for example, that communism's most solid foundations in Italy are in the northern provinces, which are predominantly industrial and where the general economic level is the

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highest in that country. By contrast, resistance to Communist encroachment has been strongest in the southern areas, which are principally agricultural in character and whose people have undergone the most serious economic privation. Land reforms instituted by the Government have provided some alleviation, but the argument that the Communist hold on Italy can be broken by a heavy increase in American economic aid alone does not stand up.

Unquestionably, the Catholic Church is playing a valiant role in bolstering resistance against communism. The measure of the church's effectiveness is that the Communists, who have been able to muster 35 percent of all the registered voters, have been alternating wildly between anticlericalism and tactics of conciliation with the church.

Economic difficulties

Nevertheless, Italy's 3 million unemployed provide the Communists with telling propaganda arguments. Italy has a total population of about 40 million. If Italian unemployment ratios were applied to the United States with its population of 160 million, America would be in a full-scale depression with 12 million persons idle.

One hope for the alleviation of this pressing and danger-laden problem may reside in an emigration program through a body such as the Intergovernmental Committee for European Migration (ICEM). The Committee derives 35 percent of its budget from the United States. An American diplomat closely acquainted with the operations of this Committee felt that it might be a most useful implement for the relief of Italy's unemployment problem if screening procedures, which he now felt to be inadequate, could be tightened to insure against an incursion of Communists into Latin America. With careful selection of staff people and study of both Italian and Latin American needs, he was convinced that the ICEM could afford an effective solution to a major western problem.

SPAIN

In Spain the emphasis of United States aid has been on military rather than economic assistance, although the country possesses one of the lowest standards of living in Europe. Coupled with their firm hostility toward communism, I found the Spanish people universally friendly toward the United States, even though Spain has been a far smaller beneficiary of American aid than many other countries in Europe, where feelings about the United States are mixed.

Recognition of the strategic importance of Spain in the joint military security program of the West was demonstrated by the signing of bilateral agreements between the Governments of Spain and the United States on September 26, 1953. Under these agreements, the United States was authorized to develop and build air and naval bases in Spain for joint use by American and Spanish forces. The United States also agreed to provide military end-item assistance to the Spanish armed forces and to advance technical and economic aid to Spain.

Rehabilitation of the Spanish economy is important if Spain is to make an effective contribution to the western defense structure. An immediate and mutually useful course of help to Spain can be undertaken through increasing offshore procurement of military items in Spain. That country now has munitions plants and tungsten supplies which enable her to produce shells, rockets, antiaircraft guns, and

numerous other items required by the NATO countries. Utilization of Spain's productive facilities can help rebuild the Spanish economy, enable the Spanish munitions industry to achieve self-sufficiency, and provide NATO countries with a valuable new source of military equipment.

Spanish industry is more nearly free of any Communist taint than that of any other country on the continent of Europe. This is in marked contrast to the industrial situations in certain other countries which have been given contracts for war supplies for the anti-Communist world and whose plants are seriously infested with Communists.

It is a travesty to expect Communists to cooperate loyally in making munitions to fight communism.

Spain is one country that can be relied on to be with us in any Communist showdown in the interest of its own preservation.

AUSTRIA

Austria, occupied as it is in much of its area by Soviet troops, obviously can be of no military significance to the American defense structure in Europe until its complete independence is obtained. However, here is the one area of the world whose people have an opportunity to see and compare both Americans and Soviets. Thus Austria represents a theater where the United States has a unique opportunity to demonstrate the essential difference between the American and Communist philosophy and principles and to expose the true nature of Communist imperialism, especially in the Russian refusal to negotiate an Austrian peace treaty and permit complete Austrian independence.

The Austrians, who are strongly anticommunist, yearn for their national independence and look anxiously for the conclusion of a peace treaty and the end of foreign occupation. While pro-western, the Austrians have no especial desire to be included in the formal Western European defense structure.

I found the Austrians appreciative of America's concern for their country's independence of Communist occupation and to a large degree sympathetic to American objectives. However, there does exist in Austria a strong neo-Nazi sentiment, a vestige of the Hitler period, which remains as a source of exploitation by the Communists who, comprehending its potentialities, have nurtured it and kept it viable.

THE VATICAN

I had an extended personal audience in the Vatican and talked with high church officials.

The world's major religious faiths recognized long ago that communism was their deadly foe. All have rallied their followers in resistance. In this war for men's souls, the Catholic Church has occupied a unique position. Millions of its communicants have been trapped in countries engulfed by the Communist terror. Its clergy on every level has suffered martyrdom on a vast and terrible scale and has provided epic examples of courage. Communist brutality, aimed at spiritual leaders such as Cardinal Mindszenty, has shocked the conscience of the world and, far from weakening religious opposition to communism, has spurred fresh awareness of Soviet determination

to supplant the ancient faiths of mankind with the atheistic materialism of the Communist system.

The adversities visited by Communist terror on countries behind the Iron Curtain has not had the effect hoped for by the Soviet dictatorship. The valiant example set by the Vatican has exercised a unifying effect in nations whose peoples have worshipped in the Roman Catholic faith for centuries. The day-to-day efforts of the church to give succor to the oppressed and courage to those in whom the spirit of resistance still flourishes is one of the most inspiring stories of our time. Its details cannot be committed to print without endangering the lives of heroic religious leaders who carry out their duties in the most perilous circumstances.

The church's vast experience in resisting communism and its immense knowledge of the countries and peoples under Soviet thralldom can add much to the free world's understanding of how the Communists operate and how best to meet the challenges they pose.

UNITED NATIONS

I found mixed views about the United Nations in many quarters in Europe. Some Europeans felt that the presence of the United Nations organization in the United States was a source of friction rather than an aid to the easing of international tensions. A frequently expressed view was that, as a result of its presence on United States soil, the U. N. was being depicted by Communist propaganda as an instrument of United States foreign policy, a characterization which has apparently proved persuasive to many Europeans. It was felt by many to whom I spoke that it would have been a much wiser course to center the U. N. organization in one of the neutral areas of Europe. Thoughtful persons agreed, however, that the United States has not taken adequate advantage of its own hospitality to the U. N. They pointed out that if the U. N. had established itself in Soviet Russia, Communist propaganda would have proclaimed such a circumstance as evidence of Russia's dedication to peace. Hence, it was argued, the United States has overlooked a major opportunity by failing to take advantage of the U. N.'s presence on American soil to depict to the world America's readiness to seek solutions to world problems by peaceful means—the very thing Soviet Russia would have done if she were in our place.

President Eisenhower's proposal for pooling atomic resources for peaceful use affords a splendid opportunity to demonstrate our continuing adherence to the principles on which the United Nations organization was founded. The President's action did much to bolster the spirits of our European friends. His extensive experience in Europe and the confidence he enjoys among the ordinary people of Europe were utilized to excellent advantage in the "atoms for peace" plan. Western Europe, which has been haunted by the fear of an atomic conflict whose first shock might be visited upon their soil, was greatly reassured by the President's move. The United Nations offers a vehicle through which a major American peace move can be exploited with still further effect.

UNITED STATES OPERATIONS IN EUROPE

The basic purpose of my mission was to obtain information to aid in the execution of a policy in Europe that would stress what is best for America rather than what is needed by individual nations of Europe. Essential to the accomplishment of this objective was a study of existing American operations in Europe, the manner in which they are being carried out and the returns to the United States in terms of efficiency, economy, and effectiveness. Hence, the survey sections which follow.

Military

Communist power stands as a deadly threat to the safety and peace of the free world. As long as this threat exists in its present scope and with its present potentialities, the United States and the other nations of the free world must arm, stay armed, and continually offer a deterrent to communistic aims for world conquest. The danger is not likely to lessen in the immediate future, but probably will continue in increasing intensity for many years.

The Communists are not particular how they achieve world conquest, whether politically, economically, or militarily, nor are they in a great hurry to attain their goal. Economic collapse of the free world would be a major victory on the path to their ultimate goal and would lead to political conquest without the major use of military forces. They would achieve major victory if through military threat they could impel us into a military program beyond our economic ability to support over the long pull.

As nearly as can be estimated, we are now spending some \$5 billion a year on our ground and air force contributions to the North Atlantic Treaty Organization. These costs, which do not include expenditures for maintenance of naval forces in NATO, are likely to remain at their present level for a few years and may well increase under demands which cannot be foreseen at the moment. In addition to these costs, we are contributing some \$2.5 billion in military aid to other NATO members. This same amount is scheduled to be spent in 1955 and it does not include expenditures that might be necessary to bring West German forces into NATO. United States ground forces in Germany, together with air forces in Germany, France, and Great Britain, are maintained by funds allocated by our Department of Defense. The breakdown of costs involved is difficult to determine and the question that arises is whether these expenses should be regarded as charges for the defense of the United States or considered as costs for the defense of Europe and the North Atlantic area. While congressional committees have found it difficult to determine what portion of our military expenses are for the support of United States commitments to NATO, the fact remains that our \$5 billion yearly contribution exceeds the entire French military budget and approaches the total of British military expenditures. In planning our military body, it is imperative, therefore, that we keep ever in mind our economic capacity to counter the Communist threat to the free world.

We do not want war. But our best chances for avoiding war lies in the unity of the free world. Therefore, we must base the free world's security on a collective system of defense in which each nation contributes that most suited to its native capabilities. The United States

with limited manpower, but with vast industrial capacity and technological skill, can best contribute highly mobile offensive combat forces, global air and naval power, and advanced type weapons and equipment for our own needs and those of our free world allies. Our allies can most effectively provide the bulk of the defensive ground forces, the air and naval power for local operations and minor items of equipment. The membership of America in NATO is a magnificent undertaking that has gone far to build up the ability of the free world to fight communism.

My study of the military program in Europe has been based upon this framework: that the United States is building forces to deter aggression through ability to launch devastating counterblows, but that if war is thrust upon us, we shall have forces which can win a war, all out or limited, long or short; that we are aiding and supporting the other nations of the free world defense community to reach their own goals of preparedness and assume their proper places as deterrents against communistic threats; and that supporting all, will be the industrial capacity of our country to provide what is needed to carry out necessary military missions.

Europe appears today to stand on the threshold of an enlarged and more virile structure of defense for itself and the free world and with full recognition of its part in the overall framework of defense. Encouraging as this may be to the United States, the most basic considerations of American self-interest demand constant alertness and concentration on the defense of our own country. We must be realists and not be carried away by overenthusiasm. Common candor impels the statement that if Europe is not to be America's Dunkirk, we ourselves must reach a new level of capability and be ever alert to the true conditions of our allies. While General Gruenther has acquitted himself magnificently in rallying European defense around the banner first raised by President Eisenhower over NATO military forces, the goal of security has not been reached. Were the Communists to decide on a military adventure aimed at the West, it can be taken for granted that the present masters of the Kremlin and their generals will not make the same mistakes that cost Hitler all of Europe. No casualties would be too great to deter them from sweeping over the mainland and across the English Channel in an effort to vanquish all of Western Europe.

Realistic veterans of our own high military command, who have carefully scrutinized Russian military development since World War II, are convinced that while Russia and her satellites have the military manpower capable of such action, they have not undertaken it because they have not developed the capacity to meet the logistic requirements of so massive an undertaking. These same observers warn most strongly, however, that no one is more aware of those shortcomings than the Soviets themselves. It would be deadly folly for the United States or our allies to suppose, therefore, that the Russians lack the strategic and tactical understanding of the problem or that they lack the productive vigor to overcome their deficiencies within time. The implications for the United States and our allies are obvious. We are in a race against time, with manpower, economics, the development of weapons, and unity of purpose the factors that will spell success or failure.

Both for their own security and for ours, our European friends have provided us with bases vital to the immediate defense needs of the West. For the United States, these are, in effect, military outposts, and by tradition the main purpose served by such forward positions is that they provide latitude in terms of time and space for the protection of a main line of resistance. While the real main line of resistance against Communist aggression in the world of today is the United States, to the Europeans, the main line of resistance is Europe. With modern airpower, composed of the long-range air force and the atom bomb, we can no longer say that the sea alone gives us the protection of old. If we were to permit the mainland of Europe to be overrun, it would literally isolate the United States from the principal free nations of the world. It is important, therefore, that we lend every assistance to build the economic and military structures of these nations. The frontlines of the free world are in Europe. We are committed to do our part for maintaining these frontlines.

In surveying American military needs in Europe, I visited General Gruenther and American military commanders elsewhere in Europe. I talked with American military attachés, ranking officers of European armies, and with General Wladislaw Anders, around whom have rallied thousands of anti-Communist exiles and refugees from Poland, Czechoslovakia, Hungary, and other eastern and central European countries.

American military commanders to whom I spoke stressed that Western Europe is a major American bastion and if it were to fall, our homeland security would be in mortal peril. I found differences of opinion on the degree to which the United States should maintain armed forces in Europe, notably in terms of military categories.

There was universal agreement, however, that the United States should adopt a military policy and stick to it, that wild fluctuations, activations, and deactivations—perhaps one of the greatest sources of waste—must be avoided. There was common agreement, also, that the United States should maintain a domestic military strength which is capable of dual missions; one, a highly skilled training cadre capable of facilitating, under emergency conditions, immediate expansion of our Armed Forces at a pace many times faster than that which marked our mobilization and expansion in World War II—since time will be our most precious commodity in any future war, it is the one thing that cannot be bought after we sustain attack; second, a retaliatory force which can come to the aid of our European outpost—the counterattack is the soul of defense, an old military axiom—and the presence of which will discourage any attacks against our outpost.

There is a tendency on the part of observers who go to Europe on quick short-term surveys to feel that our Military Establishment maintains too many headquarters. American military experts with whom I talked are satisfied that the apparent size and multiplicity of the headquarters now maintained in Europe could be a strength rather than a weakness in the event of unforeseen trouble. For all these establishments, in the event of war, would have to handle a rapidly expanding Army with little or no time to put a wartime military house in order and with no hope of bolstering staff strengths from the homeland.

America's potential in the production and use of nuclear weapons is a deterrent to any other nation that might have war ambitions against our country or against our allies in the free world. It is the one deterrent recognized and respected by the communistic leaders, both political and military. The United States has been given the role of carrying out strategic atomic warfare. The Strategic Air Command of our country is the keystone upon which the defense of the free world is building. Constant exercises of this command into their rotation bases are reminders to the Communists that a force-in-being is ready to deal devastating blows should they attempt to trespass on free Europe. The morale value in maintaining nuclear dominance is immeasurable, but definitely measurable is the military and political value against communistic ambitions. It is incumbent upon the United States, therefore, to maintain its lead in nuclear potentials, a lead that should never be equaled or successfully challenged by any other country in the world. Our national policy to maintain this dominance is sound, must never be relaxed, and the lead should be ever increased.

There was a common agreement that the United States and her friends cannot hope to match the massive manpower resources available to the Soviets and their allies, both Asiatic and European. The means of overcoming this Communist advantage, therefore, must be found in greater weapon advances for use by American ground forces, in the quick expansion of our air arm on the very clear precept that this is the one military area in which the United States cannot afford to be second best, and in the maintenance and steady improvement of our commanding naval strength. As the late Senator Taft once said: "Not only is an all-powerful air force the best possible defense for the United States, but it is also the best deterrent to war."

As I saw it, our military structure in Europe is on the whole functioning efficiently and prudently. Nevertheless, considerable savings can still be made. As one commanding officer pointed out, substantial economies can be effected by employing local labor, adequately screened for security purposes, instead of soldier labor wherever feasible. Policy to this effect is in existence but needs to be carried out diligently by local commanders. As matters now stand, when we draft a soldier, ship him to Europe, and then employ him on full or part time in the most ordinary of housekeeping duties, we are wasting some \$5,000 annually in each such case and we are not advancing the military competence of our armed services. Other than the conservation of manpower by using trained soldiers for strictly soldierly duties, there is no apparent waste of manpower in table of organization units. Division strengths could be cut only by eliminating functions and the latter have already been cut too far. Manpower savings are feasible only by eliminating nonmilitary functions and thus by giving more time to essentials. This must be a Washington decision and study of the matter is urged. One of the most serious deterrents to effective and economical functioning of the armed services, many commanders told me, was the absence of a clearly defined military policy at home.

One of the most significant factors I found in Europe was that the very high cost of modern weapons has priced out of the military market every country in the world except the United States, Russia, and Great Britain. Jet planes, for example, are prohibitive items for most Western European countries. France today, for example,

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doesn't even think in terms of building battleships, carriers, heavy bombers, or heavy tanks. She has all she can do to build a fighter plane, and that with American aid. As for the supersonic aircraft whose prototypes cost a million dollars each in the United States, such an undertaking is completely out of France's reach. As one of our keenest young officers in Europe stated to me: "Today you can't build an air force if you have no fighters. If you don't have an air force, you don't have a military establishment. And if you lack that, you have no instrument of foreign policy." This same officer gave me a graphic picture of the lacks that make it impossible for individual European nations to build significant military structures, as we understand that term. In southern France, the French have installed an aluminum rolling mill brought intact from the United States. The plant, however, is largely inoperative; for the time being it is being operated at 5 percent of capacity—not for the production of aluminum but to turn out cigarette paper. The plant is waiting for the construction of aluminum smelters in the Rhone Valley, which in turn are waiting for the completion of a powerplant in the same area.

To the best of my knowledge from observations and discussions with high military persons, the equipment being sent to our allies is being put to excellent use; none of it is being wasted and they can use all they can get. Our allies should, of course, be tooling up to supply their own ammunition and spare-parts requirements for the arms and equipment we send them and should expand production on some of the excellent items of equipment of their own. No one is strong enough, including the United States, and defensive strength must be attained no matter what the cost. We must not be faced with an epitaph which will read, "We could not afford to survive."

If means for saving money on equipment is sought, it was the common opinion that concentration on the simplest equipment to do a job would result in economy without impairment of efficiency. For example, it was pointed out that no military requirement exists for automatic transmissions on 2½-ton trucks and that all of our vehicles are getting too complicated. With each complication, the original cost increases, maintenance becomes more difficult and costly and the personnel who can be trained to repair complicated items becomes scarcer. It was also pointed out that there is no requirement for all tactical vehicles to be waterproofed, that the need for waterproofing is confined principally to landing operations and that in the event of such operations vehicles for the purpose could be drawn from special pools. Many instances could be found where simplification of equipment would reduce costs without reducing efficiency and hence production would be simpler, less costly, and speedier.

The ultimate solution, our military people in Europe are convinced, will have to be found in the development of common production facilities and a pooling of research and development among nations in the Western European Union, with consequent standardization of equipment among all the Allies and elimination of duplication and competition in equipment development and production. With this, there was a conviction that United States aid will be required to shore up the present European defense structure. Meanwhile, it was felt, the presence of American troops on the continent can serve at once as a deterrent symbol for the Communists and as an earnest indication of

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United States support embodying the most important psychological connotations for Western Europe.

I was particularly impressed with the appearance, conduct, and morale of American troops. I am convinced they are well trained, well led, and properly imbued with the importance of their mission. It is my opinion they are creating good will and understanding of American ways with the peoples of the several countries where they are located. It was particularly gratifying to see the manner in which the United States Defense Department representatives in the various countries were carrying out their duties. The United States is providing these countries with the sinews of war as well as the men and know-how to train the Europeans in the operation of the equipment. The performance of these countries in creating their own forces, well-trained and ably supplied, has been of particular importance in raising the morale and capability of the Europeans to continue their fight against communism.

It was most gratifying to see the confidence which has been built up among our European allies for the United States Air Force. Its smooth operation and the splendid expressions of faith which it has inspired must be attributed both to the guidance of the Secretary of Air, Harold E. Talbott, to General Twining, his Chief of Staff, and to the European field commanders: General Tunner, the Air Force commander in Europe; General Kissner, the commander in Spain; and others like General Norstad. I found high praise for the ability of the United States Air Force at every turn in Europe. Statesmen and military leaders were all aware of the fact that the existence of the force-in-being represented by the Strategic Air Command of the United States Air Force really gave them a shield behind which they would be able to build their own military structures. We must give the United States Air Force great credit for furthering the peace.

It was equally gratifying to see the same measure of confidence built up in our Army units. Under such brilliant Army leaders as General Hoge, Commander in Chief, United States Army, Europe; General McAuliffe, commanding the Seventh Army, and his two corps commanders, Generals Hodes and Hart; the commanders in Berlin (Brigadier General Packler), Vienna (Brigadier General Nutter), and other points; and many other outstanding officers that spare prevents mentioning, the Army is sparing no efforts to make itself efficient and an example for our allies to follow. I regret I was unable to see the Navy as I did the Air Force and the Army, but I am confident the Navy is pursuing equally high standards. American forces in Europe are magnificently trained and ready to fight at a moment's notice if fight they have to. I am convinced that never in our peacetime history have we had a military force as capable as is the one in Europe, and I believe it would compare favorably with any of our wartime forces. It is an establishment in which Americans can take full pride. We can rest assured that our military affairs in Europe are in competent hands and that our trust will be maintained.

I found that in many of our embassies insufficient use is made of the military attachés assigned there. These trained military advisers have been bypassed by special missions assigned from time to time to the country in which they are serving and their duties have deteriorated in many instances to purely functionary ones.

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Meanwhile, conversations with military experts and educational authorities abroad and at home convinced me that, in planning for our future defense, a major task confronts us in our own country. We have known for some time that Soviet Russia is giving great emphasis to the scientific and technological training of her youth. The best estimates available indicate that this year, Russian schools will graduate some 54,000 engineers, while only 19,000 graduate engineering students will emerge from American educational institutions. At the same time, Russian facilities will turn out approximately 250,000 technicians in nonengineering categories, while Americans with comparable training will come to only 10,000. Similar ratios apply in scientific fields generally so that in one of the most vital areas of our preparedness, we presently find ourselves being outstripped by the Soviets on an alarming scale. Experience of the last war, when educational institutions provided invaluable training facilities for the development of various types of military specialists, should be brought into play at the earliest moment to overhaul a growing Soviet lead in an area of the utmost importance to both our military security and our national well-being. The nature of our society is such that we can well afford to correlate potential military needs with requirements of our national economy through a program that will equip our youth to serve the Nation in time of emergency and to contribute to our industrial strength in time of peace.

I would be most remiss in this report if I did not say a personal word about General Gruenther, the NATO supreme commander and the commander of American Forces in Europe. That this great statesman, diplomat, and soldier, who reminds me so much of MacArthur, is doing an outstanding job of great credit to our country, has been attested to by the numerous commendations others have given him, but is best proved by the high esteem and complete confidence reposed in him by the nations with which he has official relations. His complete understanding of European problems as they affect American security and his sincere, thorough, and efficient manner in seeking solutions of these problems have established him as one of the great military and diplomatic leaders of all time. He is the right man in the right place at the right time.

Western European manpower available for defense against Communist incursion is by no means limited to the national forces of the individual countries in the area. One of the most resolute and dedicated enemies of communism that I met in Europe was Gen. Wladislaw Anders, who led Polish forces against the Nazis in World War II and whose betrayal by the Soviets is a matter of history. General Anders gave me an estimate of the free Polish contingents that would be available to the West in the event of a Soviet attack. Moreover, I learned from other sources that in addition to anti-Communist Polish refugees and escapees who have rallied around General Anders, his cause has attracted anti-Communists of other central and eastern European countries who have been able to escape to the West from Communist thralldom. General Anders, in discussing the availability of this manpower for service against any Soviet attack, pointed to three denominators common to all of them. To begin with, he contended, they share a common refusal to compromise with communism. A second factor is that they repose full confidence in military leaders and former commanders well known to them. Finally he held they remain loyal to those whom they regard as the true civil

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authorities of their countries, the political leaders who managed to survive or escape Communist extermination.

General Anders told me that he has been devoting himself to two main objectives. He has sought to maintain morale by strengthening hope and preserving faith in the future. He has endeavored to maintain a certain level of professional and organization readiness among the existing free military cadres.

A number of important and significant results have flowed from General Anders' activities, some of which I consider to be of such a nature that their commission to print in this report would be to impair seriously a very valuable contribution being made to the general security of the free world. For the safety of gallant men, as well as for the continued usefulness of their efforts, I deem it best that the data given me be conveyed to appropriate American authorities in executive session.

The circumstances under which General Anders and his associates are carrying on their program, however, are such as to merit much greater support and attention from the United States than they have in the past. Tentative steps looking in this direction have already been taken in legislation sponsored by former Senators Henry Cabot Lodge and Owen Brewster. Further implementation of the principles implicit in these measures is earnestly urged. Here is a tremendous asset for the free world, which should be carefully surveyed to determine if a method can be found to utilize available manpower to good advantage.

In general summation of the military situation in Europe, it can be said that we know the mission and are proceeding in a business-like way to carry it out. We are strengthening our allies and we are maintaining our own position. As our allies increase in strength, it is possible that our own efforts in Europe can be diminished. In fact, with the granting of German sovereignty and the rearming of that country, with the settlement of the Trieste question, and with the signing of the London Treaty, with its apparent strengthening of the armed forces of the signatory nations, there is already a growing demand in this country that American forces in Europe be drastically reduced or that they be withdrawn entirely. While the major mission of our troops in Europe is to bolster our allies as well as to provide our own outposts, the secondary mission of furnishing occupational troops in former enemy countries becomes the major mission in the minds of many Americans. Hence, sight of the real major mission is lost in the sense of well-being which follows partial completion of the purely secondary mission. Thus many Americans see incorrectly the mission of our troops as occupation forces rather than as defense forces. The clamor for bringing our men home is the natural result.

It is the duty of our allies to bring their own military forces to a strength adequate to protect their homelands, fully man their own main line of resistance, and provide the outposts for America. When they accomplish these objectives, we can then seriously consider the matter of withdrawing our troops from European bases. However, the security of America continues to depend in great measure upon the security of Europe. But we do want to maintain this security in as efficient and economical a manner as possible.

I think that most Americans have a fairly good basic understanding of the tenets of communism. They know that the Communists have established as their goal the elimination of the United States, the keystone upon which the economic and military strength of the free

world is based. Our people have accepted the fact that we must continue to provide our share in this great struggle against communism. The struggle will go on and we must continue to be determined to resist until the very basic nature of communism has changed and their leaders are willing to live and let live.

The subject of threats to peace must be one of constant and unceasing study. The Congress can be materially aided in its study by having its own professional staff in Europe as I am recommending in this report.

Diplomatic and administrative

The eyes and ears of American foreign policy are our diplomatic outposts throughout the world. Under the insistent pressures exerted by the Communist world in the crucial struggle between freedom and totalitarianism, the diplomacy of yesteryear has been reinforced by a vast and complex structure of auxiliary implements designed to shore up the will to freedom, where a foundation exists, or to encourage its development where the soil has not yet been rendered sterile by Communist expropriation.

Of necessity, this has been a field of activity to which a certain degree of viability and latitude for experimentation in dealing with communism's tactical shifts has been necessary. All the more reason, therefore, why this field merits the closest scrutiny to insure against descent into the all-too-plentiful pitfalls of waste and ineffectiveness that are constant hazards in American operations overseas.

Duplication of effort

In talking with American officials on every level in various European countries, I heard many complaints about duplication of effort among American agencies presumably set up to carry out distinct and separate functions. A common complaint was lack of coordination of existing agencies. One of the most frequent criticisms was aimed at the "empire builders," administrators whose agencies were set up for specific tasks, which for self-aggrandizement, assumed functions overlapping existing operations.

Bypassing of embassies

One of the discomfiting facts I found about American diplomacy in Europe was that we ourselves persist in undercutting the very emissaries we have assigned to represent us abroad. We have cut the ground out from under our ambassadors by the alacrity and frequency with which our Secretaries of State have visited Europe to personally conduct our foreign relations.

I was fortunate enough to be in Europe when Secretary Dulles made his contributions to the discussions that led to formulation of the plan for Western European Union. I therefore had an opportunity to see the Secretary under the most creditable circumstances. As admirable as was the part he played, I feel impelled to offer the judgment that it is a mistake to send our Secretary of State to Europe as often as we have; rather, our status in world affairs would suggest that European statesmen find their way to our shores in periods when they feel a need for consultation with the head of our diplomacy to be pressing. The custom of dealing with the United States, either through American ambassadors abroad, or through Europe's plenipotentiaries in Washington, appears to have vanished. Instead, they have come to seek solutions for their problems either by direct approaches to Washing-

find their way from the United States to Europe. Compounding the confusion has been our extraordinary lavishness in the conferring of titles on our emissaries abroad. Not long ago, for example, we had on assignment in Paris no less than four representatives, all holding the rank of Ambassador.

Need for coordination

One of the most formidable problems confronting the effective functioning of our diplomats, notably our ambassadors, is the lack of adequate supervision and coordination between their operations and those of agencies, which, to put it plainly, are charged with administering the expenditure of American funds abroad.

Illuminating the point that prudent administration can save large sums in American operations in Europe is the success achieved by Hon. John C. Hughes, Chief of the United States Mission to NATO and European Regional Organizations (USRO), in effecting savings of about \$1 million in a 2-year period through judicious personnel and administrative revisions. Underscoring the opportunities that exist for effecting substantial savings in our overseas operations is the fact that these economies were achieved in a period when European tensions required steadily increasing attention by American administrative operations abroad. And not the least noteworthy aspect of this achievement was that, in addition to the economies brought about, greater coordination was accomplished between diplomatic, military, and economic aid operations within the NATO framework.

The facts of life in Europe today are that in countries where economic needs are a factor, American money talks louder than American diplomacy. And unless there is a well-planned, carefully supervised correlation of the two, both American statesmanship and American dollars will go for naught.

FOA-Embassy relations

This was brought home to me sharply in an examination of the relationships obtaining between our Ambassadors and such agencies as the Foreign Operations Administration. I found that by and large, FOA missions are operating independently and not in support of American political objectives. FOA ministers or chiefs of missions are primarily responsible to their parent agency in Washington. In many instances they meet regularly with our Ambassadors, but the fact is that no matter how competent an Ambassador might be, no matter how extensive his grasp of the political and economic realities of the area in which he serves, he does not exercise control over the FOA official in his territory and his advice can be ignored. The result is that in many cases we are not achieving the objectives for which we are spending foreign-aid funds and frequently these expenditures are hurtful rather than helpful. In 1952, for example, it was recommended that our FOA Mission in Belgium be discontinued because no aid program of any consequence was being carried out in that country. Soon after the present national administration took office the FOA sent a group of highly perceptive and experienced American businessmen abroad to survey FOA programs throughout the world. In many cases the recommendations of these experts were ignored and only recently our FOA Mission to Belgium was reestablished despite the fact that Belgium has made considerable economic advances in the last 2 years, thus obviating the need for continuing

European attitude

The assessment of how much American aid ought to go to Europe is one of the most challenging and difficult problems confronting those charged with the formulation of American policy in this field. It is made no easier by the attitude many American diplomats have assumed in relation to the countries in which they are stationed. I found among many of our representatives a good deal more concern for the needs of the countries in which they are stationed than with the returns accruing to the United States in terms of increased efforts at self-reliance by the recipients of our aid. There seemed to me to be a tendency among some of our diplomats to plead Europe's cause in Washington rather than to further understanding of America's policies in Europe. One of the ablest young American diplomatic officers I encountered overseas summed up the results this way:

In many quarters in Europe there is an explainable, if not justifiable, attitude of superiority toward the Americans. There is an impression that America is a land barren of culture, where money rules, and where the entertainment of the masses of the people is confined to chewing gum and viewing wild-western movies. On the other hand, we are being regarded as always ready for a soft touch, and while we do have many admirers of our individual qualities, we do not have many friends who are convinced of the rightness of our attitudes and the policies on which they are based.

Foreign Service needs

In part, we must recognize that Europe's ambivalent outlook on the United States has been brought about because we have allowed our Foreign Service to fall into serious disrepair. The fact is that some 70 percent of our Foreign Service officers have served for less than 10 years. The Service has been plagued by poor administration, poor personnel policies, and poor pay. Effective foreign policy cannot be evolved in the confines of the State Department's offices in Washington. It can only come about when our Secretary of State is backed up by a chain of alert and competent Foreign Service officers in the field, capable of maintaining effective coordination between policies developed in the National Capital and performance in the areas of American interest overseas. Weakness or incompetence at any one point in the chain of command can undermine the entire structure. This has been graphically illustrated time and again by the "surprises" visited on our foreign policy planners because they were not given adequate current information on foreign policy trends in European capitals. Lacks such as this were most evident in the events leading up to the French defeat of EDC and the startling effect of this defeat on the United States.

Among those most handicapped by the weaknesses in our career Foreign Service are our Ambassadors. Like general officers in the Army, our Ambassadors can only be as effective as the troops at their disposal. Our apparent failure to provide our State Department and our Foreign Service with personnel capable of meeting the exacting demands of American diplomacy in an age of crisis stems from three factors. We have not maintained training facilities adequate to provide us with personnel in either numbers or quality necessary for our Foreign Service needs.

We have given all too little stress to the Foreign Service as an honorable career offering young people an opportunity to make a vital contribution to the national security and welfare. We have maintained salary levels that discourage able young people from consider-

ing the Foreign Service as a career to be pursued on a long-range basis. Lacking a reservoir of trained personnel susceptible of successful integration into any of the various phases of America's foreign operations, we have met the total diplomacy of the Communist world with a patchwork of improvisations and bureaucratic gadgets. We have held our regular Foreign Service Corps to a minimum, but we have superimposed on the Foreign Service itself a variety of specialists. To fill the crevices between our diplomatic and military operations abroad, we have created additional agencies. The result has been a sharp increase in our production of foreign policy "experts," many of whom have become unofficial and unpaid lobbyists for specific areas of the world to which, for one reason or another, they formed individual attachments.

We must recognize that, as in every other area of our relations with the Communist world, emergency is the norm in our diplomatic conduct vis-a-vis the Soviets and their allies. The total diplomacy being waged by the Soviets demands that we man this front of the cold war with a new type of Foreign Service officer, one who commands a synthesis of diplomatic, military, and economic knowledge. We recognized long ago the need to augment the training of our military leadership with courses in geopolitics, economics, and government. The benefits that have accrued to the Nation from our experience with the Army, Navy, and National War Colleges suggest that a similar effort would prove equally fruitful in the development of a career diplomatic corps.

A comparable training institution, as the Wriston Report points out, was established at least nominally by Congressional action in 1946. Designated the Foreign Service Institute, it has unfortunately been left to wither on the vine. As the report noted, the directors of our military colleges hold the rank of lieutenant general or vice admiral. By comparison, the Foreign Service Institute has languished with a totally inadequate staff and under an Acting Director whose rank is, on any comparable basis, far below that of a three-star officer in the Armed Forces, and who himself does not pretend to have the accepted characteristics of an educational leader of distinction as originally envisaged by the Congress.

Unless the Foreign Service Institute is revitalized and given a status equal to that of the War Colleges—or unless an alternative is adopted that will provide us with a first-rate training ground for Foreign Service officers—we shall remain seriously crippled in one of the major areas of our national security structure.

There are a number of other recommendations in the Wriston Report, which, if carried out when they were first advanced, would have obviated many of the criticisms that can justly be made today. Indeed, failure to heed sound recommendations by committees set up by Congress and the Executive to study operations in a variety of areas has left the way open for waste and inefficiency that could have been avoided in innumerable instances.

Delineation of United States foreign policy

Our weaknesses on the secondary levels of American foreign policy are paralleled to some extent by divergences at the very summit where this policy is articulated. We live in an age when nations look across each other's shoulders to scrutinize closely developments in each other's parliaments and political parties. Nations keep sharp ears open for policy proposals and experts in their own fields.

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neighboring countries. Political figures who, from time to time, issue statements of view for home consumption must recognize that modern communications and international curiosity have extended the limits of such expressions to the very edges of the globe.

Public expressions on matters of foreign policy by members of the United States Congress exercise a profound impact on Europe. Recognizing that ours is an elected leadership, Europe has come on more than one occasion to attach greater significance to statements by United States Senators than to expressions of our ambassadors or even our Secretary of State. In their time the voices of Senators Vandenberg and Taft carried more authority in Europe than any others in the United States with the exception of the President. Today, great weight continues to be attached to the publicly stated views of Congressional leaders. And when such views reflect sharp policy differences in the highest councils of our Government, Europe grows troubled and confused. The need for a clear delineation of American foreign policy that can be recognized by Europe as a reflection of united American will is of crucial importance if Europe is to continue to look to us for leadership in the world of today. Hard talk and soft action have cost us immense losses in Asia; we dare not risk equal disasters in Europe.

Need for operational supervision

Our operational effectiveness, too, has suffered from a failure to establish and maintain a clear-cut delineation of the tasks to which we are addressing ourselves. In the main, our present operations fall into four general categories: diplomatic, military, informational, economic. On this base has been erected a complex of agencies whose activities—with the exception of the military services—have impinged on each other's operations from time to time with consequent impairment of efficiency and economy. Corrective measures have been undertaken, but lacking sharply defined supervisory responsibility, progress has been slow, cumbersome, and in some cases, the rate of obsolescence has exceeded the pace of administrative adjustment. Thus, for example, we were maintaining in Germany at the time of my visit there offices and services whose need expired long ago because of a revision in United States relations with that country.

At the heart of our difficulty in achieving effective and economical administration of our European interests, I became convinced, was the absence of a clearly defined supervisory authority on an executive level, that could allocate the responsibilities to be assumed by administrators abroad and to insure that our resources in personnel and funds are used prudently and to maximum advantage.

In this connection, while enroute back to the United States, I noted in a letter on October 25, 1954, to the chairman of the Senate Committee on Appropriations and the chairman of the Subcommittee on Armed Services (see appendix) that there was a need for "supervising and studying the manner in which American money has been, and is being, spent in Europe." The letter pointed out that—

The main emphasis of American activity in countries that may still be salvaged from political extremism of the left or the right should be placed on economic factors, both in Europe and the United States.

The letter warned, however, that—

American aid should be advanced with the utmost prudence—

and should employ business methods—

that will take into account the interests of American business no less than the interests of those we wish to help in Europe.

This point of view was amplified on December 6 in my address before the City Club of Chicago, in which the following language was used to suggest how these aims could best be achieved:

I am led, therefore, to recommend to the Senate that in the individual foreign nations, our Ambassador be the actual—and I must emphasize the word “actual”—chief of all American operations in that country. I also feel that there is a necessity in Washington for a high official on the executive level—not a new agency by any means—to enforce the coordination and unity of effort in our vast foreign operations which no longer, as in years past, are confined solely to the diplomatic field.

This was one of my observations which I released to the public after my first interim report to the Senators last October.

It is therefore a matter of deep gratification to note that President Eisenhower has now designated one of our foremost economic thinkers, Joseph M. Dodge, to work on the Cabinet level “to bring about improvements in the organization of the executive branch for the development and coordination of foreign economic policy, including its relation to domestic economic policy where it is involved.”

From personal observation, I can testify that President Eisenhower has taken one of the most significant steps yet adopted in gearing our economic resources to the demands of meeting the aggressive threat of communism.

Accountability to Congress

In the final analysis, I found a need for more sharply defined accountability by the agencies to whom we have entrusted the conduct of our policies and our programs overseas. America's strength has always been in its people. Executive agencies exist to carry out the people's will. And the Congress, the chosen instrument of the electorate, exists to express the people's will and to make certain that this will is properly discharged. This is the essence of our system of checks and balances which has proved so successful in sustaining the American body politic. While the Congress, which states the policy and controls the purse strings under which the policy is carried out, maintains constant and close contact with our domestic Federal operations, it cannot by virtue of distance maintain the same touch with our multibillion-dollar operations abroad. While it is true that Senators and Representatives visit foreign lands, they usually do so only when the Congress is not in session; that is, either during a recess or—as is usually the case—after adjournment.

It is therefore apparent that an instrument will have to be found to enable the Congress to maintain continual scrutiny of the administration of American affairs in Europe.

Informational

We have maintained an overseas information program on the theory that the battle for men's minds is a fundamental part of our effort to strengthen resistance to Communist encroachment. The stated mission of the United States Information Agency is—

to submit evidence to people of other nations by means of communication techniques that the objectives and policies of the United States are in harmony with and will advance their legitimate aspirations for freedom, progress, and peace.

Confronting us in this struggle for men's minds is a massive, worldwide Communist propaganda machine animated by the Marxian the-

ory that history will decree its ultimate victory. In addition, we have labored under the distinct handicap of vying against indigenous Communist parties pursuing Soviet objectives, both covertly and openly, by insistent exploitation of local issues. By our very theory of free government, of and by the governed, we lack comparable political adjuncts and have necessarily had to place our reliance on informational devices to interpret and gain understanding of American objectives, to bring recognition of the insidious and destructive nature of communism, and to foster native democratic forms.

In discussing this program with American officials charged with its administration, I found agreement among them on the necessity of maintaining informational activities in Europe to combat insistent falsifications and distortions of American aims and policies by Communist propaganda. However, I also found mixed views as to the effectiveness of the information activities being carried on by the various American agencies on the European scene. Here, as in other fields of American activities in Europe, I heard complaints of duplication and overlapping and emphasis on the need for a clearer demarcation of responsibility for this most important program.

In this connection, an excellent guide to the development of a sound, effective information program was contained in the recommendations of the Hickenlooper-Fulbright Committee, which made an extensive study of this field of activity. Unfortunately, as in many other areas, congressional committees' recommendations have never been fully carried out.

The most serious defect I found, however, was in the orientation of our information activities. We still tend to place far more emphasis on American policies than on the interpretation of those policies in terms of the welfare and security of our European friends. It is not only important to tell the ordinary people of Western Europe what is bad about communism, it is also vital to bring home to them what good can accrue to them from democracy. And the terms in which we speak to Western Europe's millions must have reference to European cultural and political standards rather than to American definitions of democracy.

In combating Communist influence, we must keep in mind that one of the major aims of our appeal to the captive peoples behind the Iron Curtain must be to strengthen opposition to existing Communist regimes. In my judgment, it is a mistake to couch our programs in terms that induce an increase in the flow of political escapees from the captive countries. Rather, we should seek to encourage defections by scientists, engineers, industrial managers, and others whose escape from Communist bondage could serve to weaken the industrial, technological, and economic capacities of the Communist countries.

The West cannot, of course, turn its back on political defectors. Insofar as possible, however, it should seek to strengthen their determination to stay and fight the Communist tyranny on their native soil. In the end, Communist regimes can only benefit from a diminution of political opposition within their own borders. Technological and industrial defections, on the other hand, can work a genuine hardship on these regimes. American information programs, therefore, can bring more effective results if stress is given to the superior economic accommodations available in the West for scientists, technicians, and trained industrial personnel. A special appeal of this kind can have important corollary effects. It can sow dissatisfaction among those re-

maining behind in the Iron Curtain countries, and it can exert increasing pressure on Communist regimes by forcing them to divert greater portions of their production to the manufacture of consumers' goods, thus impairing arms production and creating additional labor problems.

Another important consideration to keep in mind is that the Communists use native propagandists, not Russians, to spread Communist doctrines. These trained indigenous agents are familiar with local foibles down to the village level and work hard everywhere to exploit their compatriots for the Communist cause. To overcome this we must intensify our efforts to shift to native media the main burden of Europe's defense against the ideological onslaughts of communism and to strengthen our allies' capacity for informational self-defense.

As the free world, in its relations with the Soviets, has moved from crisis to crisis, the United States and her friends in Europe have counseled together on major problems of military, political, and economic self-defense. Similar action in the field of informational activities is warranted in the face of the massive effort being carried on by the Communists on the propaganda front, the advance outpost of a vast and relentless war by the Soviets to condition men's minds for capitulation to totalitarianism. I left Europe convinced that a pooling of the free world's resources against Communist ideological encroachment is as important as common action to resist armed attack. As the author of the original Army combat public relations plan, I realize the great importance of a coordinated and well-executed program to rally effectively support against a common enemy.

The United States Information Agency is making commendable efforts to curtail superfluous activities in many areas of Europe. In such countries as Austria, Germany, and Great Britain, USIA officials note, the ideological battle with communism, and the strength of indigenous democratic forces, is permitting a lessening in our efforts. On the other hand, in a country such as Italy, where Communist strength has not ebbed materially, the vigor of Communist propaganda does not enable any slackening of the American effort. In Spain, where American activities are on the increase, our information program is being expanded accordingly.

Efforts should continue to staff the American information program in Europe with skilled and experienced publicists competent to carry out American information objectives in terms that can stimulate the interest and understanding of European populations. An important requirement is for the periodic rotation by the USIA of overseas personnel to the United States to permit information officers to keep pace with developments in the United States and thus helping them to maintain a proper perspective. This personnel practice has long been followed by the State Department and I am told that similar steps are being contemplated by the USIA.

American press corps in Europe

American newspaper and radio correspondents in Europe were among the most informed and helpful persons to whom I talked in the course of my survey of the European scene. Unfettered by some of the limitations imposed on official representatives of our Government, the American press and radio corps in Europe has a compre-

hensive grasp of the political personalities, as well as the shifting political tides, that affect European attitudes and policies. I found that in many cases our newspapermen overseas were better informed than our diplomats on European policy trends. The French defeat of EDC, which came as such a shock to our diplomatic corps, was not nearly as startling to our newspapermen, many of whom had envisaged the possibility of France's ultimate decision and had said as much in dispatches to their newspapers back home. In years of experience abroad, many of these men have acquired a fund of information which can be of immense value to Congressional committees charged with shaping United States policy on American operations in Europe. In addition, our foreign correspondents enjoy a vantage point which permits a more objective evaluation of the quality of American overseas operations, and the reactions these operations evoke from foreign governments and peoples, than can be expected from the subjective judgments of American officials charged with carrying out American programs abroad.

I wish to note here that the suggestion for making available to Congress the information at the command of our newsmen overseas originated with them. They told me they would be happy to contribute to our Government's store of knowledge of the European scene, subject to the assent of their editors and publishers.

Travel and Exchange of Persons

Despite the expenditure of billions of dollars in United States economic aid and a formidable investment in informational programs designed to promote European understanding of the United States, I found that the average European citizen knows little about his American counterpart, and the little that he knows is based on misconceptions that are energetically exploited by European Communist Parties. Because communism has striven vigorously to subvert our language, as well as our political institutions, American concepts of peace and democracy are difficult to communicate to average Europeans who have been given a thorough pounding with propaganda depicting the United States as materialistic, aggressive, and immature in matters of international relations. Unfortunately, adverse impressions of the United States have not been softened by contacts between average Europeans and the more affluent American tourists who can afford free-spending vacations.

The solid and enduring values of American civilization and the climate of freedom and equal opportunity in which our people live and work are difficult, if not impossible, to communicate to Europeans through ordinary information media in terms that can build a stronger community of interest between the European and American peoples. A greater sense of national responsibility by American travelers abroad could help to meet part of this need. Too few Americans understand that diplomatic conduct is as important in relations between ordinary citizens of America and Europe as it is in relations between governments.

One of the best ways of strengthening the community of interest between the peoples of the free world, I am convinced, is by enlarging the opportunities for Europeans to visit the United States and savor for themselves the free atmosphere in which our society functions. Visitors should be given firsthand views of our educational and social institutions, our courts and legislatures, our farms and factories.

Above all, they should be given an opportunity to meet and talk with the American people themselves. This is one way in which we can begin to help Europeans to distinguish between the spurious bill of goods being sold by the Communists under the labels of "peace" and "democracy" and the genuine article to which the United States and the American people are dedicated. It can provide us with European advocates and interpreters of American values and standards who can be of immense help in bettering relations between the free peoples by supplanting Europe's doubts and prejudices with understanding and good will.

Europeans and Americans to whom I spoke were unanimous in endorsing an increase in visitor exchange to encourage not only students but professional people, parliamentarians, scientists, businessmen, agriculturists, and others in expanding two-way travel to meet their counterparts in allied lands, thus building greater mutual understanding and stronger ties among the peoples of the free world.

From the vantage point of American self-interest, I am convinced that increased European travel to the United States, easier and more attractive access to our country, our free institutions, and our free people can help greatly to gain European understanding of American policies and cement the comradeship of the peoples of the free world.

Economic

One of the few real advantages we retain over the Communists in the worldwide struggle between freedom and dictatorship is our superior economic capacity. As with every other phase of our activity in Europe, it is essential that our economic strength be utilized in the furtherance of our total objectives in fortifying the free world against aggression.

European economic progress, if maintained by expanded international trade, remains one of the West's most effective weapons in the fight against communism. The Soviets, too, recognize the importance of trade in their efforts to achieve world domination. Trade, much more for the Communists than for us, is employed aggressively as a political weapon. The Nazis, it will be recalled, used "dumping" methods to conquer the Balkans. Authoritarian states, maintaining as they do rigid controls over every aspect of national life, possess a tremendous advantage over the free nations in international commercial competition and economic warfare. Western Europe must be encouraged to avoid the deceptive temptations offered by the East and it must be given an opportunity to supplant its formerly profitable prewar Eastern trade with Western markets. In talks with friendly European and American economists abroad I heard warnings that the United States cannot afford to ignore the aggressive economic campaign being waged by the Soviets.

Confidence was expressed that American productive capacity and enterprising American selling methods could maintain a very large export market for our country. In talking with European businessmen and commercial leaders I found a genuine desire to do business with American firms, especially in the sale of their goods in the United States in order to obtain dollars for the purchasing of American products and the strengthening of the European economy. There was, however, some apprehension over our intentions regarding freer two-way trade, due in large part to a lack of understanding of American motivation in the instances of the increase of duties on imported Swiss

watch parts, which was viewed in some quarters as a reversion to a high-tariff policy. It is interesting to note a principal cause of this misapprehension—the United States Embassy in Switzerland at the time the tariff decision was made had no press officer and was not fully able to explain at that time to the internationally read Swiss press the American attitude and real basis for the actions which were taken. Hence, American economic policy throughout Europe became a subject for misinterpretation. Together with a properly timed and coordinated information program, much of the damage to European understanding of the United States might have been obviated. I have since been informed by Hon. Theodore Streibert, Director of the United States Information Agency, that press coverage is being provided for our Embassy in Switzerland.

While it is important to maintain a viable European economy and to substitute trade for aid and loans and private investment instead of free grants, it is equally important to guard against ruinous intrusion of American markets by foreign producers. Postwar business and industrial recovery in Europe has reached a point where the United States must reassess in realistic fashion the volume and type of economic aid that ought to go to Europe from this point on. My observations convinced me that we have reached a stage where we must weigh the relationship between foreign-aid spending and the interests of American business, industry, and labor. In Hardin County, in my own State of Illinois, for example, a principal industry is the mining of fluorspar for steelmaking. At present 1,200 Hardin County miners are out of work. Yet our foreign-aid program is advancing money to develop fluorspar production in a number of foreign countries.

Common prudence demands that American industry be protected in cases where it is engaged in production for the national defense or where it may be suffering from temporary economic contractions. Our policy, therefore, should be flexible enough to provide safeguards for American industry where needed and to permit the lifting of temporary trade restrictions once depressed segments of our industry have recovered sufficiently to hold their own in competitive markets. It strikes me as singularly appropriate here to recall an observation made by the late Senator Robert A. Taft in his book, *A Foreign Policy for Americans*—

Fundamentally, I doubt if the standard of living of any people can be successfully raised to any appreciable degree except by their own efforts. We can advise, we can assist, if the initiative and the energy to improve themselves is present. But our assistance cannot be a principal motive for foreign policy.

I found in many quarters a necessity for the modernization of European business methods, especially in the distributive process. While some American technical aid has been extended on retailing, distributive, and merchandising methods, this should be intensified for there are vast untapped consumer markets within the European nations themselves sufficient to absorb expanding European industry. This is quite apparent when one views in such a nation as Italy the marked differences between the wealthy and the poor on one hand and on the other the weak middle class who should, as in the United States, form the backbone of a high consumption of both soft and hard goods and a consequent improvement in the standard of living. Briefly stated, the

European economy, whose productive recovery has been rapid, due in large measure to American aid, must now concentrate on increasing domestic consumption to absorb production and foster necessary expansion.

I heard complaints that there is a serious dearth of top-grade experienced economic advisers in our embassies and foreign missions, which handicaps seriously effective formulation and execution of American policy. American industry offers an immediate source of supply for such personnel. It was suggested that training programs by the Government be maintained to insure that this need is filled. The splendid personnel developed by the Treasury Department for attaché duty with American embassies abroad illustrate what can be accomplished by sound training programs.

Yet another step that suggests itself is the borrowing of skilled personnel from commercial and industrial organizations with experience in foreign economic relations. In the past "dollar-a-year men" have made vital contributions to the success of American war efforts. In the world crisis that confronts us, it is far more vital that we utilize "dollar-a-year men" to prevent war than to delay calling on their services only after an emergency overtakes us.

One American expert summed up for me very well the necessity for our maintaining a vigorous economic offensive in Europe. He said:

We must give Europe the opportunity of earning sufficient American dollars to withstand Soviet economic pressure. Europe does not have sufficient money to invest substantially in America. Therefore, we must establish more viable trade between Europe and the United States, remembering that we have the formidable political problem of keeping Europe oriented to the West. We serve this objective if we maintain close trade contact with Europe; we impair it if we make it impossible for Europe to trade with us and so force them to buy from the East commodities our American producers ought to be selling them. To compel Europe to turn to the East for economic sustenance is to strengthen Communist economies, which are among the principal implements in communism's arsenal of weapons against the United States.

The fact that European nations have largely recovered to such an extent that direct American monetary contributions are no longer a prime necessity does not signify that full economic viability has been achieved. American private investment is still needed. As to what may be done domestically to encourage this, the committee is referred to the United States Department of Commerce survey published August 26, 1954. American investment is highly desired in Europe. For example, in late September, British Chancellor of the Exchequer, R. A. Butler, suggested that the United States accelerate its foreign investments by an added \$3.5 billion annually. This is a two-way street, however, and European nations on their part must present a favorable climate for American private investment.

Purchasing and procurement

In surveying this area of American operations in Europe, I spoke to officials and employees on various levels of both military and civilian agencies concerned with our foreign purchasing and procurement policies.

I heard complaints that no appreciable progress has been made in the standardization of weapons and equipment, a policy recommended by several survey groups in the past. For example, adoption of a standard rifle has not yet progressed beyond the discussion stage.

Agreement has not been reached on a standard vehicle of the jeep type. Failure to achieve standardization does not lie exclusively at the door of American officials. In point of fact, it was recognized long ago that such standardization is vitally necessary for our national security and that we have been far too slow in achieving this needed objective. Recommendations contained in the report issued by Senators Bridges and Symington following their visit to Europe early this year have not been fully followed to their conclusion.

I found two conflicting philosophies in our purchasing program in Europe. One, fostered in agencies (State Department and FOA) concerned with our foreign policy, views as paramount the effect worked on foreign economies by our purchasing of, and expenditures for, goods abroad. The other view, observable in consuming agencies such as the military services, is concerned primarily with obtaining the best goods at the cheapest price. The factor of American foreign economic policy, on which billions of dollars have been expended, does not enter into the considerations of such consuming agencies. Common to both types of agencies is the philosophy that gives inadequate consideration to economic needs and availabilities in the United States, where some areas are suffering contractions due to lessened production.

Prior to my departure for Europe, I reviewed the extensive hearings and report of the Federal Supply Management Subcommittee of the House Committee on Expenditures in the Executive Departments, popularly known as the Bonner subcommittee. In speaking to military and civilian officials at various levels concerned with different phases of procurement, I inquired as to what progress had been made in carrying out the recommendations of the Bonner subcommittee and whether shortcomings uncovered during the committee study had been corrected. The concensus was that while remedies had been found here and there, a great deal remained to be done, notably in the elimination of individual "empires" which have stemmed from the noncentralized procurement system now in effect. There is a definite need, I was told, for coordination between available sources and available inventories in the United States. In addition, there is a need for greater care to insure that purchases made in foreign markets do not prove injurious to American sources of production, especially in instances where individual American industries are hard pressed.

One of the cardinal defects of the present system, it was pointed out, resides in the practice of permitting principal consuming agencies to purchase for themselves and for others. In periods of shortage or threatened shortage, experience has shown that a consuming agency buying goods for others of its type retains for itself a disproportionate share of the goods available. In anticipation of such situations, nonbuying agencies overorder. It was felt that this defect could be overcome to a large extent by centering procurement functions in a nonconsuming agency. The General Services Administration by its function, structure, and experience, is an agency which would appear to meet this requirement.

Air and maritime transportation

I found among the European nations a very clear appreciation of the strategic importance of air and sea transportation. Many have embarked upon an ambitious shipbuilding program.

✓ In the case of air carriers, Europe's concern is manifested in the many so-called national carriers, either wholly or partially subsidized by their individual governments and all recipients of preferential treatment in any matter involving air carriage. Indications of this are the figures showing that in addition to the 2 United States-flag carriers, there are 11 foreign-flag lines now crossing the North Atlantic on regular schedules. In 1953, 461,000 passengers were carried across this route, with only 235,000 being carried on the American-flag lines.

These advances pose a definite threat to privately owned marine and air carriers in the United States. More than that, they pose a serious danger to the very security of the United States, since any economic weakening of American marine and aviation facilities must inevitably undermine their strength as vitally needed auxiliaries to our defense establishment.

✓ We have failed also to grasp the tremendous significance of the role that air transportation can play in providing American aid for underdeveloped countries. Some of the most critical points at which we clash with the Soviets in ideological and economic warfare are countries thousands of miles from the American continent. These are areas where the urge to throw off colonial bonds have created intense pressures for political and economic independence. If these aspirations are to be channeled into healthy, democratic courses of action, it is essential that the native peoples of these areas realize as quickly as possible that the United States is ready to help them solve their own problems and that they can rely on us to help them in achieving self-reliance. Air transportation offers the quickest access to these areas. It is vital to the effective functioning of American technical assistance programs and it is indispensable in beating Communist economic and political warfare to the punch. Above all, it offers the best means of aiding these remote countries to develop internal transportation systems for their self-help.

It is inconceivable that this country should provide the funds for other nations to build a bulwark against communism and at the same time constrict the development of our own air transport system.

Historically America yielded its early supremacy in sea transportation in the days of the clipper ships as the vast expansion and development of our West absorbed all the energies and interest of Americans following the Civil War.

With world problems growling on our doorsteps in the early years of this century, Theodore Roosevelt sent our fleet around the world to demonstrate our complete dependence on foreign shipping to fuel our ships of war.

The struggle to develop our American merchant marine has continued ever since.

In both world wars we were obliged to spend billions with all the waste incident to haste in order to create the merchant shipping to transport and supply our men overseas.

The struggle still proceeds. At the end of World War II the United States had 20 million tons of merchant shipping that was an indispensable auxiliary to our winning of the war.

We then gave billions to Europe and permitted, if not encouraged, their use of these funds, among other things, to build millions of tons of better and faster ships than ours so that our shipping is now outmoded and rusting in bays all around our country.

That is what we have done with our merchant marine—an indispensable naval auxiliary in time of war.

Now our shipping men must ask Congress to help them build a new merchant marine better and faster than those which we helped our competitors to build following the war.

Exactly the same policy with modifications is being followed in air transportation—the key to the future.

Our chief competitors in air transport operate Government-owned monopolies in international air transport with vast Government aid both in construction and operation.

Our chief competitors, while receiving billions in economic aid from us, have diverted more than a half billion dollars to develop and operate air transport designed to drive us from the skies.

That the American flag still flies and sails around the world in international air and sea transport is a tribute to the genius and enterprise of our American airlines and merchant marine with the Government assistance that is indispensable if they are to survive.

How long America will continue to aid our competitors is a question for the Congress to determine.

The newly formulated policy on international air transport under this administration is calculated to remedy in some measure the defects of a program that has been very costly to the American taxpayer and a very serious handicap to our defense. Careful study by Congress should also be given to the need of an expanded United States merchant fleet.

SECTION IV. CONCLUSIONS AND RECOMMENDATIONS

1. CONGRESSIONAL STUDY STAFF ON OVERSEAS ADMINISTRATION

As the Congress maintains close contact with Federal agencies on the domestic scene, the multiplicity of United States activities overseas, the billions of dollars still being spent abroad and their deep significance to the security and well-being of the people of the United States, suggests that a similar mechanism of accountability should be available abroad.

I recommend therefore that the Congress maintain in Europe a professional staff of modest size, appointed by and responsible to congressional committees concerned with operations there. The task of such a staff should be to study and observe the administrative aspects of American programs in Europe and report to appropriate congressional committees at times when pertinent legislation—for example, appropriations measures—is being considered. Thus, the proposed congressional study staff would facilitate a continuous flow of information to the Congress.

The staff would aid Members of Congress visiting Europe on official missions and would be available to them for advice and consultation on all phases of such missions. The terms used to establish the proposed study staff should include the most careful definitions setting forth the limits of its responsibility, which should devolve solely on the degree to which maximum economy and efficiency are being applied on American programs in Europe. Due care must be taken in these definitions to make it plain that the study staff's responsibility does not include ongoing operations in the diplomatic or military fields,

nor is it to impinge on policy matters vested in the executive branch of Government or exercise any operational authority or function. In addition, it should be made plain that the proposed study staff does not involve creation of a new agency. Rather, this staff should be made up of existing members of the professional staffs serving interested committees of the Congress. Professionals selected for duty on overseas study staffs should be rotated periodically on a basis that will insure both continuity and efficiency of operation.

2. COORDINATION OF UNITED STATES OVERSEAS OPERATIONS

The achievement of a more effective and economical alignment of our diplomatic and administrative agencies overseas is a monumental task. Our establishment in Europe is a vast complex of agencies; diplomatic and consular; military, economic, and commercial; informational and cultural. To weld these many agencies into a cohesive structure that can concentrate on the maximum achievement of American objectives overseas requires a guiding force that can minimize duplication and contradiction.

I therefore recommend that an official on the cabinet level be designated for this purpose.

3. CONDUCT OF FOREIGN AFFAIRS

The findings in this report point to serious impairment of the prestige and effectiveness of our diplomatic service. Among the factors contributing to this are: The ease with which foreign countries are bypassing our ambassadors to deal directly with Washington; the multiplicity of special missions dispatched by Washington to deal with individual European problems as they arise; excessive bestowals of ambassadorial and ministerial rank on emissaries assigned to special tasks in Europe; and finally, the frequency with which heads of American diplomacy have traveled to Europe from Washington.

I therefore recommend:

(a) That we redefine, especially for the governments of foreign countries, the functions and responsibilities of our ambassadors, re-investing these officials with the primary authority they should properly exercise in countries where they are stationed.

(b) That we broaden the jurisdiction of our ambassadors and provide them with the necessary staffs to permit them to assume actual and final authority for cultural, economic, informational, and other activities now being carried on in countries where they are stationed by other agencies, thus permitting substantial savings in our total overseas program by reduction or elimination of agencies whose functions would be absorbed by the embassies.

(c) That assignment of United States missions to deal with specific European problems be held to the minimum required by clearly discernible emergency situations.

4. IMPROVEMENT OF UNITED STATES FOREIGN SERVICE

To increase our diplomatic effectiveness generally and to develop an adequate reservoir of skilled personnel for our foreign service requirements, I recommend:

(a) That consideration be given to a re-evaluation of existing salary levels.

(b) That, in such fields as economic and cultural relations, efforts be made to "borrow" skilled specialists from private American business and cultural and educational institutions for short-term periods of service on embassy staffs.

(c) That conflict of interest provisions in existing Federal laws be reexamined with a view toward amendment that will permit the Nation to avail itself of skilled specialists on short-term tours of duty until training programs can develop personnel to meet long-range needs.

(d) That consideration be given to providing compensation adequate to attract specialists who leave private employment for voluntary duty to help in meeting American Foreign Service needs.

(e) That a training program, including either a revitalized Foreign Service Institute or the establishment of an alternative institution on the college level, be instituted by the Government, utilizing the skills and experience of existing Federal agencies and private organizations and institutions to develop a reservoir of Foreign Service personnel capable of meeting the diverse and exacting demands of current American diplomacy.

5. PURCHASING AND PROCUREMENT

American expenditures in connection with our overseas operations, including special activities such as the offshore procurement program, run into hundreds of millions of dollars. The application of sound and seasoned purchasing and procurement skills is essential if the objectives of such operations are to be met with a minimum of waste, inefficiency, and duplication.

I therefore recommend:

(a) That offshore purchasing be centered in a single operating agency, the General Services Administration, to eliminate interagency competition and to correlate Government purchasing needs more effectively with available resources, both foreign and domestic, and to insure the protection of our American economy.

(b) That the experienced judgment and skills of the General Services Administration be brought into play to assume many of the purchasing and procurement responsibilities now being borne by individual agencies.

(c) That consideration be given to insure that the joint committee made up of GSA, military, and economic agency representatives meets agency needs efficiently and economically, and that the views and recommendations of the joint committee be communicated to the directors of the agencies involved.

(d) That, while GSA participation in the case of military purchasing can relieve the armed services of heavy burdens of paperwork incidental to the negotiation of contracts and other purchasing procedures, control of the development of specifications and inspection of finished products to insure that needed standards are met, must necessarily remain with military services.

(e) That recommendations contained in Congressional reports, such as the Bridges-Symington Report, be followed to their conclusion.

6. OVERSEAS INFORMATION PROGRAM

The conditioning of world opinion for the acceptance of freedom or capitulation to communism is a central factor in the conflict between the free world and its totalitarian adversaries. Opinions vary as to whether the United States is spending too much or too little on its information activities abroad. No judgment is advanced in this report as to the budgetary aspects of the existing American program. However, I recommend:

(a) That we intensify our efforts to shift to native media the main burden of Europe's defense against the ideological onslaughts of communism and strengthen our allies' capacity for informational self-defense.

(b) That those of our information activities aimed at countries behind the Iron Curtain concentrate on special appeals to induce defections from Communist regimes by scientists, technicians, engineers, and skilled industrial personnel generally.

(c) That exploratory talks be held with our friends in the free world to develop an allied information program, using qualified Europeans with American backing and American guidance to the extent required for the conduct of an effective free world information service.

(d) That, in line with newly adopted policy, efforts be made to staff all overseas information posts with persons who have practical, rather than academic, experience in news media fields; and that, as a matter of policy, overseas information personnel be rotated to the United States periodically to maintain necessary contact with trends and developments at home.

(e) That our existing program be carefully appraised to determine whether it is adequately serving the political objectives on which it is based.

7. UNITED STATES ECONOMIC POLICY IN EUROPE

A needed reappraisal

The student of the European defense problem is confronted with a gigantic paradox. It arises from the fact that, although collectively superior to the U. S. S. R. in available manpower, technical proficiency, industrial capacity, and financial resources, Western Europe is authoritatively judged to be vulnerable to Russian attack.

This situation presents American diplomacy with a threefold task. We must implant first an acute awareness of this very real threat. We must instill the will to fight if attacked and, finally, we must promote the state of preparedness to make that defense successful.

For reasons detailed heretofore, the first two of those endeavors are the more difficult. Apologists for the slow pace of European rearmament often cite as an excuse the fact that economic productivity suffered severely during World War II. The Soviets were even more grievously wounded by Nazi destructiveness, yet they are arming with vigor and are creating a supporting industrial machine with equal energy.

Others assert, by way of explanation, that the Soviets have never relaxed a war economy, while Europe has. That is merely to restate the conclusion that the Soviets' will to conquest is more determined than Europe's will toward defense.

Clearly, we are confronted with problems in national psychology, as well as in diplomacy and military planning. There is a substantial body of opinion that the repeatedly expressed determination of the United States to defend Europe is a large factor in the disinclination of European states to exert themselves to the utmost for their own protection. It becomes, therefore, an urgent matter of executive and congressional policy whether a sharp reduction in American aid might not stimulate these states into greater effort on their own behalf.

If Congress and the executive branch should be persuaded by detailed economic studies that the costs would seriously strain the budgets of the NATO countries, consideration might be given to loans—preferably not for armament, but to alleviate budgetary difficulties in those areas pinched by increased military outlays.

While the suggestion may be outside the proper scope of this report, it could be added that this question of reducing aid—or perhaps replacing it with loans—should be approached in Washington with a high degree of bipartisan understanding. The manner in which it is done will be as important as the doing. We must not leave the impression that we are withdrawing either in anger or hopelessness, or because the danger is past. Our attitude should convey, rather, that, with our help, which we gave gladly—and less in our interest than in theirs—they are well started, and now able to finish the job.

By avoiding any suggestion that we are lessening our interest in European defense, and expressing confidence in the ability of our allies, we might pose a challenge that would strengthen at once the morale and the determination of those partners to carry a more equitable share of the load.

I recommend, therefore:

(a) That American economic policy be more clearly defined and explained to avoid misinterpretations which are exploited by the Communists, especially in their efforts to lure trade to the East.

(b) That American technical aid in retailing and distributive methods be intensified with the objective of increasing the vast untapped consumer markets within the European nations themselves.

8. TRAVEL AND EXCHANGE OF PERSONS

European sympathy with American aims and policies can best be served by fostering understanding between the nations of the free world and strengthening the personal bonds of their peoples.

I, therefore, recommend:

(a) Intensification of the interchange of persons program at all levels.

(b) Encouragement of European tourist and business travel to the United States through cooperation with the established American travel industry.

(c) Reexamination of existing law with a view toward facilitating and, with all safeguards of our interests, expanding the opportunities for foreign travel to the United States, and the assignment of adequate staffs to our consular services abroad to speed screening and other processing procedures required for the admittance of foreign visitors.

(d) An evaluation of our present exchange student and foreign visitors program to ascertain whether we are receiving the fullest possible benefits from it.

9. RELATIONS WITH EUROPEAN POLITICAL OPPOSITION

In speaking with foreign parliamentarians they frequently made the point that while American diplomatic as well as American legislative and executive officials traveling abroad hold discussions with incumbent government leaders, opposition political leadership is generally overlooked until electoral reversals, when opposition parties achieve government control. This failure to maintain a balanced perspective on the complex political scene in Europe works a two-way hardship: not only do American officials have an incomplete picture of the sum total of European opinion but minority European statesmen find themselves ignorant of United States viewpoints. ✓

I therefore recommend that increased attention be paid to political opposition parties in Europe while adequate relations are maintained with government party leadership. Due care must, of course, be taken to insure that in consulting with political opposition leaders we do not place ourselves in the position of appearing to be giving them official recognition or interfering in their domestic politics. ✓

10. CONGRESSIONAL CONSULTATION WITH AMERICAN FOREIGN CORRESPONDENTS

Experienced American press and radio correspondents have acquired a fund of knowledge about the personalities and political undercurrents affecting European attitudes and policies that can be of immense value if properly utilized. ✓

I therefore recommend that appropriate congressional committees consult with a selected number of experienced American press and radio correspondents covering European capitals. Subject to the consent of their editors, these correspondents should be consulted in executive session so that responsible legislative committees may be in a position to augment normal sources of information about Europe and so obtain a complete and balanced picture of American problems in Europe and the manner in which these problems are being met.

The qualification relating to the consent of editors in the procedure suggested above is included because it is essential to our free press tradition that the status of American newspapermen be kept unofficial and completely independent of any branch of our Government.

11. UNITED STATES MILITARY NEEDS

Our alliances in Europe provide us with indispensable outposts for America's defense structure. A United States withdrawal from Europe at present, as advocated by some, therefore seems to me to hold out serious dangers, not only to Europe but to our own country. Such a withdrawal would gravely undermine Europe's ability to defend against aggression. Lacking so significant an outer rampart, the ultimate cost to the United States, in the event of aggression from the East, is beyond calculation. Convinced that a proper balance can be found between the necessity of maintaining our forward positions in Europe and bolstering our inner security, I recommend:

(a) That in view of the preponderance of manpower available to potential Communist enemies, we muster the maximum technological and productive capacities at our disposal to establish and maintain unchallengeable supremacy in air power, and that our appropriations

for the military services be so apportioned as to insure achievement of this objective.

(b) That in common consideration of self-interest, which dictates the necessity of looking first to our own defenses, our Regular Army, National Guard, and Army Reserve establishments be expanded on a basis that will provide us with the standing capability of mustering ground forces with the utmost speed and in adequate numbers to cope with any conceivable emergency.

(c) That we maintain both qualitative and quantitative superiority for our Naval Establishment.

(d) That present commitments of United States ground forces to Europe be reevaluated, as European military manpower contributions grow with the accretion of German and other components, to determine the feasibility of reducing the present United States ground force establishment on the Continent, leaving major emphasis of the United States contribution to air and naval forces.

(e) That we continue to maintain a portion of our ground forces in Europe—even if on a reduced scale—for the value of such a force as a deterrent symbol to Communist aggression and visible evidence to our friends of America's readiness to resist attack.

I further recommend that full and proper use be made of military attachés assigned to American embassies. These trained men have been too often bypassed by special missions.

12. SCIENTIFIC AND TECHNOLOGICAL TRAINING OF AMERICAN YOUTH

Military experts and educational authorities are concerned over the Soviets' known emphasis on the training of Russian youth in science and technology. The gravity with which they regard this situation leads me to recommend:

(a) That steps be taken at the earliest moment to maintain our country's lead in the development of trained scientific and technological personnel.

(b) That a high-level conference of military authorities and educators be called for the purpose of devising a program, similar to the World War II plan that utilized educational facilities for meeting military specialist needs, to initiate the training of scientific and technological manpower required for future security needs.

(c) That such a program be sufficiently flexible to allow for the productive integration of those selected for training in the Nation's peacetime industrial facilities, as well as for the specialized military service that would be expected of them.

13. ANTI-COMMUNIST EXILES AND REFUGEES

Manpower, physically and ideologically fit to resist Communist aggression, is an enduring need in the free world. A potential force of some significance now exists in Western Europe, composed of free Poles, Czechs, and other central and eastern European peoples who have fled or escaped from Communist tyranny. Thousands upon thousands of them have rallied around Gen. Wladyslaw Anders, who led Polish forces against Nazi Germany, and who suffered betrayal and imprisonment at the hands of the Russians.

I therefore recommend:

(a) That a careful survey be made to determine how best to assist these heroic enemies of communism in maintaining a cohesive, effi-

cient adjunct of the free world's total defense effort against Communist aggression.

(b) That they be encouraged to retain their national identification.

(c) That such facilities and assistance as are warranted by their capabilities for aiding the defense of the free world be extended to aid them in maintaining a state of readiness for participation in any defense effort the western nations may be called upon to make.

14. AIR AND MARITIME TRANSPORTATION

Establishment of the Air Coordinating Committee has represented an important forward step in aiding the formulation of laws and regulations to safeguard both the national interest and the interests of our air-transport industry.

I recommend therefore:

(a) That a similar advisory group be created in the field of maritime transportation.

(b) That a study be made with a view toward determining the feasibility of coordinating the activities of the proposed Maritime Coordinating Committee with those of the Air Coordinating Committee, the objective in view to be the prevention of overlapping, duplication, and wasteful competition in the two transportation fields.

15. CONSULTATION WITH GENERAL MAC ARTHUR

In view of schisms which have emerged on the highest levels of our Government with respect to American defense needs in both the Far East and Europe, I deem it essential that counsel be taken with one who has consistently demonstrated a comprehensive grasp of the total problem that confronts us.

I therefore recommend that Gen. Douglas MacArthur's views be invited by both our highest policymaking authorities and appropriate congressional committees to aid in the shaping of a consistent, clearly formulated global defense policy for the United States.

16. MIDDLE EAST DEFENSE

Although the Middle East did not come within my area of study, geographic realities impel the conclusion that security of this front is essential to the stability of the elaborate defense structure under development in Western Europe. French difficulties in North Africa, Britain's withdrawal from the Suez Canal and continuing divisions and tensions among the states of the Middle East have drawn the covetous attention of the Soviets, who cannot be expected to overlook the strategic significance of this area. Primary American emphasis until now has been on pacification of this area rather than on its organization for participation in the common defense of the free world. On the basis of talks in Europe with highly competent and well-informed persons whose judgments on the Middle East I found trustworthy, I recommend:

(a) That United States policy in the Middle East be directed toward integrating this area in the total structure of Western European defense.

(b) That United States aid to states in the Middle East be predicated on the readiness of recipient countries to join in the free world's defense system.

(c) That, in rendering aid to the Middle East, every effort should be exerted to discourage the revival of armed hostilities between the State of Israel and the Arab Nations.

(d) That in no case should we extend aid to any country in the area unless a recipient state effectively guarantees that United States aid will not be used for aggressive purposes.

17. LATIN AMERICA

The Latin American states, while not within the purview of my study, nevertheless have relevance in light of general findings with regard to aggressive Communist pressures against the free world. Of the total sums expended by the United States in foreign aid of every kind, approximately 1 percent of all funds has been allocated to our neighboring American countries. At the same time, these nations have come under increasing Communist pressure, both internally (e. g., Guatemala) and externally, with portents that leave no room for viewing the future with complacency.

I therefore recommend that increased attention be given to furthering hemispheric solidarity between the United States and her Latin American neighbors, in terms of economic, cultural, and military unity with a view toward welding the two continents into a secure and prosperous rampart against Communist aggression and penetration.

18. INTERGOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION

Severe economic and population pressures in strategic countries such as Italy require alleviation if the already heavy Communist inroads are to be prevented from deepening to the point where constitutional government can be supplanted by Soviet rule. A valuable source of relief exists in the Intergovernmental Committee for European Migration. With adequate screening procedures and personnel qualified to correlate European emigration needs with Latin American immigration opportunities, the ICEM can make an important contribution to the common well-being of European and Latin American countries.

I recommend, therefore, that a careful study be made to determine how best to utilize the facilities of the ICEM, and I further recommend that careful consideration be given to strengthening the ICEM personnel structure and screening procedures.

19. UNITED NATIONS

For all its defects and shortcomings in the face of Communist obstructions and intransigence, the United Nations continues to offer a forum of world opinion before which the free world and the dictatorships can be judged by the ordinary peoples of the earth. For many millions of people, the United Nations still represents an instrumentality for striving to avert the threat of a world war. In Europe, it is regarded hopefully if not optimistically.

I therefore recommend that United States policy continue to aim at strengthening the United Nations. The alternative would be to con-

cede in effect that international disputes cannot be settled by peaceful means.

Let us remember, however, that the League of Nations lost the confidence of world opinion because of its failure to deal firmly with the aggression in Ethiopia. The United Nations cannot safely ignore repeated violations of international law and its own obligations without forfeiting the confidence of free peoples.

20. FRANCE

The principal problems in our relations with France lie in two areas. On the one hand, French soil is dotted with United States bases, supply depots, and other military installations vital to the defense of the United States and the protection of the free world as a whole. On the other hand, the instability of the French political establishment is such as to make extremely difficult the planning of long-range United States policy toward France and the maintenance of any continuity in that policy. I therefore recommend:

(a) That United States aid to France, exclusive of appropriations required for the common military necessities of both countries, be geared to the current needs of United States policy objectives. Thus, stable French governments which demonstrate their readiness to resist totalitarian aggression should be encouraged and supported. After periods of electoral change, United States aid should be contingent on a continuity of French readiness to adhere to France's treaty obligations for the defense of the free world. The same formula to be applied to any other nation that receives American aid.

(b) That we continue to maintain our military installations in France and advance such aid as may be required by the military necessity.

21. THE SAAR ISSUE

Peaceful resolution of the Saar issue is vital to the peace of Europe, particularly with regard to the maintenance of pacific relations between France and Germany. Most important, in terms of American principles as enunciated in the so-called Atlantic Charter, the people of the Saar should be allowed to determine their own political, cultural, and economic destiny as agreed upon in discussions between the French and German Governments in the Paris Conference on October 23, 1954.

The final settlement of the Saar issue must therefore insure:

(a) That the people of the Saar be given an opportunity, through a plebiscite, to determine the future political status of their territory, as an independent area under self-rule or as a protectorate of a consortium of free nations, with guarantees for the political and individual rights of the Saar citizens.

(b) That the people of the Saar also be given the opportunity to express themselves politically through parties of their choice.

(c) That a representative of the people of the Saar participate fully in any and all international discussions affecting the status of this area.

22. GERMANY

Germany's economic recovery and growing economic progress is obviating the need for large-scale economic aid from the United States. As a free competitor in world markets, however, Germany

must be expected to explore all international trade opportunities, including those being offered to her by the East. Because of the exceptionally strategic position of Germany, and because she is one of the newest partners in the western alliance, I recommend:

(a) That trade, rather than aid, form the cornerstone of our policy toward Germany and that intensive efforts be undertaken to open sufficient trade opportunities between the United States and Germany to minimize insofar as possible the danger of German trade with the East.

(b) That, in the tradition of respect for the sanctity of private property, Congress expedite the legislation for the return of property to German citizens and now held by the Alien Property Custodian, with appropriate safeguards for our national security.

(c) That we continue to manifest our support for German unification through free all-German elections.

(d) That, in consonance with our policy of supporting the integration of the Federal Republic of Germany in the community of free nations, we take the lead in proposing the Federal Republic for membership in the United Nations.

(e) That adequate safeguards be maintained to assure that German militarism will never again become a threat to peace or an instrument of aggression.

23. UNITED STATES-GERMAN OFFICER EXCHANGE PROGRAM

The Federal Republic of Germany has announced that the national army permitted it under the terms of the amended Brussels Pact will be molded along democratic lines and patterned after the Army of the United States. It being of vital importance to achieve this worthy objective and to cement the bonds between Germany and the free world, I recommend:

That military authorities of the Federal Republic of Germany be invited to send selected officers and officer candidates of the Federal Germany Army for training and observation in American military training facilities.

24. SPAIN

To make more effective the agreement between the United States and Spain for common defense against Communist aggression, I recommend that consideration be given to including that country in our offshore procurement program, particularly with a view toward increasing the western community's capacities for arms production.

APPENDIX

I. OFFICIAL ANNOUNCEMENT OF APPOINTMENT OF BRIG. GEN. JULIUS KLEIN AS SPECIAL CONSULTANT TO THE SUBCOMMITTEE ON ARMED SERVICES OF THE SENATE APPROPRIATIONS COMMITTEE

WASHINGTON, D. C., August 25, 1954.

Senator Styles Bridges (Republican, New Hampshire), chairman of the Senate Appropriations Committee, and Senator Homer Ferguson (Republican, Michigan), chairman of the Armed Services Subcommittee of the Senate Appropriations Committee, announced today the appointment of Brig. Gen. Julius Klein, of Chicago, as a special consultant to Senator Ferguson's subcommittee. General Klein will conduct a study in Europe during the early fall months on matters pertaining to our military establishments there.

Upon completion of his official survey and before the convening of the 84th Congress, General Klein will submit his report directly to the Armed Forces Subcommittee. Charles E. Wilson, Secretary of Defense; Foreign Operations Administrator Harold Stassen; and other Government agency heads, both here and in Europe, have been requested to cooperate with General Klein in carrying out his mission.

On recommendation of the late Senator Robert A. Taft, Klein was appointed national defense consultant to the Republican National Committee in 1948 and also has served members of the Senate Armed Services Committee as a special adviser. After having served with distinction in the Pacific and Philippines under General MacArthur and Admiral Halsey, he was appointed special assistant to Secretary of War Robert P. Patterson, participating in the unification program which resulted in the establishment of the Department of Defense.

In accepting the appointment, General Klein stated, "The problems of national defense have always been of prime interest to me and as an active National Guard officer, I feel that a citizen-soldier should do his duty when called upon by such distinguished persons as Senators Bridges and Ferguson. Having assurances of support of Senators of both parties, I shall give them my honest opinion based on my experience and the conclusions of my survey."

II. COMMUNICATION TO SENATORS BRIDGES AND FERGUSON

UNITED STATES LINES,

On Board Steamship United States, October 25, 1954.

HON. STYLES BRIDGES,
*Chairman, Subcommittee on Armed Services,
Senate Office Building, Washington 25, D. C.*

HON. HOMER FERGUSON,
*Chairman, Subcommittee on Armed Services,
Senate Committee on Appropriations,
Senate Office Building, Washington 25, D. C.*

DEAR SENATORS: As my mission comes to a close upon my return to the States tomorrow, I should like, first, to express my deep gratitude to you for the opportunity given me to serve my country again—this time as a private citizen.

I have interviewed a great many people and have accumulated hundreds of pages of notes. I have talked with Europe's political leaders and their parliamentary opposition. Finally, I have spoken with those whose destiny was most vitally affected by the momentous decisions of recent Western diplomacy—the ordinary men and women of Europe. The impressions I brought back with me give no reason for unrestrained optimism; yet neither do they warrant despair and discouragement. Everywhere I went I found reinforcement for my conviction that America must guard herself, not only internally, but externally, against the

Communist threat. We are the envy of the world. We are the most powerful nation on earth, but our political and diplomatic arms suffer from weaknesses that can and must be remedied.

The completion of my report will require a few weeks. I want to be sure that the balance sheet I present to you is as factual and unbiased as I can make it. Whatever the nature of my final conclusions, I will set them forth in terms dictated by my concern for what I deem to be best for the interests of our country.

At this moment, I deem it appropriate to summarize some of the impressions and conclusions that are fresh in my mind on returning home. I will elaborate, of course, in my report and, after checking my notes and weighing most carefully the facts at my disposal, it is conceivable that I may find reason to revise some of the judgments I have formed up to this point.

One of the first recommendations I will make to you is that a staff of the Senate Appropriations Committee, comprised of properly qualified professionals, be selected by your committee for assignment to Europe. This staff (jointly selected by the Armed Forces and Appropriations Committees) would be entrusted with the dual task of supervising and studying the way in which American money has been, and is being, spent in Europe. It would report to the Senate in advance of the regular annual hearings, which are usually too brief to provide Senators with all the data necessary for the shaping of effective policy. You might care to include staff representatives of your parallel committees in the House on this watchdog staff in Europe, thus making this a joint project of the Senate and House.

Such recommendations, and many others, will be contained in the report that I will develop on the basis of 2½ months of study in Europe. In that period I visited many countries; I talked at length, not only with highly informed Europeans, but with our own people as well. I declined all interviews because I felt that I should report first to you. Of course, some of my views may have suggested themselves to American diplomats and military leaders since the questions I put to them, in many cases, were leading in nature. However, I made it plain throughout that I considered myself a reporter without portfolio, and I stated repeatedly that I had come to Europe to interview, not to be interviewed.

In addition to suggesting the establishment of a congressional staff in Europe, I will stress the following points in my report:

First: I was fortunate enough to be in Europe when Secretary Dulles made his contribution to the development of the Western European Union. I therefore had an opportunity to see our first diplomat in action under most creditable circumstances. As admirable as was the role played by Mr. Dulles, however, I feel constrained to offer the judgment that it is a mistake to dispatch our Secretary of State to Europe as often as we have in the past. It struck me that the time is nigh when European leaders should find their way to Washington on those occasions when they come to feel a pressing need for guidance and counsel from the United States. I recognize that the pursuit of a just and honorable peace is worth every exploration we might make, but I do feel that our European friends ought to recognize that the first responsibility for solving problems of their own making rests upon them rather than on the head of American diplomacy. By responding too frequently to these appeals from Europe, I fear Mr. Dulles may fall into the same error that marked the practices of Wilson, Roosevelt, Truman, and Acheson, whose recurrent voyages abroad encouraged too great a sense of European dependence on the United States for the solution of problems that were of concern chiefly to Europe. Generally speaking, American foreign policy does not enjoy the prestige among foreign governments it should in Europe. There has been too much meddling in foreign governments by the United States; not enough effort has been made to draw clearcut lines of responsibility. Now that the United States has done its share in Europe, our friends across the Atlantic should demonstrate a greater measure of self-reliance, even though they may realize that unfortunately final decisions today are made in Washington and Moscow, not in Paris, London, Bonn, and Rome.

Second: The multiplicity of American officials engaged in carrying on purely political propaganda in Europe should be curtailed at the earliest possible moment. Our policy should be revised in accordance with the change in European attitudes since the days immediately following World War II. Today it is a mistake to expend money and manpower in efforts to sell the special American brand of democracy to countries that have their own cultures, their own political definitions, and who resent attempts at imposition of the political standards of others expressed in foreign terms. As a substitute there should be an effort to

train Europeans to propagandize their own people and instill in them the democratic spirit; it must be remembered that the Communists use native propagandists, not Russians, to spread communism. The main emphasis of American activity in countries that may still be salvaged from political extremism of the left or the right should be placed on economic factors, both in Europe and the United States. I am convinced that only a prosperous economy, with the hope of achieving better standards of living, can save such countries as France and Italy from capitulation to communism. However, I must stress that American aid should be advanced with the utmost prudence. If limited only to expanding plant facilities, there would be a risk that American dollars might in the end come back to haunt America's own economy.

Third: I found that many Europeans view the United States with neither gratitude nor admiration. Neither the help we have given Europe since the end of the war nor the democratic principles we have sought to advance have earned us the friendship we might have expected. At the same time, some American diplomats have allowed their absorption with the problems of the countries in which they are stationed to obscure their first responsibility—the furthering of Europe's understanding of American policies and principles. America today enjoys 100 percent popularity in only 1 European country: Spain; and Spain is under a Fascist government. There is substantial pro-American sentiment in other countries of Europe, but it is ironic that Spain is unique for the degree of friendship it is manifesting for the United States by comparison with countries that have been much greater beneficiaries of American aid.

France is fast undergoing a thorough and necessary change. Premier Mendes-France has achieved great public favor in his divided country, and his program of economic and social reforms may well save France from communism.

Germany under Dr. Adenauer is a solid and loyal partner in the world fight against communism, but Franco-German unity is vital if Europe is to withstand the march of communism.

It is too late to shed tears over the collapse of the original EDC Treaty, but in retrospect, it must be said that Britain shares equal blame with France for this failure. Britain could have brought about adoption of the EDC plan if she had given it half the support she subsequently gave to the Brussels Pact Agreement at the London Conference. I am convinced that our country, too, could have played a far more vital role in this problem than it did. We should have insisted that England and France ratify the original EDC Treaty, and I feel that success would have been ours if we had maintained the same firmness in our foreign policy that marked our contribution to the Brussels Pact discussions.

Fourth: American military leadership in Europe is acquitting itself magnificently. On the other hand, vast improvements can be made in the operations of our other representatives abroad. There is still too much duplication, waste of both money and manpower, inadequacy of program and information activities, and far too great a lack of coordination of the total American effort overseas.

Fifth: United States diplomacy should increase its efforts to strengthen the United Nations, which should assume its rightful place as an arbitrating force between the nations of the world. The only alternative would be to admit that the United Nations, like the old League of Nations, is impotent to settle international disputes by peaceful means.

In this connection, I will urge that our country begin to press for the admission of the Federal Republic of Germany into the United Nations. I recognize that the Russians will promptly counter with a renewed demand for the admission of Red China, but the answer to this, of course, is that Communist China, through her Soviet Russian mentors, is already achieving every objective she might pursue if she were herself a member of the United Nations.

Sixth: The political question of the Saar should be settled through a plebiscite in line with the promises held out by the now forgotten Atlantic Charter.

Seventh: The people of the Saar should be offered an opportunity to decide whether their problems can best be solved by making the territory a protectorate of the United Nations.

Eighth: The heroic Poles, Czechs, and others who have shown a will to fight Communist aggression should be given an opportunity to form their own force under their own colors. I would recommend that efforts be made to accommodate such forces in Spain, or in any other country in Europe dedicated to the fight against Communist aggression. There, under their own leaders, they can prepare for the day when they can contribute to the liberation of their native countries.

REPORT ON EUROPEAN MISSION

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Ninth: While I recognize the significance and the importance of such concepts as the offshore procurement program, I suggest that no matter what phase of foreign economic policy we address ourselves to, our first consideration must be to see to it that our domestic economy is afforded maximum protection. In my judgment, all general United States procurement and purchasing should be handled by the General Services Administration. The sum total of our overseas operations seems to me now to be marked by waste and duplication that can be eliminated by judicious use of business methods that will take into account the interests of American business no less than the interests of those we wish to help in Europe.

Of course, this outline represents preliminary thinking on my part. Some of the views expressed here are known to our officials in Europe and, believe me, a great many right-thinking and unbiased people in responsible positions agreed with me that drastic changes are required. I will formulate my findings, including the background data that entered into my survey, at the earliest possible date so that I can submit a proposed draft for your approval.

My staff has been working for weeks, going through the mass of comments, reports, clippings, and notes which I forwarded to the United States from abroad.

I hope now that I will be able to contribute in some small way to the fund of information you and your colleagues will require for the important deliberations that will engage the next Congress as it strives to formulate legislation vital to the interests of our beloved country.

Hoping to see you soon and with kindest personal regards, I am

Sincerely,

JULIUS KLEIN.

III. ANALYSIS OF THE EUROPEAN SCENE BY GENERAL KLEIN

Western Europe's contribution to the common defense of the free world is not exclusively a military problem. Actually, its effectiveness is determined by political, economic, and social considerations.

We may persuade European nations to create divisions, military bases, and defense organizations. However, they offer no guaranty that the people would be ready to fight in case the need arises and that, in the event they do fight, they fight effectively.

Europe's basic disinclination to strain its resources for the common defense has its roots in various mental crevices. Wishful thinking by policymakers and self-serving evidence produced by partisans of the issue have hidden for several years this basic unwillingness. Thus, during the communal cry over the failure of EDC, many overheard the sighs of relief which came from various parts of Europe. It must not be forgotten that France's action saved Italy the trouble of committing a similar faux pas.

Western Europe's comparative apathy toward rearmament—no matter under what aegis—is the result of—

- (a) The political and ideological vacuum which followed World War II.
- (b) The fact that only a comparatively short time has passed since the end of World War II.
- (c) Unfortunate United States propaganda in Europe, coupled with a basic lack of understanding by Europeans of the American system of government.
- (d) Fear.

POLITICAL VACUUM

The end of World War II left a political vacuum in Europe. Old forms and old parties have been historically rejected: the pre-1933 democratic parties, because of their alleged inability to meet the totalitarian onslaught; the Nazi and Fascist parties, because of their failure.

There was relief that the holocaust had ended. The general desire was for a return to normalcy. Normalcy, however, remained undefined. The political movements and concepts which sought to fill the vacuum were at first primarily make-believe. On the political front, the drive toward normalcy assumed the form of reviving political institutions and parties which in reality had been hollowed from within by historical events. In the governmental field the changes wrought were more the result of resentment against occurrences during World War II than of positive consideration for reorganization of public life.

The political alignments which came into being after World War II were based on reminiscences of prewar ideologies and on opportunistic speculations

for the future. All these new formations have been lacking in active citizen support. The Christian Social parties (their name varies slightly from country to country) had hoped to unite all non-Socialist elements with the exclusion of the extreme right into one well-functioning party which would be able to restore normalcy.

THE CHRISTIAN SOCIAL PARTIES

In the predominant part of continental Europe the Christian Social parties have played the leading role during the past 10 years. The Social Democrats and their allied parties have been by and large (with the exception of the smaller countries, the Benelux and the Scandinavian countries) pushed into the background. The postwar Social Democratic parties of Europe have tried to rebuild their prewar parties on a program chastized by historical developments. They have discovered that their field of activity has been restricted by the emergence of the Christian Social parties and by the Communist parties. Caught between the two, European social democracy and its allied trade-union movement has had little room for effective activity. Prewar social conflicts have lost their meaning. European socialism is no longer Marxist and it has long lost its class character. The Socialist parties are by and large no longer primarily interested in socialization. They remain, however, the strongest supporters of existing democratic institutions.

Western European communism has outwardly manifested an alleged change of character. This change, however, has been more ideological than tactical. European postwar communism has given up its idealistic pretension and has become a complete tool of Soviet diplomacy.

To date, the extreme right has found it difficult to formulate a coherent program. Since nationalism plays an important role among rightist parties, the variations from country to country are considerable. Yet, regardless of country, the radical right gnaws at the democratic institutions of the given countries and constitutes one of the strongest organized opponents of European unification on the basis of equality among nations.

There were few tangible issues (in terms of worldly goods) to quarrel about during the first postwar years. Therefore, the Christian Social parties were successful. With Christian concepts and social considerations, they were able to attract the passive support of all middle-class groups. The subsequent recovery of Europe has also improved the economic conditions of the groups which composed the Christian Social Party. Now these parties have begun to reveal the seams at which the various groups have been welded together. The groups are now straining the unity of the parties themselves. Furthermore, in the course of recent years appreciable numbers of voters have changed their allegiance to other parties. In most cases economic considerations have played the dominant role. The warring wings of the Christian Social parties have discovered other divisive issues. Thus, for instance, educational, cultural, and even national questions are beginning to play an increasing role in inner party discussions, and the confessional issue has again been revived. The antagonism between Catholics and Protestants is increasing, and both sides are jealously defending their respective rights within the Christian parties.

EUROPEAN INTEGRATION

By and large the Christian Social parties have been the main carriers of the idea of European integration. This has meant that they have also fallen heir to the task of defending Western European rearmament.

The average European, however, has remained comparatively aloof from politics. Post-World War II Europe can be characterized as individualistic and as "not joining." The average European does not get as excited about political issues as he did before 1939. Under such circumstances the supporters of European unity and Western European rearmament have not been able to work up the necessary popular enthusiasm which could be turned into political energy enabling the respective governments to take the necessary political hurdles. The campaigning for European integration has been carried on primarily by party functionaries. It has remained primarily a party rather than a people's matter.

After 1945 Europe may have been ready for unification. This readiness, however, was more the result of political exhaustion. Unfortunately there was neither the leadership nor the political movement nor the program which could utilize the then-existing situation.

Europe has not as yet adjusted itself in spite of the fact that it has recovered economically. The actual political changes in Western Europe have been comparatively insignificant. Important political factors, however, have been injected in public life. Europe could not easily change over from an all-out war against nazism and fascism to an all-out defense against communism. Western Europe, especially the intellectual Western Europe, still tends to differentiate between communism and fascism. It still believes that the former could be "civilized" in the course of time.

Exhaustion from the war, inability to evaluate the situation quickly, softness toward communism (not necessarily support of communism), and above all the all-pervading desire for a political siesta between wars weaken Europe's will to rearm. Since the issue of rearmament has been closely allied with the problem of unification, the will to unify has been equally weakened.

The political apathy which characterized Europe after 1945 has not been conducive to the European unity drive. The methods with which this drive was promoted tended to strengthen the opposition to unification.

Midway in the campaign for European unification the course was changed. Instead of aiming for political integration, impatient diplomats began to press for military integration. The whole problem was presented in negative terms. The need for unification, it has been said, was to guard against communism. The need for rearmament was to defend the free world against Russia. The positive elements of European integration receded in the course of the debate into the background. Only the threats of Russian and American insistence could be heard.

The presentation of the military argument for European integration did not employ the most fortunate theme. It stressed the danger of war and its inevitability. In the course of the years various military experts have been giving various opinions: "Europe cannot be defended"; "Europe can be defended only west of the Rhine"; "Only a delaying battle could be fought in continental Europe," etc. Psychologically, such statements have tended to discourage the will to rearm. Few Europeans look forward to the day when their region will be turned into a no-man's land. Even their unshaken belief in ultimate liberation does not offer the guaranty that the believers would be alive to welcome the day of liberation.

The argument about the German threat did not help to strengthen the European will to rearm. During the all-out effort to push through EDC the advocates of this treaty maintained that the European Defense Community presented the only means to control an eventual revival of German militarism. This argument in effect admitted (right or wrong) the existence of a German danger. It therefore laid the groundwork for the arguments by the opponents of EDC that Germany endangers, as does Russia, the security of Europe. From this point on, the debate revolved around the question of which is the greater danger, Russia or Germany, and what are the best ways to control them. Thus the argument, originally presented in defense of a European Defense Community, has indirectly underscored the danger of Germany.

UNITED STATES—AN ENIGMA

American policy has played an important part in the debates about EDC. American aid is mandatory if Europe is to rearm effectively. But Europe at large still remains confused about the nature of American politics. The European, even one who is quite interested in politics, finds it hard to distinguish between the many statements issued by American Congressmen, officials, and other public figures. He does not know what constitutes official policy and cannot tell what weight each opinion carries. The conflicting statements by American public leaders have not only blurred the objectives of American policy but have also created the impression that the United States cannot be trusted.

In analyzing European unwillingness to rearm the element of fear must be given its due consideration. To be afraid may be "unpardonable"; it remains an inescapable fact nonetheless. Western Europe is afraid of a third world war. It fears that such a war would mean the end of civilized life on the Continent. The European sees almost no chance of survival in the event of conflict between East and West, a conflict which would inevitably be carried out over European territory. Death may be preferable to slavery to a living poet, but to a dying man living slavery presents some attractions.

IV. THE FRENCH SCENE

France is the one country in Europe which has received more advice than any other European country, evoked the most sighs, aroused the most resentment, and probably received most of the foreign-aid money. France apparently is thick-skinned. She withstood all the broad hints, and remained what she always was: French.

The tendency to regard France as the sick man of Europe is as misleading as the inclination to underestimate French influence in Europe. In France the conflicting trends of European politics are most visible, because France is simply the most European country.

In evaluating France's role in the defense of the Western World, it must be considered that:

- (a) France is strategically important.
- (b) France has a tradition of democracy.
- (c) France has a political tradition.
- (d) France is in reality the most influential European country.

The first three points do not require much elucidation. The fourth point, however, is frequently questioned. But those who question this fail to note the wide influence of French civilization in Europe itself, as well as in overseas areas. Francophilism has been strong for years in the Slavic countries, and, even today, pro-French sentiment is still noted in the satellite world. In spite of the traditional antagonism between Germany and France cultural supremacy of France assures this country of the sympathies of the European elite and the admiration of other groups in the population.

The origins of the problem of France are to be sought, not in the country alone, but also in the historical developments following 1944. If France did not fully accommodate herself to the western strategy, it was due largely to the fact that she was not assigned a leadership role in the formation of the Western World. In spite of the glorious make-believe of French liberation, France had not lost her sense of reality: France was aware of the role she played in the war with Hitler, her humiliating defeat, and her liberation by the grace of the Anglo-Saxons. In the postwar years, the French engaged in a search for self-respect. This search led them frequently to stubbornness in certain international questions, and to demonstrative independence against stronger countries.

NEW POLITICAL DEVELOPMENT

Postwar France has attempted to make "a new beginning" in internal politics. The general trend was toward a rejection of Third Republic methods and ideologies. Only parties not connected, or at least not too closely connected, with the Vichy regime dared to face the post-1945 electorate. For those sections of the population, left orphaned by the disappearance of their traditional political representatives, new movements were created. The two most important ones are: Movement Republican Populaire (MRP), and Rassemblement du Peuple Francais (RPF).

THE MRP

With slight interruptions the MRP dominated French political life until the government of Pierre Mendes-France came into being. A successor organization to a small and insignificant group in the Third Republic, the party had its origins during the Vichy days. French middle-class opposition to nazism and to "the shame of Vichy" searched for an outlet. It found it in a combination between clericalism and left-of-centerism. From its very beginning, churchmen, not necessarily the church itself, were influential in the MRP. In many cases they were to be found in the left-most wing of this movement. After the liberation, the MRP emerged covered with glory. No group in France, outside of the extreme left, had been so vocal in its opposition to the occupation and so active in the resistance.

The party wanted to create a synthesis between French tradition, progress, and church interests. Unlike other French clerical parties of the past, it recognized and accepted the result of the Revolution of 1789, and it insisted that its goal was to renovate and further develop the objectives of the revolution.

In economic and social affairs, the MRP tended to be at least as left as the Socialists. Social responsibility and awareness of social problems have been cardinal points in the MRP program. Some of its ideologists openly advocated collaboration with the Communists. They insisted, however, that the new

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movement must be strong to collaborate with the Communists and to resist domination by the Communists.

The leftwing Catholicism represented by the MRP was indirectly charged with the affairs of France. In the course of discharging these duties the MRP lost some of its "social consciousness" ardor and assumed other passions. The idea of a United Europe was inherent but not fully expressed in the early program of the MRP. The party warmed up to this plan at the same rate as it lost its sympathies for cooperation with the radical left.

In the French political pattern the MRP has remained to this day a maverick. Its insistence upon a between-the-chairs position on many questions aroused the suspicions of its neighboring parties, especially the Radical Socialists and the Socialists.

THE RADICAL SOCIALISTS

The Radical Socialists who are neither radical nor socialist, were overshadowed by the MRP after World War II. Anticlerical and rationalists, they were in no position to bring the Messianic program to the French middle classes. Moreover, the party had delivered more than its proportionate share of collaborators with nazism. The Radical Socialists were, therefore, at first modest in their demands. Later, when it suited their purposes, they let the interest groups do the anti-MRP work for them.

But the Radical Socialists remain more truly representative of the French middle class than the sobered star gazers of the MRP.

THE DE GAULLIST MOVEMENT—THE RPF

The RPF, the de Gaullist movement, during its brief period of adolescence managed to sire a number of right-of-center groups, each with varying degrees of effectiveness, seeking to influence present-day French politics. Loyal de Gaullists, as well as apostate de Gaullists, continue to dream about the restoration of French national glory—if necessary through agreement with Russia.

MIDDLE-CLASS REPRESENTATION

All three groups, MRP, Radical Socialists, and the de Gaullists, represent basically the French middle class. But if the term "middle class" is to be expanded to include a state of mind rather than an economic position, a great part of the Socialist vote must be added to this category. For the Socialists, SFIO, have in the course of time lost their radical appeal, and have become more and more "respectable." Their "respectability," it is true, has removed them from their traditional source of support, the workers.

Theoretically the Radical Socialists, the MRP, the Socialists, plus some portion of reformed de Gaullists, constitute a sufficiently comfortable majority to insure stable governments in France. These groups taken together, represent also the largest sector of the French Nation.

Thus it is readily seen that the French middle classes are not only well represented, but also that they have a numerical majority in the National Assembly. (The above parties control about 400 out of 627 seats.) The lack of understanding between these four parties rests primarily on the friction between the Radical Socialists and the MRP, and on subordinate differences with the other two. Historically it cannot be denied that the Radical Socialists have first claim on governmental leadership. They represent France, more than their numerical strength indicates.

To some extent the de Gaullists—to be more exact the ex-de Gaullists—insulate the French middle class parties from the extreme right. To the other side of them are several rightist groups, the most important of which are the Conservatives.

THE SOCIAL DEMOCRATS

The Social Democrats of France have become too respectable to remain attractive to strongly class-conscious French workers. The strength of the French Communist Party is primarily due to the fact that the French Socialists have failed to retain the sympathies of the industrial populations and that in many areas of France the Socialist Party has gone almost completely middle class.

Though numerically the largest group in the National Assembly the SFIO has played only secondary roles. At times the party is scared by its own

courage. At other times it is saddened by "responsibility." The result is almost an even break inside the party between left and right with almost no center.

FRENCH ECONOMY

France is the country of the middle class. This does not mean either that the French economy is sound, or that the middle class is secure.

France has no less than 414,882 medium and small industrial enterprises. Only 289 of these employ more than 1,000 workers. The bulk of these industries have less than 6 employees.

Furthermore there has been a noted increase in "independent businesses." France has the largest number of firms per capita in Europe—for every 32 persons, 1 firm. Most of these firms are leading a miserable existence, their annual turnover being below 3,000. Each of them, however, squanders part of the potential labor force of France.

French individualism is not only exhibited in politics, but also in the economy and production. Production methods and techniques still lack standardization and are responsible for waste of labor and unproductivity. Thus, for example, about 9,000 building firms exist in France. In the course of the past year they constructed less than 100,000 apartments. In Western Germany only 3,674 building firms constructed about 400,000 apartments.

The effects of the economic anarchy in the industrial and commercial sectors are worsened by the comparatively sound position of the French agricultural population. In spite of antiquated methods, French agriculture is economically stable. Of course France could produce more. However, for the time being this is not noted by the French farmers. Their strong economic position makes them a formidable adversary in political debates.

Thus to achieve greater stability in France such slogans as "Free enterprise" and "Opposition to Planning" cannot be used. For it is exactly such practices, carried to their logical extreme, which produced the present conditions in France. Equally unusable are anti-Communist battle cries, unsupported by positive action, on the political field. The efforts of the present government to achieve political stability through economic reorganization may fail. If it fails it will not be because few people in France fail to realize the need for such reorganization and for economic planning. It will fail because no one of the interest groups is willing to make the first sacrifice.

At present French stock is high. The Mendes-France Government seems to have succeeded in restoring the confidence and self-respect of the French people. This, however, does not by any means imply that the battle is won. The economic program of the Government, and with it the foreign policy, is endangered by opposition from the disgruntled wing in the MRP, under the leadership of Georges Bidault. While some members of the MRP, especially Robert Schuman, are inclined to favor cooperation with the present Government, the Bidault group is searching for points of conflict. Under such circumstances, it is even uncertain whether the West European plans could be executed. The failure to execute them ironically enough, may be due primarily to the lack of support from the ranks of those, who up to recently, claimed for themselves the monopoly on the plans for European integration.

For France to be able to make its full contribution to the free world, and to play the leadership role assigned to her by tradition in history, she must stabilize her internal political relationships. This she can do during the more than a year left before the elections to the new National Assembly. France can achieve it if the major responsible parties of France, the Radical Socialists, MRP, and the Socialists find the formula of government upon which all three agree to cooperate. The combination of these three groups insures not only stability in France, but also the strengthening of the western economic, political, and military front against communism.

V. THE GERMAN SCENE

The German question plays the most important role in current discussions of the defense of Europe. The free world feels that it cannot forgo a German defense contribution in terms of manpower and economic resources. At the same time, there is uncertainty about the best method to effectuate this contribution.

In Europe, the points of difference about the form and size of Germany's contribution begin with the evaluation of Germany's own political situation, the

sincerity of its democratic institutions, the reliability of the armed forces which it is to organize, and above all its allegiance to the West.

Since 1945, Germany has marched a long way. The administrative changes in Germany's political organization have outdistanced political necessities. Willingly or unwillingly, the occupation powers competed with each other for popularity in Germany. Each, of course, sought at the same time to advance its own foreign policy. The restrictive and punitive measures of the occupation were never, therefore, really put into effect. They serve today merely as a subject matter for romanticized versions of Germany's history since 1945.

The occupation has brought Germany many benefits, including an inexpensive form of military defense, as well as a domestic "export" market for some of her products. It also put the German administration in an ideal position: its supporters could claim that everything it has achieved was the result of its abilities; everything that went wrong, the fault of the occupying powers.

In evaluating the potential of a German contribution to western military defense, the following must be taken into consideration:

- (a) The degree of German loyalty to western policy or even to American foreign policy.
- (b) To what extent can one rely on the German armed forces.
- (c) The stability of German democratic institutions.

GERMAN SUPPORT FOR UNITED STATES FOREIGN POLICY

German cooperation with American foreign policy has not been a matter of choice. It was inevitable. As an unequal, Germany could not measure her diplomatic muscles against those of other European countries. In search of a "big brother" to protect her, Germany naturally found the United States of America to be most suitable for the role. A German foreign policy closely coordinated with, and dominated by, a European nation would in effect mean subordination to that nation. A German policy in compliance with American policy did not imply the same, for America is generous and far away.

In essence, this has been the basic thesis of the Bonn policy. In reality, few have thus far questioned the soundness of this principle. Hardly anyone (with the possible exception of the Communists and the extremists of the right) advocates today an anti-American policy, or, for that matter, a policy which would disregard American wishes. The opposition, that is the Social Democrats and elements in the Government parties who have recently called for some changes in policy, do not ask for a weakening of the ties with Washington. What they say they want is more diplomatic elbow room in the east.

Some segments of the German population are questioning, however, the wisdom of America's policy. Outwardly this questioning bears the appearance of a search for information. It may lead eventually to some forms of criticism of American policies, but so far it has not assumed such forms. There are several reasons for this behavior:

(a) Instinctively Germany feels that before she can start deviating from a dominant diplomatic course, she must achieve equality. It is no secret that German political leaders believe that only the United States could raise them to par. Aside, therefore, from economic considerations, German allegiance to Washington is conditioned by her position in the so-called family of nations. With her increasing independence and sovereignty, she is becoming more and more aware of her own interests. The stronger she grows, the less she needs United States support, and the more she is conscious of her interests which conflict with those of the United States.

(b) Germany never really has felt secure in Europe. After 1945, many in Germany sincerely desired a united Europe. But it is easier for Germans to become good Europeans in a political melting pot than to become good neighbors with a given European country. The United States gave Germany a feeling of security against what she considered the anti-German feeling in Europe.

(c) Germany, that is the Federal Republic, needed some protection against the Communist world. It is not to be forgotten that the Germany of 1949 was a frail being. She needed not only political introductions to foreign nations, she also needed economic aid. Above all, she required political security to make her impervious to eastern ideologies and to enable the regime to complete the restorationist policies it had begun to put into effect during the bipolar days. Only the United States could give this necessary protection.

In short, German allegiance to United States foreign policy did not stem from the conviction that such policy is right or correct but from a belief that Germany

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must find a strong enough protector among its occupiers to defend her against the demands of the other occupiers. It stems also from the belief that for a weak nation it is better to ally itself with a strong one, preferably the strongest.

While the Germans might have become America's favorite Europeans, they did not cease to be Europeans, although there is some doubt whether they have become Western Europeans in the real sense of the word. Though many (including the Chancellor) are devoted to the idea of European integration, it would be unwise to argue that Germany as a whole, or even that the majority of the Germans, actively desire a united Europe. It is no secret that to many, consciously or unconsciously, a united Europe concept has represented merely a shortcut to equality. After all Germany's deposit in an integrated Europe would have amounted to no more than a deficit sovereignty. To many, therefore, both the allegiance to United States policy and the devotion to European integration, have been no more than tactical moves to improve Germany's, rather than Europe's, position.

GERMAN RELATIONS WITH THE SOVIET UNION

The current tendencies, therefore, for ties with Russia are the results of the following:

(1) Germany has grown sufficiently to take a bolder look at the world around her. After all, the Western European countries (with the exception of Spain and the Vatican) maintain diplomatic relations with Russia.

(2) There is a feeling that American interests in Europe, and therefore American strength in Europe, is decreasing. Germany feels that she is not strong enough, at least now, to deal with Russia. Those who favor relations with Russia now believe that such relations may ward off Russian "dissatisfaction" with Germany, which might express itself, unless it is heeded in time, either in a Franco-Russian anti-German pact or even by war.

(3) West German proponents of relations with Russia now feel that the sooner such relations are established the later "the inevitable third world war will break out." Such relations, some feel, would ease the tension in Europe and especially in central Europe.

UNIFICATION OF GERMANY

There is a growing dissatisfaction with past methods aimed at bringing about the unification of Germany (and possibly the restoration of lost territories). It is felt that the period of "making faces at each other," better known as the cold-war period, has produced almost no tangible results. It is argued that two alternatives are now available, either military action to convince Russia (and the Communists) about the moral justification of Germany's claims, or diplomatic means. The latter must offer advantages to Russia. It is said that after all Russia is the boss in the Communist world, and if Germany wants unification and territorial changes it had better deal directly with the top.

FOREIGN TRADE

The expanding German economy is looking feverishly for markets. "The miracle babes" are not too optimistic about their chances in the Western World.

German industrialists believe that Russia and the Russian orbit represents, from the export point of view, a spongy area which will soak up all the German production, especially consumers goods and machinery.

Of course, not every proponent of relations with Russia now uses all the arguments listed above. They advance only those which are suitable to their own economic or political interest. The following are the groups which are most accessible to ideas of relations with Russia:

(a) German Protestantism as well as the German Protestant Church organizations: Apparently the efforts of Heinemann and Pastor Niemoller have borne fruit. Class-conscious Protestantism in Germany has never felt comfortable in its postwar position in the Federal Republic. Many of them feel that German Catholicism is assuming a political role far beyond its numerical justification. To overcome their own weaknesses they feel that they must have the support of the Germans in Eastern Germany and above all they must ease the pressure from the east which forces Germany into the Catholic sphere of influence of southwestern Europe (Eastern Germany is predominantly Protestant).

(b) Refugee organizations, advocates of unity at all price and political groups: Most refugee groups have ceased to brandish the sword against the East and would like to see some arrangements which would enable them to return to their homeland, or at least to certain parts thereof. In the Bonn government itself there is a strong wing which favors "more activity" in diplomatic circles connected with Russia. Federal Minister Jacob Kaiser, the self-styled defender of Eastern Germany, and leader of the nonexistent leftwing of the CDU, represents a group inside the CDU which advocates talks with Russia. Ernest Lemmer, also a CDU leader (from Berlin), echoes Kaiser's sentiments. He is joined by such rightwing members of the CDU as Von Bismarck.

Outside the CDU the FDP constitutes the most solid political bloc favoring talks with Russia. However, as in the case of the CDU, the FDP is motivated by regional and economic interests. And in both cases, in the FDP and the CDU, the advocates of talks come from the areas which believe they may benefit from such talks and they represent the interests which favor such talks.

The Social Democrats, generally speaking, favor conversations with Russia. Since the Pfeiderer Plan was launched the SPD has become somewhat less enthusiastic about the idea. They want international talks with Russia rather than a German-Russian *tete-a-tete*.

Regional and economic interests: Lower Saxony and Württemberg-Baden represent the areas in which talks with Russia are most popular. They represent also the area which looks askance at Bonn and at the alleged Rhine-Ruhr influences on Bonn's policy. These are the areas in which small industries and consumers goods industries are located. These industries promise themselves a great future in trade with the East and expect diplomatic policies to pave the way for their goods.

NO FEAR OF COMMUNIST IDEOLOGY

Behind the will to talk with Russia there is also the self-induced conviction that "ideologically we are safe." The proponents of relations with Russia belong to the strongest opponents of communism. They differentiate between German Communists and Russian Communists and between Russian communism and the Russian state. They hate the German Communists in Western Germany most. Slightly less hated are the Communists in the Eastern Zone. They are, however, feared. Those who want the talks for purely political reasons refuse to have any dealing with the Eastern Zone representatives. Those who want talks for economic reasons feel that they cannot disregard their brethren in the Communist camp. They, both, fear them and feel that they need them. They fear that the Eastern Zone may develop competitive industries. They hope that both as Communists and Germans some of the Eastern Zone economic agencies may facilitate economic contact between Western Germany and the Russian Empire.

In any event, the proponents of dealings with Russia feel that Western Germany does not have to fear Communist ideological infiltration. Contact with Russia will not, according to them, contaminate their pure neodemocratic ways of life. There are even some who feel that (like some Americans in 1941) such contacts with the Russians may affect, positively, the Russians.

This is more or less the background of the "movement" for conversations with Russia. Its criticism of American policy is only indirect. It is considered that the United States is "smothering" German diplomatic relations with too much passion for its democratic purity. The United States, it is considered, tends to behave toward Germany as a jealous parent toward an offspring who is about to get married. The United States is unwilling to realize that Germany has come of age and that it is entitled to make its own diplomatic mistakes, a field in which it is an expert.

The American policy in the Far East "annoys" Germany only insofar as it interferes with its economic penetration of those areas. There is still no noted criticism of American political objectives in the Far East. On the contrary, it can be said that the dominant majority of Germany's editorial writers favor the United States course, though some find it hard to hide their dissatisfaction at the difficulties encountered. Generally speaking, they favor slightly the admission of Red China to the United Nations. They believe that such an admission would ease German economic relations with the United States.

Germany is still uncertain about American objectives in Europe. She hoped to gain some benefits from the United States-Spanish agreement, but was disappointed. She now feels that the United States is building its defense line west of the Rhine; this means that Germany is destined to become the no-man's land in case of a successful defense of Western Europe. Needless to say this solution meets with little enthusiasm.

However, Germany's slight criticism of American foreign policy is not so much based on its disagreement with these policies as with the facts that (1) it hinders her own development, and (2) it does not trust American judgment.

The first has already been discussed here. With regard to the second, Germany is merely borrowing opinions from the other European countries. These opinions state that the United States is diplomatically immature and that in our hastiness and impatience we may talk ourselves into a war. It is these rather than any other reasons which have infused a slightly non-American, rather than an anti-American sentiment in German political thinking.

Above all, it must be borne in mind that the advocates of relations with Russia are at the same time fascinated by the vision of Germany "as a bridge between East and West." The concept that this is Germany's "historical mission" implies of course on one hand that she would like to be liked by all and on the other hand that she does not intend to turn against anyone. It also implies a weakening of the efforts toward integrating Germany in Western Europe.

VI. THE POLITICAL PARTIES OF GERMANY

(a) *The Christian Democratic Union*

The Christian Democratic Union (CDU)—known as the Christian Social Union (CSU) in Bavaria—is the Federal Government's major party. In the last Federal elections, September 6, 1953, it obtained about half of the votes cast, and it has an absolute majority (246 seats) in the present 484-member Bundestag.

Historically, the CDU is a post-World War II creation. The dynamic elements inside the CDU/CSU, however, are directly descended from the Zentrum Party, a Catholic party of the Weimar and Hohenzollern days.

The CDU was among the last to complete its national organization. It was not until 1950 that a centralized national administration for the party was established. Before that the CDU parties in the various Lander enjoyed comparative autonomy.

The major organizational objective of the CDU/CSU is to provide a common base for Catholics and Protestants to engage in political activities. With "Christian politics" as a common denominator, the CDU/CSU hopes to be able to establish a durable alliance between the two religious confessions in Germany, which at present are almost equal in number.

Catholics still constitute the dominant element in the CDU/CSU. More than two-thirds of the CDU/CSU vote comes from Catholic circles. During the last Federal elections, however, the party achieved a sudden increase of strength in Protestant areas of Germany. The gains of the CDU/CSU in those areas were reflected in greater Protestant representation in the CDU ranks in the Bundestag. The CDU faction is almost equally divided in number between the two confessions. Chancellor Dr. Adenauer heads the party. Dr. Heinrich von Brentano is chairman of the CDU/CSU faction in the Bundestag. Ideologically the CDU/CSU continues to reiterate its objectives to establish a way of life in which Christian principles dominate and in which the value of man is fully recognized. Though originally the party had several "wings," it has since achieved greater uniformity. Chancellor Dr. Adenauer succeeded in "drying up" any and all deviating opinions inside the party. The leaders of these "deviations" still hold positions in the party or in the Government; they still represent the so-called wings. The most important among these are:

Karl Arnold, Minister President of North Rhine Westphalia. Arnold was regarded for several years as the leader of the leftwing of the CDU and as the opponent of Adenauer inside the CDU. Arnold presumably represents the Christian Trade Union element. Actually, however, he as well as the other leaders of the CDU soon discovered that they could continue to claim to represent the leftwing of the CDU only as long as they remained inside the CDU. And that so long as they remained inside the CDU, they would have to do the bidding of the rightwing of the CDU, namely of Dr. Adenauer. For in a confessional party like the Christian Democratic Union, the leftwing leaders upon leaving the party would not be able to take the voters with them, in spite of the fact that a sizable portion of CDU voters support the leftwing program.

Jacob Kaiser, Federal Minister for All-German Affairs, is an anachronism from the days when contact between Eastern Zone and Western Zone still existed. He, too, regards himself as a spokesman of the leftwing and also of the Eastern Zone.

The Bavarian CSU presents a separate element inside the CDU/CSU faction. Because of its autonomous aims and for local political reasons it continues to retain its separate name and identity. Generally speaking, the CDU/CSU sup-

ports Chancellor Adenauer's foreign policy (European integration), and Minister of Economics Professor Dr. Erhard's economic politics (free enterprise, liberalized trade, social responsibilities). This uniform outward support hides deep-seated internal regional and interest group divisions. Outwardly the CDU/CSU supports free enterprise and extensive social services, a limited amount of workers' codetermination in industry, a policy of forgive and forget toward the Nazi period, and closer alliance with the United States and close integration of Western Germany in Western Europe.

Since the last election the CDU, as well as Dr. Adenauer himself, has lost in popularity. The party seems to burst primarily at its confessional seams. The Protestants claim that Catholics not only dominate Bonn, but that they are trying to fill every position. The Catholics deny it.

Aside from its dominant position in Bonn, the CDU/CSU dominates the Governments in Rhineland Palatinate, North Rhine Westphalia, Bavaria (all Catholic states); Schleswig-Holstein, Hamburg (Protestant). It participates in the governments of Württemberg-Baden (Protestant and Catholic). The party is in opposition in Hesse and Lower Saxony, and on the sidelines in Bremen.

(b) *The Social Democratic Party*

The Social Democratic Party of Germany (SPD) is the only opposition party (not participating in the Government) in the present Bundestag. The 151 seats which it controls represent about 30 percent of the electorate. The Social Democratic Party was revived in 1945. During the last postwar years it bore the major share of responsibility for the organization of administrations and governments. The party, and specifically the late Dr. Kurt Schumacher, are responsible for the fact that Communist influence in Western Germany has been curtailed. It was the SPD which at the end of 1945 began to resist Communist efforts to unify the working class. At that time the non-Socialist parties, the Christian Democratic Union and the Liberal Democratic Party (later the Free Democratic Party) still flirted with the Russians, and hoped that through a merger between the SPD and Communists, they would gain.

Ideologically, the SPD is still in search of a program. Admittedly it lacks theoreticians who would give the present course of the party the necessary programmatic lining. In practical politics, it strives for greater social benefits, more effective workers' codetermination in industry and, allegedly, for the centralization of basic industry. The party has, in practice, renounced Marxism, though officially it still claims that the good points of Marxism must be saved.

The SPD is Germany's most thoroughly organized political movement. It has about 600,000 dues-paying members. It is essentially a working-class party, although an increasing number of middle-class supporters have enrolled in its ranks. The trade-union movement constitutes its major reservoir of voters.

In the postwar years, especially since 1949, the Social Democratic Party has also become the spokesman of a part of the non-Catholic elements of the population. It opposes the "overconfessionalized" public life and insists on strict separation of church and state. As a result of this, and as a result of the failure of other non-Socialist parties, the SPD has in recent months acquired the sympathies of middle-class groups who normally, for economic reasons, would have turned to other parties.

The mayor of Bremen and the former mayor of Hamburg (Wilhelm Kayson and Max Brauer) are regarded as the spokesmen of the rightwing Socialists. Without formulating it clearly, they tend to support a pro-American policy and greater German orientation toward the West. Some Berlin Social Democrats, the so-called Reuter group, side with the rightwing Socialists on some points. They differ from them, however, with respect to the question of unification of Germany and relationships with Bonn. The Berlin rightwingers (Willy Brandt, Paul Herz, Otto Bach, etc.) insist that the unification question receive priority over all other questions, and that the present Government in Bonn be forced to show greater interest in East Germany and Berlin.

The bulk of the party remains in the center. It is represented by the party apparatus. Erich Ollenhauer's chief leadership quality is expressed in the fact that he can "keep peace in the family." Actually Ollenhauer is more the "uncle" than the "leader" of the party.

The rank and file of the party supports the present course of the party, though it is dissatisfied with the manner in which it is presented. It demands greater German sovereignty and the opportunity to determine its own fate. It wants to negotiate with the Russians, and, if possible, over the head of the satellites, to achieve unification of Germany. It insists that in points where it

is neutral it is "neutral for the West," rather than "neutral between East and West."

The leftwing of the party is at the moment represented by a trade-union element, coming primarily from the ranks of the metalworkers. It demands a more intransigent domestic policy and a clear foreign policy. It wants the SPD to insist upon greater socialization and urges it not to shy away from negotiations with Russia even at the risk of arousing displeasure in the West.

The SPD has the most constant following of all political parties in Germany. Herein lies also the tragedy of the party. It has no room for expansion, and it has no possible allies. The party is doomed to retain its one-third of the people. Its only possible coalition partners on the national level, in the leftwing of the CDU, are, for the time being, at least, prisoners of the Adenauer policy. The SPD therefore remains a party without hope.

In spite of its lack of leadership and outward programmatic weaknesses, the SPD remains today the staunchest supporter of the democratic institutions, and the strongest ally of the West. It is the only party in Western Germany which neither directly nor indirectly maintains any contact with Communist organizations of Eastern Zone agencies. The SPD controls the governments of Land Hesse and Land Bremen, Land Lower Saxony. It participates in the Governments of Württemberg-Baden and Bavaria. It is in opposition in the remaining four Lander. In Berlin, where the SPD controls slightly less than half of the votes, the CDU-FDP alliance pushed the SPD after the death of Reuter into opposition.

(c) *The Free Democratic Party*

The Free Democratic Party (in Württemberg-Baden, known as the Democratic Peoples Party, DVP), is the third largest party in Western Germany. Its 50 representatives in the Bundestag represent about 12 percent of the electorate.

Generally speaking, the party is a successor organization of the pre-1953 Deutsche Volkspartei and the Staatspartei. On the whole it is opposed to the welfare state and advocates free enterprise. It is satisfied with the economic policies of the Erhard Ministry. It is, however, increasing its opposition to the foreign policy of the Bonn Government. It is regarded as the "opposition within the coalition." In the present 18-man Cabinet, the FDP is represented by 4 Ministers, none of them influential or important.

Three distinct wings are noticeable in the FDP. A liberal democratic wing, headed by Dr. Reinhold Maier, former Minister President of Württemberg-Baden.

This wing tends to side with the SPD on almost all issues of foreign policy and most domestic issues. It is even more critical of Chancellor Adenauer than the SPD, and is more militant in its fight for the elimination of confessional influences from public life. The main strength of this group comes from southern Germany, Württemberg-Baden and Bavaria. Federal President Prof. Dr. Theodor Heuss is regarded as an ideological adherent of this group.

The second group is the conservative democratic wing. It is strongest in the Hanseatic Lander, Bremen, and Hamburg. It shares with the previous group strong sympathies for democratic forms and opposes church influence in State matters. But it is less progressive in social problems, though at the same time international-minded.

The third group is the neo-Nazi element. It is strongest in Lower Saxony, Schleswig-Holstein, North Rhine Westphalia, and in certain parts of Hesse. It is willing to ride on Chancellor Adenauer's bandwagon until ready to jump off politically. In domestic issues it favors a more centralized and more national-minded government. It is basically anti-West and has strong Rapallo tendencies. Former Nazi functionaries control this wing of the party. (Out of 16 members of the FDP faction in the North Rhine Westphalia Landtag, 9 are former high functionaries of the Hitler Jugend, SA, and other Nazi organizations.) August Martin Euler, Federal Minister Preusker, and Dr. Friedrich Middlehaue are spokesmen for this group.

In spite of many promising situations the FDP remained stagnant since 1949. At present it is still seeking to sound nationalist tunes as an attraction to the voters. The party is also trying to dissociate itself sufficiently from the basic policies of the present Government, so as to offer a political haven to those of the voters who voted for the CDU in September 1953 and have since changed their minds.

The FDP participates in the governments of Bremen, Hamburg, North-Rhine Westphalia, Rhine land Palatinate, and Württemberg-Baden. It is in opposition in the remaining Lander of Western Germany.

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(d) The Refugee Party

Block der Heimatvertriebenen und Entreshteten-Gesamtdeutscher Block is a relatively late (1950) political creation. In spite of a promising beginning the party has been losing strength. The economic assimilation of the refugees diminish its electoral chances.

The BHE remains an opportunistic movement intended to serve the interests of a group of professional refugees. Its only programmatic claim is to get benefits for its clients—that is, to rob the treasury. It tends unconvincingly and ineffectively to support the FDP in foreign policy matters—that is, it, too, favors a national Germany and better relations with Russia.

To increase its mass base, the BHE in certain areas, especially in northern Germany and in Bavaria, has been trying to form alliances with neo-Nazi and old Nazi groups. The party leadership itself is strongly influenced by former Nazi functionaries. (It is noteworthy that few of the top leaders of the BHE are bona fide refugees.) Prof. Dr. Theodor Oberlander, Federal Minister for Refugee Affairs, heads the party. A former "racist" theoretician, he has a record of political opportunism which includes years of cooperation with the Nazis. A somewhat less striking record is held by the other BHE Federal Minister Waldemar Kraft.

The BHE participates in the governments of Schleswig Holstein, Lower Saxony, and Württemberg-Baden. It is in opposition in Bavaria, on the sidelines in Hesse and not represented in the other landtage. Unless a radical change of German political life takes place within the next few years the BHE is doomed to extinction. The two dozen seats it controls in the Bundestag represent about 8 percent of the votes.

(e) German Party

Led by Heinrich Hellwege, Federal Minister for Relations with the Lander, the Deutsche Partei (DP) has undergone several changes without increasing its influence. The DP has its origins in monarchistic circles in Lower Saxony, favoring the return of the Guelphs (Welfen), the Hanoverian Royal House, to the throne. In the course of the years, the DP has tried to hammer out a more national program which would appeal to larger sections of the population. However, the party has remained limited to northern Germany, specifically Lower Saxony and Schleswig-Holstein.

Today the DP claims to be the only truly anti-Marxist party which opposes all forms of socialism. It favors a stronger national program with stress on "Germanism" and the cultivation of truly German traditions. Supported primarily by farm populations, the DP demands from the Federal Government greater concern for agricultural problems.

Since the last elections the DP has lost some of its dynamics. Originally it was inclined to criticize Chancellor Adenauer's foreign policy and it advocated a more national-minded course. Today it mutely follows the CDU.

The 2 Ministers of DP origin who are in the Cabinet represent the 2 wings of the party. Heldege, the conservative-nationalist wing, and Dr. Hans Christof Seebohm, Minister of Transportation, the ex-Nazi element in the party.

The DP is on the sidelines in Schleswig-Holstein, in opposition in Lower Saxony and Bremen, and not represented in the other landtage. The 12 mandates over which this party disposes in the bundestag were elected in northern Germany (Bremen, Hamburg, Lower Saxony). Its total vote was less than 4 percent.

(f) The Zentrum Party

The small Zentrum Party, with 5 seats in the Bundestag and less than 1 percent of the vote, has only its name in common with the old pre-1933 Zentrum Party. It was formed in 1946 as a left-wing Catholic group. It did not succeed, however, in winning over the progressive elements in the CDU, and has been in a steady decline since 1950. It is only due to election speculations by the CDU that the Zentrum, which in no landtag commands over 5 percent of the votes, is represented in the present Bundestag. Originally anti-Adenauer and strongly trade unionist the Zentrum is now closely allied with the CDU.

The few members of this group represented in the landtag of North Rhine Westphalia support the CDU government headed by Karl Arnold. In Lower Saxony the Zentrum supports the Social Democrats. It is not represented in any other landtag.

(g) The Communist Party

The Communist Party of Germany is not represented in the present Bundestag. In the 9 lander of Western Germany it managed to send representation only into 1, namely, Wuerttemberg-Baden. Its average vote for the entire Federal Republic is less than 4 percent.

Political observers believe that the Communist Party has passed its lowest point and that it will probably register slight gains in future elections. The antagonism toward Russia has declined and the opposition to Adenauer increased.

Outwardly the leadership of the party is still in the hands of a few old Communists (Max Reimann, Oscar Muller, Renner, etc.). In reality they no longer play a role. Two new layers of leaders have been organized, one overt and one covert. The leadership of both are recruited from "the new type of functionaries," namely, younger people who participated during the Hitler period in the Nazi organizations and possibly also held functionary positions in the Hitler Jugend, who actively fought in the war, and who have subsequently been reeducated in prisoner-of-war camps. The less valuable of these functionaries are in charge of the official apparatus. The others have been instructed to organize the underground Communist Party and are now already directing the activities of the illegal Communist youth organization, the Freie Demokratische Jugend (FDJ).

A motion by the Federal Government to declare the Communist Party as a subversive and antidemocratic organization is now pending before the Federal court in Karlsruhe.

The concerted actions by the SPD and the German trade unions succeeded in eliminating the Communists from positions in the unions. Individual Communists, however, still hold positions in the works councils and are influential in local plants.

(h) Radical right groups

Since the banning of the SRP (Sozialistische Reichspartei) the radical right has not succeeded in gaining a toehold in German parliamentary life. The combined vote of all neo-Nazi and ultrarightist groups throughout Germany is below 3 percent. In spite of repeated defeats they are still trying. In many instances the Bonn coalition parties unite with them locally, in order to gain political advantages.

The Deutsche Reichspartei (DRP) is considered today to be the most "respectable" of the neo-Nazi groups. The Federal Government has withdrawn its motion to declare this group as subversive. In Lower Saxony and in Schleswig-Holstein the CDU and FDP and DP are entering frequent alliances with this party. The DRP, headed by von Thadden and Kruger, has the support of most of the functionaries of the prohibited SRP. It is trying "to save the good points of national socialism." While at it, it is also distributing propaganda issued by the Fascist International (Mosley group, MSI, etc.).

The DRP enjoys also the sympathies of a certain group of Nazi writers, gathered around the Pless Verlag in Goettingen, and headed by Hans Grimm (Volk ohne Raum).

The Deutsche Konservative Partei is a more conservative addition of the above group. It is important only in North Rhine Westphalia.

Deutsche Gemeinschaft, headed by August Hausleither from Bavaria, is influential only in this land where it is also represented in the landtag. It is a thorough "racist" group which together with the Deutscher bloc, main strength in Coburg (Bavaria), is trying to establish in southern Germany a strong Fascist movement based on ex-Nazis and refugees.

Both groups are distinctly anti-Semitic and both are trying to enlist the aid of the anti-Semitic organizations among the refugees from Eastern European countries, principally Ukrainians and Balts.

VII. ANALYSIS OF THE STRAINS AND STRESSES OF THE BONN COALITION

The democratic institutions in Germany and the present form of government are fairly stable. At the moment they are not seriously endangered by any subversive elements. Stability, however, does not necessarily equal strength. During more than 5 years of its existence the Bonn government has been unable to evolve a national consciousness among the population of the Federal Republic. One may encounter "nationalistic" sentiments in Germany and possibly such sentiments may be voiced by many people. But rarely does one encounter patriotic sentiments, for the fact remains that Germany is one of

the most "nonunited" nations of Europe. It is this lack of national consciousness which basically weakens the Federal Republic. Possibly the German militarists are correct when they claim that the German Army, the Wehrmacht, represented the unifying element in Germany.

The existing institutions in Germany lack meaning and tradition. They exist because they are, and not because they are accepted.

Since the existing institutions have not as yet met the test of real opposition, that is undemocratic opposition, their strength cannot be judged. For up to now they existed under the protection of the occupying powers who by their sheer presence discouraged the development of antigovernmental movements.

Formalistically, the Federal Republic has the strongest parliamentary government in Europe. The Chancellor, who depends on the confidence of the Bundestag, cannot be turned out of office unless his replacement is appointed and unless this replacement has obtained at least an absolute majority of the Bundestag. This means that it is hardly possible to topple the Government.

This constitutional strength of the Government is reinforced by the authoritarian tendencies of German public life. The fact that Dr. Konrad Adenauer has been Chancellor for 4 years helped him in last year's elections. Because, after all, his opponent could not claim such a distinction. The same applies to all levels of political and economic life.

The existing Government has not yet achieved acceptance by the people. Bonn remains in a transitional stage and no one accepts the term of a "Federal Republic nation."

The nonacceptance of Bonn as the representative of the German people stems from the fact that the Government does not fill out the entire framework of duties which devolve on it, either under the Bonn basic law or through international agreements. The Federal Government has a tendency to take refuge in foreign policies to escape the unpleasantness of domestic affairs. However, the existing governmental structure of Germany has saved Bonn from the results of popular dissatisfaction.

The efforts of the Government coalition to isolate the Socialists, and the confessional issue represent the major divisive elements in Germany today. But they are so deep as to make it impossible to develop a national esprit de corps and unity of the nation. There are, of course, other issues which tend to nibble off portions of the national consciousness—the refugees, the ex-Nazis, the ex-militarists, etc., for instance. Germany today represents a conglomeration of interest groups, each seeking to solve national and international problems through their own narrow perspectives.

NEGATIVE ASPECTS

The chancellor has proven himself to be a better leader of a minority party than of a majority party. During the first Bundestag in which the CDU held only about 35 percent of the seats, Dr. Adenauer had the chance to show his real skill as a political manipulator. With a firm absolute majority behind him in the second Bundestag he brought only division inside the Government camp. For he no longer can scare the other parties into obedience by threatening that "unless they come to an agreement the Social Democrats may combine with the leftwing of the CDU to form the government." And the other parties no longer consider the SPD as a threat.

There are many negative aspects of the Bonn government and it would be folly to be misled by the outward appearance of strength. This outward appearance is based primarily on effective press propaganda and prosperous economic conditions. The Government appears strong because no one at the moment has an interest in testing its strength. In reality it has failed up to now to develop a power of its own, namely, real popular confidence, and must rely on support flowing to it from other factors.

The strength of the Bonn structure may be tested in the near future—

- (a) If a deterioration of economic conditions develops;
- (b) When Dr. Adenauer is no longer able to head the Government;
- (c) When the activation of the German troops actually begins.

From the present vantage point a deterioration of the German economic situation is merely speculative. It is true that the current German prosperity has (and this is admitted by Government economists) not as yet achieved a firm and durable basis. It still depends on too many variables, such as international conditions, world rearmament, isolation of certain producing areas as a result of the East-West conflict. At the same time it is argued that there is no reason to

believe that these factors which work in favor of the German economy should change overnight. It can therefore be assumed that full employment and slow but steady rise of the standard of living will continue.

Less promising is the situation with regard to the longevity of Dr. Adenauer. Press offices have invented many things in their time. But even they have not as yet succeeded in producing an effective rejuvenation method and protective measures against old age.

The unity in the CDU as well as the adherence of the other Government parties to the present coalition are intimately connected with the personality of Dr. Adenauer. Even those among the coalition parties who oppose him advise patience. His rival political leaders in the Government parties satisfy their ambitions for the moment by comparisons of birth dates.

ADENAUER'S SUCCESSOR

It is therefore certain that in the event that Dr. Adenauer is no longer able to lead the Government a reorganization of forces in German political life will take place. This period will no doubt constitute a weak point in German public life, and will lower West Germany's resistance to subversion. It does not, however, mean that Western Germany will not be in a position to produce a man and government capable of replacing Adenauer. The possible successors of Dr. Adenauer have not as yet materialized because all available floodlights are directed on Adenauer.

After Adenauer the stability of the Government will decline. The weakness which will at that time appear on the surface will, however, merely reflect the true state of affairs inside Bonn.

THE ROLE OF THE MILITARY

The new military units will constitute an important factor in German political life. Their mere existence will strengthen the prestige of the Bonn Government at home, and may revive the dormant national consciousness. The military will be obedient during the first period of its existence. But it is equally likely that as soon as it is strong enough it may seek to play a political role of its own.

It is doubtful whether Bonn could muster sufficient strength to control such military, without making concessions to it and eventually giving in to it. A conflict with the military may ultimately produce a climate beneficial to the growth of antidemocratic and nationalistic groups.

In the analysis of the political strength of the present Bonn Government I have not touched on some minor points, such as the confessional conflict, the Rapallo tendencies, and above all the fact that the present Bonn Government has for all intents and purposes eliminated parliamentary control over its actions, and has thus again created a public mood of apathy toward governmental affairs. ("The politicians do what they want.")

The weaknesses of the Bonn Government are naturally only weaknesses if one regards them from a democratic point of view. They may turn into strength if a different approach is taken. In any event, they indicate that the West cannot fully rely on democratic support from Germany. And that the democratic Germany, the only Germany which would be inclined to ally itself durably with the West, is still too weak and too ineffective to make its influence felt.

It is in my opinion a fatal error to equate German organizational talent with democratic strength. What one sees in Bonn or in Dusseldorf is merely a functioning organization with all parts duly distributed. It does not reveal the contents of the organization nor the purposes for which it is functioning.

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VIII. EXCERPTS FROM TESTIMONY BY BRIG. GEN. JULIUS KLEIN BEFORE SENATE JUDICIARY SUBCOMMITTEE ON RETURN OF CONFISCATED PROPERTY

(Excerpts from Stenographic Transcript of Hearings before a subcommittee of the Committee on the Judiciary, United States Senate, 83d Cong., 2d sess., on S. 3423, to amend the Trading With the Enemy Act, July 1 and 2, 1954)
Senator DIRKSEN. General Klein, will you identify yourself for the record? Then you may proceed with your statement.

STATEMENT OF JULIUS KLEIN, CHICAGO, ILL.

Mr. KLEIN. Thank you, Mr. Chairman. I am Julius Klein of Chicago. I have been a newspaperman; I have been a motion picture executive; and a soldier—still on the active AUS list; and, now, I am the head of a national public relations company. I was in Berlin, Germany, in 1918 and 1919 as a very young member of the American military mission sent to Germany by General Pershing, under the command of General Harries, and I saw the first collapse of the German economy and the rise of communism and nazism, and was a member of Gen. Douglas MacArthur's command in World War II and after World War II, I was special assistant to Secretary of War Robert P. Patterson, specializing in German affairs. It was also my privilege to be consultant on national defense to the Republican members of the Armed Forces Committee of the United States Senate.

I appear here as an individual. I might add that as a Legionnaire I am also very proud to be a member of the American Federation of Labor and am still a dues-paying member. Since my good fellow Legionnaire from the American Federation of Labor stated that he was a member of the Legion, I am delighted to state that I belong to the Film Editors Union of the American Federation of Labor and proudly carry my card.

I concur with the views expressed here by the American Legion, of which I have been a member for many years, expressing support of the measure presently pending before this committee. The men of the American Legion, the largest veterans' organization in this country, should be complimented on their lack of vindictiveness in requesting enactment of this legislation.

"United States policy should be directed toward the eventual and earned equality of Germany," so stated the report of the Special Study Mission to Germany of the House Committee on Foreign Affairs, 82d Congress, 2d session, headed by Representative Clement Zablocki, Democrat, Wisconsin, and composed of Representatives Carnahan, Democrat, Missouri; Hays, Democrat, Arkansas; Kelly, Democrat, New York; Merrow, Republican, New Hampshire; and Javits, Republican-Liberal, New York. The committee found, as a result of its November 1951 visit to Europe that, "the gradual evolution of Germany's status to that of a fully independent nation, has had to be accelerated and to some extent redirected because of the Soviets' direct and indirect aggression on the free peoples."

And General Eisenhower, in his 1950 address to the Congress, had advocated an "eventual and earned equality" for Germany. General Eisenhower, later as President, extended this view when he advocated in his March 10, 1954, press conference, the return of enemy assets seized during World War II.

It is also of interest to note the remarks on Germany of Prime Minister Churchill and President Eisenhower in their joint statement of only 5 days ago on June 28, 1954:

"We are agreed that the German Federal Republic should take its place as an equal partner in the community of Western nations, where it can make its proper contribution to the defense of the free world. We are determined to achieve this goal, convinced that the Bonn and Paris treaties provide the best way. We welcome the recent statement by the French Prime Minister that an end must be put to the present uncertainties."

Mr. Chairman, I never dreamed 10 years ago that I would ever appear before a Senate committee advocating the return of German property or a state of equality for Germany. I was the author of the original combat public relations plan against Germany in 1939 and 1940 for the then Chief of Staff of the United States Army; and not only as one who knows Germany intimately well but as one whose relatives finally wound up in concentration camps and crematoria,

I, too, feel that the wounds and scars are still fresh. But I do feel that public sentiment has changed, and to me the interest of America is more important than any personal prejudice which I and others may still have.

The lessons of the past 30 years have been bitter lessons. As an American of Jewish faith, and as an American descended from members of the tide of German immigrants who came to this country after the democratic revolution of 1848 in Germany to contribute their strength to this country and as one who has had firsthand knowledge of the horrors visited by the Nazis on my coreligionists and the peoples of our allies, I appreciate full well what devastation was wrought by unbridled Hitlerism, militarism, and terrorism, not only on my coreligionists but on Protestants, Catholics, and all free peoples alike. But I realize, too, that our national interest demands a unity of the family of free nations of which Western Germany is an essential member due to her strategic location and her economic potential in the face of totalitarian communism which possesses a determination exceeding that of Hitler's forces and has, unfortunately, a strength far in excess of that of the Axis at its zenith.

Also, I am cognizant of the moral teachings of my people, a religious heritage which we all share, that hate breeds more hate, retribution breeds a desire for further retribution, and injustice is never a valid reason for further injustice.

After the First World War an embittered France, sore from invasion and loss of her sons, consistently refused to deal on fair and equal terms with democratic German governments, established by the Weimar Republic. The unhappy result of this shortsighted policy was that France eventually had to deal with a Nazi Germany on terms not her own. Had she but encouraged the republican regimes of Germany—and that includes England, too—and bolstered and strengthened them, think of the vast expenditures of blood and treasure that could have been spared. I might add here, Mr. Chairman, I listened to Colonel Townsend and the other gentleman who preceded me speaking about past reparations of World War I. May I remind the committee that in 1931 a great President of the United States, Mr. Herbert Hoover, in response to the personal appeal of his ambassador, Ambassador Sackett, granted the famous Hoover moratorium and advocated economic help for Germany. If we would have listened to Herbert Hoover then, Hitlerism never would have been the result of this unfortunate power policy in Germany and Europe.

We are today faced with a similar problem. Should we turn our backs on the present prodemocratic German Government, should we weaken it and cause it to lose the confidence of its supporters, could we then risk the responsibility of paving the way for the assumption of power of the festering German neo-Nazi movement and with the neo-Nazis another German-Russian alliance?

We have listened today to the fine representatives of the American Federation of Labor. I listened with great interest to Mr. Derby. Believe me, Mr. Chairman, if national security would be involved in this, Julius Klein would not be testifying in favor of this bill. We have listened to too much about national security and the cloak behind national security in this very caucus room for the last 2 months. I think we will help national security and NATO if we do accept now Germany as an equal partner as advocated by President Eisenhower.

We are engaged in a battle for men's minds. Last year, for example, \$83,417,000 was appropriated for the United States Information Agency. Billions more have been spent for economic and technical aid. Two years ago I went on a mission for the Republican Members of the Senate to Germany and saw the vast money that has been spent and is being spent by our Government, wasted money. If some of that money could have been used in this direction, I think the job could be accomplished to really sell Uncle Sam to the world. As one who has been active in the field of public relations all my life—and I might add in modesty that my experience includes writing the basic texts for the Government's psychological warfare program in World War II, including the combat public relations plan for the Army in our fight to defeat Nazi Germany—I believe that the return of this vested property, not as a grant or other type of gratuitous handout, but as a matter of simple justice, will do more to bind free Germany to friendship and cooperation with the United States than any other policy of expenditure on propaganda or economic aid which we might undertake.

Mr. Chairman, we have listened to what might happen to American industry. I have seen American industry open plants in Germany and Japan. The Federation of Labor in Germany and the Federation of Labor in Japan could raise the same cry as our friends did here. We American businessmen would like to be treated as equals in Germany, too, and we must therefore invite the return of foreign capital for investment so that new plants may be built here, so that

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American labor gets more work, and American ingenuity should have help without impairing our tariff situation. That is the best way out for universal economic recovery.

As a humanitarian, I have urged passage of this legislation; may I also do so now from the point of view of a professional public relations consultant for this is the course which my experience and background indicate as best suited to the national welfare.

We ask Western Germany now to stand shoulder to shoulder with us against the Communist menace and to contribute her sons and tie her economy to this effort; yet, contrary to principles of international law, contrary to our own constitutional safeguards for the sanctity of private property and contrary to what was believed to be our national policy (for example, in 1943, now Secretary of State Dulles said that seizure of German property was "a precautionary measure for the duration of the war") and in contradistinction to our treatment of Germany's wartime partner, Italy, whom we are also wooing in the fight against the Communist advance, the United States has delayed the return of vested German property.

Some 20 percent of all Americans are of German ethnic origin. The ties between the peoples of our two countries are important. It might be well to be here reminded of the important part played by Americans of Italian origin in writing their relatives during the crucial postwar elections in stemming the tide of the Communist gains in that country and the important role in the defeat of communism in Greece due to the close personal and family ties existing between the people of Greece and the people of America, so many of whom have come here from that tough little nation. Chancellor Adenauer has said, "It was precisely those Germans who used to own property in the United States who were always the traditional promoters of friendship between the two nations. They should be put in a position to resume that role."

These are the people we are seeking to foster. German citizens and German industry should continue to have a vested interest in the United States; it is not a mere threat but a reality that the golden lure of trade and commerce with the eastern bloc, a trade of which the Soviets realize the full value, will fill the vacuum left by capital investment and trade in the United States.

Two years ago I visited Germany and had occasion to confer at length with High Commissioner McCloy. At that time I also had the pleasure of spending considerable time with Chancellor Adenauer and learned from him and many of his associates of the economic and political problems facing the West German Republic. Later, I was host in this country, in my city of Chicago, to Herr Jakob Altmaier, distinguished member of the German Bundestag and a member of its foreign relations committee. In his honor, your colleague, Senator Hubert Humphrey, sponsored a fine reception in the Senate Building, which Senators on both sides of the aisle in Congress attended. Herr Altmaier is an orthodox member of the Jewish faith, a devoted German patriot who fled Germany when Hitler rose to power and who helped the Allies and General Eisenhower destroy nazism. He was, with the late Mr. Schumacher, responsible for the German-Israeli Restitution Treaty, which was sponsored and advocated by Chancellor Adenauer. We discussed the German economic situation at great length.

During these discussions, Herr Altmaier urged me to use all the influence at my disposal to bring about a change in the Trading With the Enemy Act. This is the reason I am here, Mr. Chairman. He pointed out to me and I found myself in complete agreement with him, the importance to Germany, to America, and even, I might add, to our coreligionists, of the correction of this injustice and the restoration of German-American relations to that of equal partners in the struggle against Communist and Fascist totalitarianism rather than a relationship between a conqueror and a subject defeated power to whom we express trust in words and mistrust in deeds.

For, it is as was stated by Max Brauer, burgomeister of Hamburg, who sacrificed his American citizenship to return to Germany so that that he could do his share in rebuilding his native land, "The battlefield for the rebuilding of democracy in the heart of Europe is Germany."

While the millions of innocent people murdered by the Nazis cannot be brought back to life, the new democratic Germany is making an earnest effort to help those whose livelihood was shattered. Germany is today living up to the letter of the German-Israeli Treaty, a treaty I might add which I supported.

The Dirksen Bill, therefore, remains the only honorable course which our country can take. We, as a people and as a Nation, have always been noted for fair play and we must remain true to this tradition and adhere to the rules of international law and justice.

This question, Mr. Chairman, is not going to be decided on international law. This question is a matter of policy. We know it will remain a matter of policy, no matter what lawyers will say for it or against it. It is a question of national policy.

It is for this reason that I recommend with all vigor the early enactment of these amendments to the Trading With the Enemy Act provided by the Dirksen bill. You will thus contribute more to the defense of the Western World than a full division in the field.

As I said before, you will thus contribute more to the defense of the Western World than a division in the field in the struggle against the advance of communism, a struggle in which Germany is now asked to play the role of an equal partner with all her human and physical resources.

Mr. Chairman, I thank you ever so much for your courtesy.

Senator DIRKSEN. General Klein, we thank you. I may add that I am quite familiar with the distinguished civic service that you have rendered in the State of Illinois over a long period of time, together with your very distinguished brother, Dr. Ernest Klein. I am glad to see you here this morning.

General KLEIN. Thank you very much.

IX. THE ITALIAN SCENE

To some extent, comparisons can be drawn between conditions in France and Italy. Both countries have to contend with a strong Communist Party, and with a relatively undisciplined middle class. In both countries the industrial progress achieved in postwar years is largely disregarded by foreign observers who usually dwell on the problems. And yet the two differ in the very points on which similarity appears to exist.

THE CHRISTIAN DEMOCRATS

Politically the Italian Christian Democrats (Democrazia Cristiana) have played the same role as the MRP in France. And yet the two are not similar.

The Democrazia Cristiana represents an all-inclusive Catholic Party in the true sense of the word. Unlike the MRP, the party has not been subjected as yet to an electoral cleansing process which would reduce it to a hard core of reliable followers. Hence the Italian Christian Democrats represent to some extent an alliance of varying political views.

The weakness of the present regime in Italy reflects basically the internal weakness of the dominant party in Italy, the Christian Democrats.

Until there is clarity and determination inside the Christian Democratic Party, one cannot expect clarity and determination in the Italian administration.

Roughly speaking, the Democrazia Cristiana reveals three main divisions: Right, center, and left.

The right wingers inside the Christian Democratic Party press at present for more determined action against the Communists. They insist upon a "no-concession policy" in dealing with the left, and favor a stronger Italian effort in the military planning of the West.

In recent weeks, the right wing has gained in popularity in Italy. The riots stirred up by the Communists during the remarks made by the right-wing Christian Democrat, Togni, focused public attention both on this group in the government party as well as on the Communist danger. Indirectly this group became responsible for carrying out the anti-Communist program in Italian public life.

As a result of his actions and revelations in Parliament, Signor Togni has become the spiritual head of the right wing of the Democrazia Cristiana, but there are also other right wingers who favor "more considerations for the Russians." Thus, for instance, former Prime Minister Pella insists on a "specific Italian foreign policy." This policy is to safeguard first of all Italian interests in Europe. It is also to seek to promote understanding between East and West and to discourage the rearment of Germany.

THE CENTER GROUP

The center group in the Democrazia Cristiana is probably best represented by the present Prime Minister Mario Scelba. He reflects also the weaknesses of this group, as well as of the Democrazia Cristiana as a whole. In the course of time the Centrists have become a repository of all Italian scandals and corruption in government. The right wingers are usually too well set to engage in

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petty corruption. And big corruption usually escapes the naked eye. The left-wingers are really too idealistic or too inexperienced to enjoy the fruits of Italian politics. It is the center which supplies most of the mouths for the public trough.

Scelba assumed office as a strong man. Italy never had a weaker Prime Minister. The affairs of state have been battered by scandals and by attacks from within. Only now the Prime Minister has finally come around to launching an anti-Communist program.

THE LEFT WING

The left, as usual, represents most of the color and attracts most of the interests. It is also the most risky wing among Christian Democrats. The left wing is actually in control of the party organization. It has modestly withdrawn from the government. Only the Defense Minister, Taviani, is regarded as a member of the left wing. During the last party congress held a few months ago, the leftist, Amintore Fanfani, became general secretary of the party. With him, the entire left wing, headed by Giorgio La Pira, and including the Parliament's President, Giovanni Gronchi, assumed control of the organization.

For the moment, Fanfani's energies are being devoted toward strengthening the party itself. He is trying to develop a fighting group to meet the Communist challenge. He has instituted several courses for party propagandists, developed new branches for youth and women's affairs, and extended the party's informational programs. In short, Fanfani is trying to develop a functionary corps to equal the one the Communists have.

At the same time the Fanfani group seems to be opposed to stern measures against the Communists. Some spokesmen for his group have warned against the use of "reactionary methods to combat communism." The left-of-center Christian Democrats do not want to scare away the Communist and leftwing Socialist voters. As a matter of fact, a great many in this group are convinced that by tactful maneuvering the leftwing Christian Democrats may succeed in drawing Pietro Nenni and his leftwing Socialists away from the Communists.

But the political confusion is not limited to the huge Christian Democratic Party alone. It is also present in the smaller parties, and there in some instances it is equal, in spite of the difference in size, to the one prevailing among the Christian Democrats.

THE SOCIAL DEMOCRATS

The Social Democrats under Sarragat are uncertain about their course. On one hand, they would like to see stern measures against the Communists. On the other hand, they are not too comfortable in the Government in the company of Center Cabinet members. Some weeks ago Sarragat himself demanded that the Government include a greater number of leftwing Christian Democrats. Fanfani, speaking for the Christian Democrats, thanked him for the Socialists' flattery, but refused to budge from his position of nonparticipation. He clearly indicated that the left-wingers do not want to be burdened with the sins of the Scelba government.

The third coalition party, the Liberals, are also divided on the issue of the composition of the Cabinet. They too want greater left-wing representation. However, the majority have finally decided to stand with Scelba for the time being until "the international situation clarifies." (A similar decision was taken by the Socialists.)

The Republican Party, another small centrist group, which however is not in the Government, is also divided about its course. A small group is trying to persuade this party to join the present cabinet. The majority, however, under La Malfa, still rejects this course.

THE COMMUNISTS

Arrayed against this large mass of political uncertainty is the Communist-Leftwing Socialist bloc.

It is dangerous to underestimate the Communist influence in Italy, to ascribe it merely to economic misery, and to delude oneself with the thought that the most effective way to combat it is with food on every plate. At the same time it is unnecessarily defeatist to assume that "in 5 years the whole of Italy will be Communist."

The strength of the Italian Communist Party is based first of all on "squatters rights." This must be understood both literally and figuratively. Literally, the

Communist Party and its allied trade unions have simply taken over physically some of the establishments of the Fascist regime. The party and the trade unions have, therefore, come into possession of numerous offices, houses, printing plants, cinemas, clubs, etc. Figuratively, the party has fallen heir to a still prevalent anarcho-syndicalist tradition, a reputation of being courageously anti-Fascist and supposedly a fighter for the oppressed.

The Italian party (both Communist and Left-Socialist) is financially well off. Through its control over various phases of the administration and the economy it has a large and regular income. The annual budget of the party is close to \$55 million. Of this sum, only about \$3 million is raised from membership dues. The other sources of income are the "commissions" and the "insurance" payments. The party has great influence, and possibly control, over trade with the Soviet bloc countries. For contracts expedited, the usual "5 percent" flows into the party's coffers. Through its control over local and regional administrations, the Communist-Leftwing Socialist bloc is also in a position to do "favors" for private industry in the form of public contracts and the usual percentage is collected.

The recent scandal concerning the INGIC (Istituto Nazionale Gestione Imposte Consumo) best reflects the economic importance of the Italian Communist Party. The scandal involves the age-old Italian custom to contract out the collection of turnover taxes to private individuals or firms. The Fascist regime tried to reform this practice. It established the INGIC, a public corporation, which in effect was supposed to compete with private enterprise for the contracts to collect taxes. The INGIC survived the Fascist regime and became Communist dominated. Through it, the Communist Party manages to receive considerable sums of money. It also has received money from various economic cooperatives.

The almost exclusive control by the Communists over the labor office system enables them to use economic pressure to convince faltering workers of the "correctness" of the party policy.

"Insurance" by respectable individuals and firms is another source of Communist income. Such people and firms like to play safe. Under one guise or another they therefore make contributions to the Communist cause with the understanding that if and when the day comes they will be treated with consideration.

In recent weeks, the Scelba government decided to be more stern in combating communism. The Government apparatus is to be checked and Communists are to be removed from sensitive positions. It is to be noted that Communists are to be transferred out of such positions, rather than to be removed from the administration altogether. The Government has also decided to claim the properties which Communists and trade union groups have occupied without permission. It has also been decided to check the financial sources of the Communist Party, and to keep an eye on firms which contribute money to the Communist cause, or do business through the Communists.

While all these measures look good on paper and sound well coming over the radio, observers are sceptical about the results which Scelba will achieve from them. Frankly, observers doubt whether he has the necessary apparatus to carry through his anti-Communist program.

X. AUSTRIA

Austria is not directly connected with the efforts to integrate Western Europe and strengthen its defenses against the East. And yet it greatly influences these efforts, for the solution of the Austrian problem has been made on many occasions by both sides a condition precedent to the settlement of the East-West conflicts.

Economically, Austria never had it so good, at least not since 1914. The country has expanded its industrial capacity, and its industrial production is now almost double that of prewar years. The economic revival of Austria is due to two main factors: (a) The capital investments of the Third Reich, and (b) American economic aid.

Though the Austrians are inclined to complain about their "sufferings" under the Nazis, it is an indisputable fact that the economy of the country has benefited from the Third Reich. Aside from immediate improvements of the country's economic conditions through its unification with Germany, the Third Reich had carried out a huge investment program (estimated at about \$750 million). The former Herman Goering Works in Linz represent the foremost example of this program.

The Nazi economic efforts in Austria were motivated primarily by the desire to increase Germany's war preparedness. Today, however, Austria is using the plants built by the Nazis to bolster its economy. And though it may be true that these plants have depreciated in the course of time and that their value has diminished through Russian confiscation, it cannot be denied that they still constitute an important segment of the country's productive capacity.

American economic aid gave Austria the impetus toward postwar economic recovery. It provided the necessary liquid capital to put the plants into operation.

Today Austria is quietly proud of its achievements, and unlike Germany does not want to boast about it. Seeking still further concessions from both east and west, the Austrian policy is dominated by an "eternal sigh."

The Russian occupation of Austria is also not as heavy handed as that of Eastern Germany. For after all Austria does have free elections in all four zones of occupation, there is almost no hindrance of traffic between the various parts of the country, and in most parts the Russians refrain from interfering in internal Austrian affairs. Russia's hold on Austria still expresses itself in its almost sole control over the country's oil refineries, the existence of the Russian-owned USIA firms, and in occasional interferences by local commanders.

Unlike Germany, Austria no longer pays occupation costs to any of the occupying powers.

Politically, too, Austria differs from the German Federal Republic. Julius Raab, Chancellor of Austria and leader of the Austrian Peoples Party (ÖVP), is inclined toward a neutralist position between Russia and the West. The Social Democrats on the other hand favor a western oriented policy.

XI. THE BENELUX COUNTRIES

The Benelux States (Belgium, Holland, Luxembourg) have become a political concept in Europe. However, they have not as yet been integrated.

Ten years ago, in September 1944, the governments in exile of Holland, Belgium, and Luxembourg formed in London the Benelux Union. The aim of this first European regional organization has been to integrate the economies of these three countries. Before the end of the war integration seemed easy. Postwar experiences proved how difficult it was to achieve. Last year it seemed as if the Benelux Union would soon break up. Today the outlook is considerably more optimistic.

The Benelux Union originally hoped through lowering or completely eliminating tariffs on goods produced by the three countries to achieve greater economic unity. They soon discovered, however, that domestic economic policies can also affect international commerce. The Dutch policies of low prices and low wages enabled Dutch products to compete with Belgian products on Belgian markets. The low income of the Dutch consumers made it impossible for Belgian exporters to introduce their products into Holland. Without resorting to custom regulations the Dutch Government managed to shut off the flow of luxury items into its country.

Through an austerity program, Holland succeeded in accelerating its industrial development. The planners of the Benelux Union theorized that primarily agricultural Holland would complement nicely the primarily industrial Belgium. However, since Holland began to industrialize, the complementary element gave way to competition. During the past 5 years industrial production in Holland has risen by 57 percent, in Belgium on the other hand only by 20 percent. At the same time, wage rates in Holland were about half the Belgian rates. (The average Dutch industrial worker earns about 40 cents per hour. The Belgian worker 75 cents per hour.)

Belgium still spends more than Holland on consumers goods. Though it has a smaller population, it can boast of about 400,000 cars as compared to only 190,000 in Holland. The Dutch spend 61 percent for consumers goods, the Belgians 75 percent.

The Belgians during the past years felt that the regulatory measure of the Dutch Government with respect to prices and wages constitute in effect a violation of the Benelux Union Agreement.

Many groups among the population called for an end of the Union. Belgian farmers were specially dissatisfied with Dutch policies. The Belgian Government has tried to defend its economy against Dutch competition by reimposing tariffs on some agricultural products. In July 1953 the Union Agreement was amended to permit "in case of need" and in order to defend the home economy against the overflux of products from a member state, the imposition of tariffs on industrial products.

Since then, the situation in the Benelux countries has somewhat relaxed. Holland has eased its strict austerity policy, and has become more receptive to Belgian and Luxembourg products. The Benelux states have also agreed to permit free intercourse of capital and investments among the three states. At the same time, the general situation of the Benelux states in relation to the other countries has improved. This is interpreted in all three capitals as a result of coordinated action on the international market.

All three Benelux states have been favoring strongly a Western European integration program. They have been equally ardent in their support of a Western European military alliance. Though none of the three countries trust Germany, all of them regard the German defense contribution as a necessity for the effective defense of the Western World.

HOLLAND

Holland, which till 1940 had been a strong advocate of neutrality in international politics, is today the strongest champion of European integration and rearmament.

The Dutch people are also one of the few European nations who successfully patched up their internal difficulties and who are jointly working toward strengthening the country.

Holland is probably the greatest hard-luck country of Western Europe. The Dutch colonial empire has almost disappeared. The country has also suffered its greatest catastrophe, the floods and destruction of many of the country's dikes. Yet politically Holland is one of the most peaceful countries in Europe. The coalition government, dominated by the Catholic and Labor Parties, seems to enjoy the support of the people and seems to have achieved appreciable successes.

The secret of Dutch stability and its slow recovery is to be found in regulatory measures. The government controls both prices and wages. It does this with the full support of the trade unions and manufacturers. These regulated prices and wages enable Dutch products to compete on foreign markets. Through an extension of its export trade to European countries, Holland hopes to make good some of the losses of its economy resulting from the disappearance of her colonies.

Holland, like other European countries, is not enthusiastic about a European army which would include Germany. In Holland, probably more than in Belgium, anti-German sentiment is still strong. The people feel, however, that some sacrifices for defense must be made, and as a leading labor leader said: "The easiest sacrifices to make are sentiments."

Among all European nations, Holland is considered to be the strongest supporter of German rearmament. A few weeks ago the Dutch Defense Minister Staff declared that until German troops are a reality, Dutch defensive plans must base themselves in the southern parts of the country. Only after German contingents can be put into action can one seriously consider the possibility of a defensive stand in the northern parts of Holland.

BELGIUM

Belgian politics are less harmonious than those of Holland. The competition between left and right is strong, and the divisive elements considerable.

In April of this year, the Christian Social Party lost its majority. In the general elections the Social Democrats emerged as the dominant party, and subsequently formed the coalition government with the Liberals.

In domestic politics, such questions as the role of the royal house, church influence in the school system, relationships between the Flemish and the Walloon sections of the country, and the treatment of the Nazi collaborationists, are still important.

In matters of foreign policy, however, there seem to be little differences of opinion between the present government parties (Socialists and Liberals) and the opposition (Christian Social Party). Paul Henri Spaak's efforts to strengthen the political unity of Europe seem to have the support of about 90 percent of the Belgian people. Unlike the Dutch, the Belgians don't fear the political combinations of the larger European countries. They feel they can hold their own in any gathering.

Economically, Belgium is in a fairly well-to-do state but it is beginning to face unemployment problems. The country has done much since 1945 to develop its overseas possessions, especially the Belgian Congo. Though these invest-

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ments have proven profitable, they do not as yet constitute a market which could fully digest the export production of Belgian industries. And Belgium must export at least half of its entire industrial production in order to balance its economy.

Added to this is the increasing seriousness of the problem of the Belgian mines, specifically the coal mines. A great many of them have already, and some will soon, reach the submarginal category. The Government is contemplating closing down some of the mines, since investigations by various agencies, including the European Iron and Coal Union, revealed that even with the aid of large investments the mines could not be made to operate economically. A decision to restrict the Belgian coal output would further increase the number of unemployed.

In spite of her economic difficulties, Belgium, like Holland, does not skimp in its appropriations for her armed forces. Both countries spend about one-half of their national income for defense. In each country about 2 percent of the population is under arms.

LUXEMBOURG

Economically, Luxembourg may be regarded as an appendage of Belgium. Politically, she represents far fewer problems than her allies. In recent elections the Christian Social Party of Luxembourg achieved notable successes. It obtained an absolute majority in Parliament. In spite of this, the party decided to continue its coalition with the Social Democrats, thus limiting the opposition to only a few members of Parliament.

Economically, Luxembourg does not have the same worries as Belgium. Her industries are working full time and the country is benefiting from the Iron and Coal Union.

Since the conclusion of the Paris agreements there is some uneasiness to be noted among the Benelux countries. They fear that too close an alliance between Germany and France may bring unfavorable economic and political results for the small European nations. They are especially worried about the effects of German-French cooperation in the economic sector.

XII. SCANDINAVIA

Politically, the Scandinavian countries represent a fairly stable picture. In all three countries (Iceland is disregarded for geographic reasons, and Finland for obvious political reasons) the Social Democratic Party holds the dominant position. In all three countries the administrations tend to maintain some forms of government control over industry and encourage price regulations.

In international affairs, however, each of the three countries represents a different point of view.

SWEDEN

In foreign affairs, Swedish politics are determined by her efforts to maintain the country's neutrality. In domestic affairs, the policies are determined by the efforts of the Government to maintain a just balance between prices and wages. At present, both cardinal points of Swedish politics are subject to much discussion.

How much should Sweden spend for its armed forces? And how are these expenditures to be distributed between the various branches of the service?

Swedish politicians are fully aware of the fact that the country's neutrality is effective only as long as it is respected. They also know that respect is in most cases achieved by strength, and that from a purely statistical point of view the armed forces of this nation of 7 million could not effectively resist an invasion. They maintain, however, that Swedish neutrality is merely the crowning point of many other factors. They are fully aware of the fact that this neutrality could not be maintained, unless the West and NATO were strong. In short, the military strength of the West makes Swedish neutrality possible.

Furthermore, Swedish statesmen argue that Sweden, in case of an invasion, must be able to retard the progress of the enemy, even if it could not effectively resist it. For this it needs a strong military force.

Chief of Staff Gen. R. Ackermann stresses the changes in the European military situation. He points to the strengthening of the Soviet forces in northern Europe, the establishment of American and NATO bases in north-western Europe, and the eventual organization of a German army. All these, according to General Ackermann, require a reevaluation of Swedish military preparedness. This means adaptation to modern needs and greater expenditures for innovations.

Others naturally ask the question whether Sweden, which is now spending about \$400 million a year for defense, (about \$60 per inhabitant) can afford to spend more. Generally, the proponents of greater defense expenditures ask for an expansion of the air force. (The Swedish Air Force is rated, in strength, as the fourth strongest in the world).

All in all, the Swedes are satisfied with a policy of conditional neutrality. They feel that it enabled them to participate in some international bodies (United Nations, Council of Europe, etc.), but it kept them out of organizations such as NATO. In spite of their abstinence, they were able, through their policy, to bring benefits to others, as well as to themselves. Sweden claims that its neutrality saved Finland from Russian occupation. It also made her available as a mediator in East-West conflicts. On the other hand this neutrality did not create a curtain between Sweden and the West. The Swedes openly admit that they benefit from the increased rearmament efforts of the West. They also say that in spite of their neutrality, they were able to acquire the necessary arms from the West and that the West did not exclude them from participating in the exchange of military information.

Sweden differentiates between Russian policies, the policies of the eastern bloc and its own homegrown communism. It is tolerant, being neutral, toward the first and extremely vigilant with regard to the second.

Sweden permits the launching from its territory of various international movements which are clearly designed to promote the interests of Soviet foreign policy (Stockholm Conference, Stockholm Appeal, etc.). It welcomes exchanges of visits between Swedish and Russian fleet units, and so on. At the same time, however, Sweden keeps a very strict watch on the activities of the Communists and Russian agents inside Sweden. It has purged the Communists from governmental positions and is constantly on guard against their penetration of sensitive branches in the administration.

The Swedish Government insists that its policy of neutrality for the West has paid off. They point out that for almost 140 years each keynote address before the Swedish Parliament could be opened with the same phrase: "Our relations with all foreign countries are good."

NORWAY

Norway is the most West-oriented of the three Scandinavian countries. She also tends more than the others to associate herself with the rest of Europe.

The policies of Minister President Torp and Foreign Minister Lange appear to have the support of almost the entire population. Only the Communists oppose it. During the debate on foreign policy in the Norwegian Storting, representatives of all parties supported the position of the Government. Finn Moe, leader of the Norwegian Social Democratic Labor Party insisted that in view of the present threat from the East and in view of the predominant eastern military strength, the West must utilize every means to strengthen itself. According to him, German military contributions are a welcome addition to the defense of the West.

Norway rejects the Swedish thesis of neutrality and of parochial Scandinavian unity. Foreign Minister Lange maintains that the region is too small and politically and militarily too ineffective to make an impression on international politics through isolated unity. To achieve the objectives which a Scandinavian union would put before itself, it must unite with a stronger combination of forces.

Norwegian foreign policy, however, does not want to be more European than England. Therefore, all the actions of the Government are keyed to London. Since the London and Paris agreements, Norway, too, is coming closer to Southern and Western Europe. For a while it seemed as if Norway would take a definite step toward joining the West European Union (expanded Brussels Pact). Apparently, however, Foreign Minister Lange soon discovered that he would be the only one among the northern European countries to take such a step. He therefore retreated from his position, declaring that Norway has not as yet been invited to participate in the new defense organization.

DENMARK

Denmark's allegiance to the Western alliances has been weakened during recent months. The minority government of the Social Democrats headed by Minister President Hedtoft is in too weak a position to formulate a clear domestic or foreign policy. It depends on the support of the radicals, a middle-

class group with neutralist tendencies. Furthermore, the Danish international policy is at the moment greatly influenced by the economic situation of the country.

As a result of economic measures undertaken by the Hedtoft government since its coming into office about a year ago the country's foreign-exchange reserves have been depleted. Denmark is now struggling with an unfavorable balance of trade. To overcome this fiscal deficit the Copenhagen Government proposed a number of measures, many of them affecting the country's defense contribution. Denmark wants to cut its military budget by about 20 percent, it wants to reduce the construction work on military bases, and it wants to reduce the annual quota of draftees for service in the armed forces as well as the time of service.

Some of these measures will no doubt require approval by the NATO command; others, of course, could be enacted by the Folketing, the Danish Parliament.

In its relations with the Western World, Denmark is assuming a position halfway between Sweden and Norway. It opposes the neutrality policies of Stockholm. But it is not as enthusiastic about Western alliances as Oslo. Since the Government depends on the support of the neutralist radicals, the views of the latter are reflected somewhat in the country's foreign policy. Hence during a recent session of the Scandinavian Foreign Ministers Denmark insisted that at the moment there is no call for joining the West European Union. At the same time it asked that German troops "not be concentrated close to the Danish border."

The opposition to the current policies of the Government comes primarily from the ranks of the Conservatives and the Farmers Parties. They demand a greater military effort and closer alliance with the West.

Clearly the Scandinavian countries are divided on the question of relations with the West and the rest of Europe. But there is a definite trend for greater unity among the Scandinavians themselves.

The Soviet Union is exhibiting increasing concern about the movement for Scandinavian unity. It has frequently let it be known that it regards these trends as anti-Soviet. In reality it fears that a Scandinavian union would exert too great an attraction on Finland and thus diminish Soviet influence in the Scandinavian orbit.

XIII. AMERICAN PRESS REACTION TO EDC COLLAPSE

Major American newspapers see the defeat of Chancellor Adenauer's pro-Western policy in the Schleswig-Holstein elections of Sunday, September 12, as a direct result of the French rebuff of EDC.

An editorial in the New York Times observes that the French, no less than the German Chancellor, were losers in the Schleswig-Holstein contest. The Times points out that Adenauer had succeeded in winning over large masses of the German people to his concept of European unity. For Germany, this meant limited rearmament through EDC and limited sovereignty through the contractual agreement of 1952. Popular support for this policy in Germany gave Adenauer a smashing victory in German elections of a year ago. Now, the Schleswig-Holstein elections, fought out specifically on the European unity issue, have produced a sharp swing in the direction of German nationalism.

The Times concludes: "Pacifism and neutralism have gained ground in Germany, France, and Britain these past few weeks."

The New York Herald Tribune shares the Times views and adds the warning that "unless Chancellor Adenauer can restore his prestige with a substantial diplomatic victory, it is clear that the quasi-neutralism of the Social Democrats and the exaggerated nationalism of the rightist parties will have a profound influence on Bonn's course."

The Chicago Tribune (September 1st) takes the editorial view that France's defeat of EDC has reduced the North Atlantic Treaty Organization to "a paper creation, supported only by a phantom army." As a result, says the Tribune, the United States has been isolated by one of its paper partners. The Chicago newspaper warns that the United States must now look to her own protection, "instead of compromising our security by dealing with nations which take pleasure in bargaining with the devil." Then the Tribune adds: "It is time to forget all nonsensical talk about international alliances and return to the patriotism and the sensible program of Herbert Hoover." The newspaper recalls Mr. Hoover's observations in an address of December 20, 1950, when he warned that the United States would be inviting defeat if it committed her own relatively meagre land forces to a ground war against the vast land masses of Russia, China, and their European and Asiatic allies. Mr. Hoover contended that a

strong, prosperous America, armed with an unchallengeable air force and navy offered the best hope of deterring Communist aggression.

The Tribune concludes that this advice is applicable to America's present needs and urges greater self-reliance for the national security.

Meanwhile, renewed optimism growing out of Anthony Eden's talks with Chancellor Adenauer was tempered by a "corrective statement" issued by the office of the British High Commissioner in Germany following the Eden-Adenauer discussions. The statement spoke of complete agreement between the two statesmen and indicated that "they will pursue with the utmost vigor their efforts to achieve a European unity in which the United Kingdom can play a full part." However, it went on to stress that no decisions had been anticipated in the course of the Bonn discussions or in other defense community capitals. Mr. Eden's major purpose it was said, was to receive informally the German view on two problems: (1) The best form of German contribution to the defense of the West and (2) the granting of West German sovereignty on lines similar to those provided by the Bonn peace contract. The Times' story on this meeting said that Dr. Adenauer was understood to have told Mr. Eden that he was prepared to accept military limitations within the Atlantic alliance on the same basis as other members of that organization after West Germany had been given full sovereignty. He was also said to have requested territorial guaranties and promises to work for Germany's reunification. The Times' story characterized the discussions as inconclusive and said that as a result Dr. Adenauer requested and obtained a postponement of the Bundestag debate on foreign policy originally scheduled for September 14.

The dominant theme running through American press comment following the French National Assembly's action on EDC was that communism had scored a major tactical victory in Europe and that a heavy blow had been dealt the present security and future hopes of the western community.

That segment of the American press which has long frowned on American commitments abroad not only castigated France but found words of harsh criticism for the British as well. It advocated a sharp curtailment of United States foreign-aid programs, increased emphasis on the development of a fortress America and, with a logic that appeared to fly in the face of France's inescapable geographical position in Europe, concentration on a buildup of West German military strength without regard to the French attitude.

A Washington dispatch by Walter Trohan, of the Chicago Tribune, points out that French rejection of the EDC plan is leading United States planners to turn away from France to create a new defense strategy for Western Europe hinging on bases in Germany and Spain. Trohan reports that British and American officials still hope to reach some agreement with France but are prepared to proceed with launching German rearmament if the French remain adamant.

More moderate American newspapers tended to lament that the EDC concept had been oversold in the United States and that, in the absence of any long-range alternative plans, the United States had been caught short. The immediate alternative that occurred to most of these newspapers was that an Anglo-American cooperative effort might induce the French to accept West German participation in NATO. The most thoughtful editorial comment speculated on the effect of the French decision in stimulating a rise in German nationalism and the possibility that the Federal German Republic might lend more attentive ears to Russian pitchmen hawking peace and unification.

Some of the same divergencies were reflected by Senators and Congressmen, both at home and on survey missions in Europe.

The sum total of criticism on the one hand, and suggestions for alternative approaches on the other, was that the United States had been let down by her European allies and that these countries had better rally round us once again if a solution to the EDC impasse was to be reached.

Amid this welter of comment, the New York Times magazine for Sunday, September 12, published a thesis proposing "a way to secure Germany's contribution to the West—without alienating France." The author was George F. Kennan, former United States Ambassador to Russia and a member of the State Department Policy-Planning Board in the last administration.

Much of Mr. Kennan's proposal appeared to be aimed at a synthesis of the primary needs of both the United States and Western Germany. Analyzing Germany's present situation, he held that EDC, as well as such alternatives as German admission to NATO, contain serious drawbacks. Germany, he said, has before it the difficult problems of reattaining full sovereignty, achieving unification of the country, and arriving at a peace settlement with her opponents of World War II. Until these problems have been clarified, he contended, the

international status of the West German Government will not be wholly clear. He questioned whether such a Government would be "either from its own standpoint, or that of other powers, in a suitable position to enter into major international security commitments affecting a wide area of the world."

If Germany is to have the assurance that the solution of her problems is a major concern of the United States—an assurance which would appear to be essential if Germany is to adhere to the principle of European cooperation—then Mr. Kennan suggested that three considerations should be uppermost in the minds of American policy planners in shaping a fresh approach toward Germany and Western Europe.

1. There should be in Germany a measure of western military power sufficient to keep the Soviets convinced that any attack would not be profitable from the Soviet viewpoint. Mr. Kennan pointed out that he was not suggesting the maintenance of the kind of force, in terms of size, that it would actually take to defend the area in time of war.

2. Military dispositions must be such "that Western Germany and the Western Powers can negotiate from strength, in the problem of German unification and of the German and Austrian peace treaties."

3. "The moderate and European-minded elements in Western Germany must be given immediate and vigorous evidence of support in the West, lest the entire cause of moderation and cooperation with the West becomes seriously discredited in the eyes of the German public." Here Mr. Kennan noted that the leading representatives of these moderate elements have taken on a heavy responsibility in advocating a pooling of the European defense burden in preference to a revival of unilateral German military power. These very elements have received the bitterest sort of rebuff in the French EDC action.

Observing that a major problem at hand is to find a suitable political framework for a German contribution to both Germany's and Europe's defense, Mr. Kennan suggested that one device which might be employed would be a unilateral guaranty of West Germany's territory by the United States and such of her allies as might wish to take parallel action.

Mr. Kennan saw the following possibilities in such a guaranty :

1. It would permit the West German Government to approach without ulterior commitments the difficult and complex problems of unification.

2. It could be accompanied by the extension of full sovereignty to Western Germany, as now envisaged.

3. It could provide a framework under which such military collaboration as might be necessary between West Germany and other Atlantic pact powers could proceed on the simple basis of current arrangement to meet a mutual interest; that is, the defense of West German territory.

4. This collaboration could be subject to such limitations as might be necessary to reassure West Germany's neighbors as to the use of such military contributions as the Germans may make.

5. A United States guaranty would not commit the United States, or run the risk of involving it in any implied commitment, to defend any territory other than that of the West German Federal Republic or to support any specific course of German action in the East. It would leave the United States to interpret its own degree of obligation with relations to such matters.

6. It would deprive the Russians of one of their main arguments, which is that German inclusion in EDC or NATO is part of a hostile alliance against the Soviets. Hence, Western negotiators could have more flexibility in future negotiations on the question of German unification.

7. An arrangement of this sort would not require the specific and formal approval of the French "and would spare them the necessity of committing themselves at a time when they appear to find difficulty in confronting decisions of this nature."

8. Estimating the French reaction to such a proposal, Mr. Kennan wrote that "it is hardly thinkable that France would deny the use of her territory as a line for communication and support for whatever military arrangements might be evolved between Western Germany and other Atlantic pact powers pursuant to the implementation of the common military interest implied by such a guaranty." The French, he added, "are surely aware that any plans for the defense of their own territory which do not envisage the defense of Western Germany are unrealistic and illusory."

THE GERMAN PROBLEM

WALL STREET JOURNAL, September 1.—William Henry Chamberlin, one of the ablest of all journalistic observers of the foreign scene, points to "the strange

and distressing circumstance" that many individuals who profess a fear that Germany will end up in the Soviet camp are doing everything possible to bring on this eventuality by opposing the acceptance of Germany as a full partner in a European defense arrangement.

Chamberlin goes on to call attention to the common geographic importance of both France and Germany to the defense structure of Western Europe. United States communications with Germany, he notes, pass through France. A large number of NATO bases are situated in France. In addition, the United States is counting on bases built at huge cost to the American taxpayer in French Morocco. In Germany, the biggest United States air and supply base is located in Kaiserslautern in the French zone of Germany.

The conclusion: A European defense program which rested primarily on Germany without taking into account the need for French integration would be as shaky as one that would depend solely on France without considering the importance of Germany.

WALL STREET JOURNAL, September 15.—In a followup column datelined Zurich, Switzerland, Chamberlin analyzes the line taken by Soviet diplomacy in further rolling the troubled waters of the EDC collapse. To the French, says Chamberlin, Moscow holds out the alluring prospect of a Germany, neutralized and disarmed under Soviet-French control. Meanwhile, the Germans are hearing another tune, the refrain of which is that the Germans can be united and freed from foreign occupation if only they demonstrate their good will for the Soviets by repudiating any alliance with the West.

NEW YORK MIRROR, September 16.—The Hearst tabloid warns editorially that if Germany is not accepted as an integral part of the Western World she will drift eastward. The Mirror conceded that there is always a risk in rearming a conquered country, but adds that "the risk of not rearming Germany is greater because, should they do the job themselves, they could become an antagonistic power." Then, says the Mirror, if Germany should reunite under Soviet hegemony, Russian power will extend to the Rhine and both Germany and France will be at the complete mercy of the Kremlin.

WALL STREET JOURNAL, September 17.—A dispatch by Carter Henderson describes divisions of opinion in Great Britain on the subject of a rearmed Germany. A Gallup poll earlier this year indicated that a majority of the British people favored German rearmament. However, Lord Beaverbrook's Daily Express (circulation 4.2 million) has plastered Britain with billboards warning, "Don't rearm Germany." The British dilemma, Henderson says, is that while Britain is intensely concerned about the need for a European defense structure, she is not prepared to give up any of her sovereignty to help bring it about.

NEW YORK TIMES, September 17.—Lansing Warren, Times' Paris correspondent, describes the Eden-Mendes-France talks as "inconclusive." Warren says that in talks with Eden, Mendes-France insisted on a whole series of guaranties that had to be held over for the nine-power discussions planned in London for the end of this month. He cites fears among diplomats that Mr. Dulles' sudden trip to Bonn may indicate that the United States is not wholly in accord with the plan advanced by Anthony Eden in his recent trip to the major capitals of Western Europe. Diplomatic circles had been assuming that because of the French defeat of EDC, there would be a switch from the supranational features, which prevented British participation in that now defunct plan. However, it is now feared that Mr. Dulles will insist on retaining the supranational idea. A growing French fear, Warren reports, is that Mr. Dulles, by visiting Bonn and London while bypassing Paris, was about to break the news of some new fundamental change in United States policy as suggested in the past by his frequent public allusions to "agonizing reappraisals." Another French fear is that the United States may decide to transfer its priorities on the Continent from France to Germany.

The Anglo-French talks were said by Warren to have produced a proposal by Mendes-France that Germany be introduced into the Western defense system through the Brussels Treaty, and that after a satisfactory system of guaranties had been established, Germany should be allowed access to the North Atlantic Treaty Alliance. What Mendes-France refused to accept was Germany's admission to NATO before the French were satisfied by guaranties on the size and nature of the German military contribution.

A companion dispatch to the New York Times by Drew Middleton from London says that Anthony Eden expects United States support for a four-point British program which would include:

1. A United States-French-British declaration abolishing the occupation statute for Germany and establishing the sovereignty of the Federal Republic.

2. An agreement between Germany and the three occupying powers touching on the reunification of Germany, the position of Allied forces in that country and the future of Berlin.

3. German entry into NATO after an amendment of the organization's charter, giving great powers to the Supreme Commander of the Allied Powers in Europe and an inspection system of the Atlantic alliance so that the size and character of West German armament can be controlled.

4. A revision of the Brussels Treaty to include Germany and Italy. This would create a continental political group within the Atlantic alliance providing a basis for strengthened French-German cooperation. The revision would enable the British to pledge immediate British assistance to these powers in the event of aggression within a period of 50 years (this proposal has not fully satisfied the French who went to Britain to spell out a number of assurances. Mr. Eden has indicated that he is not prepared to elaborate until he has talked with Mr. Dulles).

A Chicago Tribune editorial urges that the United States "stop telling the Europeans how much help we are going to give them and start telling them that they can expect from us nothing more than the bare minimum required of us by treaties already in force." The Tribune holds that this is the best way of getting Europe to move more rapidly toward unity for common defense. The defect in the American approach until now, the Tribune asserts is that the French, for example, have been relying on American guarantees for French safety to a point where they have come to feel that there is no reason for haste in coming to an understanding with Germany.

NEWSWEEK (week of September 20).—A front-cover banner asking: "Will Germany Make a Deal with Russia?" is answered in the negative by inside text. Newsweek traces Germany's historic courtships of Russia from the Bismarck era through the Treaty of Rapallo and the Molotov-Ribbentrop nuptials. It concludes, however, that the Germans have learned that the only way to deal with Russia is from a position of strength and it adds: "Germany today is weak. Whether it will ever be strong enough to deal with Russia is an open question." Meanwhile, Newsweek quotes an official of the Munich Staatskanzlei as saying to a visitor from the West: "You can humiliate us, you can insult us, you can even put us in jail. But if the Russians come, they will hang us. Which side do you think we are on?"

XIV. FOREIGN COMMENT ON EDC COLLAPSE

PRESS ANALYSIS

Assurances by French Premier Mendes-France that his country remains dedicated to the concept of a unified European defense structure led the New York Times to comment editorially that M. Mendes-France's problem is to "find a formula that would meet the requirements of other nations involved and at the same time give him a reasonable expectation of a parliamentary majority.

Reports from London and Bonn indicated that the problem suggested by the New York Times was not peculiar to France's Premier. Similar dilemmas confronted the Churchill government and Chancellor Adenauer. In Britain, leaders of the Labor Party drafted a resolution which voiced cautious approval of the principle of German rearmament but expressed itself in terms which made it plain that Labor Party leaders anticipated bitter opposition when their organization convenes soon to debate the policy question involved. Party leaders were aware of the fight that will be waged against their proposals by Aneurin Bevan and either could not—or would not—predict the outcome.

In Germany, meanwhile, Chancellor Adenauer was under continuing fire by his Social Democratic opponents who were placing increasing stress on charges that German rearmament and integration into the Western defense scheme would spell doom for the hope of German reunification. The Socialists were given some support by the Free Democrats, now part of the Adenauer coalition.

While reunification is a common yearning by all Germans, it may be worth noting that the Socialists have a somewhat special stake in this issue for much of the real estate now under Soviet control includes communities with heavy concentrations of working-class people on whose political allegiance the Social Democrats could be expected to exercise a prior claim.

Senator Alexander Wiley, in an interview published in United States News and World Report, said that effective defense of the West without France "would be very difficult and would create a schismatic condition that might bring dangerous results." Asked how he felt about United States withdrawal

from Europe if efforts to unify Europe and rearm the Germans fail, the Senator asserted that "we cannot put our survival in a hemispheric basket." He said that "Defenses which were adequate in World War I (sic) are not adequate now. Under such circumstances, Americans will keep trying to alert the nations of the earth to the necessity of sticking together. If they don't, they'll hang separately."

The most concise summation of British-French-German viewpoints on EDC and its aftermath was afforded in a four-way trans-Atlantic broadcast carried by Edward R. Murrow on his See It Now show, Tuesday evening, September 21. The participants were Denis Healey, a member of the British Parliament; Jean Jacques Serven Schreiber, a French newspaper editor said to be high in the counsels of Mendes-France; and Franz Joseph Strauss, a member of Chancellor Adenauer's party and described by CBS as one of the Chancellor's aides.

Here is a summary of the exchange between these three men from rough notes taken during the telecast:

Schreiber: France continues to believe in and support the principle of West German political equality and the need for a German military contribution to western defense. In line with this principle, France sees a Franco-German reconciliation as essential. At the same time, France believes that the inclusion of Great Britain in the framework of a European defense arrangement is vital.

Strauss: Germany shares the conviction that European unity for defense and for Europe's general economic and political welfare is of the first importance. In Germany's view, EDC was an ideal instrument for the achievement of this objective. Responsible German leaders recognize the risks involved in the maintenance of national armies, for "national armies have a way of becoming instruments of national policy."

Healey: Britain considers her frontier at this time to be on the Elbe. For that reason, she is maintaining armed forces in middle Europe. However, Britain could not see her way clear to affiliation with a supranational defense organization since she has vast interests which lie outside Europe and therefore cannot place herself in the position of committing troops to an organization which might strip her of control of the disposition of military forces in any given situation. In addition, Britain is no longer strong enough to carry the principal commitments required for Europe's defense. At the same time, some observers in Britain see a waning of United States interest in Europe's defense problems. The solution to the EDC collapse, therefore, must be sought through expansion and strengthening of NATO.

Strauss: The solution of Western Europe's military problem probably lies in NATO, as suggested by Healey. Strauss felt, however, that Europe's manifold political, social, and economic problems require a solution which can only be reached if Europe itself is unified. This, he said, would require a process of gradual relinquishment of national sovereign ties into a federated Europe. He saw this as the only effective solution that could ultimately solve the problem of total defense against communism. Then he warned that Europe cannot rely on the United States forever.

Healey: The British M. P. rejected any suggestion that Europe can ever stand alone. The hydrogen bomb, he said, has made United States participation in the defense of the Atlantic community a must. That Russia has been deterred at all from aggression, he said, is due entirely to the deterrent effect of America's capability for atomic retaliation.

Schreiber: French public opinion favors another effort to reach peaceful agreement with the Russians. However, Schreiber stressed that France would not accept agreement with Russia at the expense of a neutralized Germany nor would it accept any other concept that would involve discrimination against Germany in any form. Reverting to EDC, Schreiber said that France had suffered greatly from German militarism in the past. This, he added, was true of Britain as well. The French defeat of EDC came about, therefore, because many Frenchmen could not understand why, if EDC was good for France, it was not good for England.

Strauss: Germany's youth looks to European unity as the only hope for a peaceful future. To disillusion a rising generation which represents an opportunity to break with the militaristic past is to risk a retrogression to German nationalism of the past. The hope of German youth is to become German citizens of Europe. Meanwhile, he said, American parents quite naturally want to see their sons brought home. This feeling is bound to increase and Europe must therefore strive for greater self-reliance. Commenting on Schreiber's reference to EDC, he quoted a recent article by the French editor which said that France would accept common control of German rearmament. (EDITOR'S NOTE.—This

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had been a lure held out by the Russians to beguile the French into accepting a Soviet deal on Germany. Simultaneously, the Russians had promised the Germans a trade of sanction for an independent German Army in return for German rejection of EDC.)

Strauss asked whether Schreiber had suggested that France ought to accept Franco-Soviet control of German arms. Germany, he said, would be willing to accept joint United States-British-French control, provided Germany were given equal treatment, but under no circumstances would she accept Russian control.

Schreiber: In response, explained that his reference to "common control" did not deal with Russia's proposal but with the concept advanced by Mendes-France in his most recent suggestions for German inclusion in the Brussels Pact. So far as Russia is concerned, he said, he felt that one more effort should be made to gain Russian acceptance of German unification on the basis of free elections. He agreed that Russian rejection of such a proposal is a virtual certainty, but he argued that the very act of advancing such a suggestion would be responsive to public opinion throughout Europe and it ought to be tried if only to afford a fresh exposure of Soviet pretensions. He felt that this was an indispensable prelude to efforts that could then be intensified to reforge a grand alliance of the democracies.

XV. PRESS REACTION BEFORE THE NINE-POWER CONFERENCE

THE NEEDS OF THE FREE WORLD

The control of Western Europe is a central issue in the post-World War II struggle between East and West. The prize is Western Europe's industry, technology, and know-how. The United States and her friends want this area free and friendly. The U. S. S. R. wants it enslaved, if possible, or at the very least, divided and impotent. As pointed out by Prof. D. W. Brogan, of Cambridge University, in the Sunday Times Magazine of September 26, the key to this struggle is the relationship between France and Germany. On the successful resolution of Franco-German differences depends the achievement of the two major aims of the United States and her partners in the free world: (1) The military unity of Western Europe, and (2) the establishment of a cohesive structure of political, economic, and cultural cooperation in this area. The accomplishment of both objectives is indispensable to the defense of the free world against Soviet encroachment.

THE FRENCH POSITION

France, through such leaders as Schuman and Plevin, took the lead in proposals for the development of economic and military unity in Western Europe. With Jean Monnet, Schuman succeeded in drafting the plan for the European Coal and Steel Community that won acceptance from the Germans and the other nations involved.

Plevin advanced the plan for the European Defense Community.

But where Schuman's concept proved acceptable to a majority of the French National Assembly, Plevin's proposal evoked violent objections and, in the end, met with rejection. A fact which has only recently become a matter of general public knowledge is that since May 27, 1952, when M. Plevin first introduced his proposal, there has been no French Parliament that could muster a majority vote for EDC.

The position of the French, as voiced by Premier Mendez-France, is that—

(a) France believes in, and supports, the principle of West German political equality.

(b) France accepts the need for a German military contribution to the defense of the West.

(c) France recognizes that Franco-German reconciliation is essential to the security and welfare of Western Europe.

(d) At the same time, France believes that a firm British commitment to the defense of Western Europe is essential.

Behind this apparently agreeable facade, however, are a number of clearly perceptible and, in some cases, understandable French fears. Briefly, here is a categorical list of these apprehensions:

1. Two world wars, in addition to French history books, have left the contemporary French generation with an indelible distrust of armed Germans. (French statesmen draw a distinction between German soldiers and the German people as such.)

2. Many Frenchmen, apparently a majority, in fact, saw in the supranational features of EDC a danger that France would become an auxiliary of Germany in a system dominated by Germany and used for German objectives. Particularly, France feared that West Germany might press for unification on a scale that would bring it into conflict with the Soviets, thus placing France in the position of taking up arms in support of a purely German objective.

3. Since the time of Clemenceau, many French political leaders have been convinced that on the political plane, no French Government can deal with Germany without dealing with Great Britain and the United States. In the case of Great Britain, especially, the French see their neighbors across the channel as indispensable partners in any association with the Germans. They argue, therefore, that if EDC was good for the French, it should have been good for the British as well, and Great Britain should have been prepared to undertake the same commitments that were being asked of the French.

4. The French dismiss as inconsequential the military value of 12 German divisions as proposed under EDC. They argue that a dozen German divisions, even if added to the existing United States-French-British forces on the Continent, would be of negligible worth against the massive forces at the disposal of the Soviets and their satellites. They contend that the only genuine deterrent to any possible Russian aggression is the American arsenal of nuclear and thermonuclear weapons and America's ability to deliver bombs from this arsenal on Russian soil. On the other hand, the French fear that the establishment of 12 divisions will whet the German military appetite for a still larger army. They see the possibility that Germany's already formidable bargaining position between East and West could thus be strengthened still further, with a consequent diminution of France's role in the European community.

5. Paralleling French fears of German military revival is the recognition—by no means unique to France—that in 8 short years, Germany has lifted herself from the rubble of one of the most devastating military defeats in history to become the dominant economic power on the Continent. Defeated Germany is on the threshold—if, indeed, it has not already crossed it—of reviving the Krupp iron and steel empire. If the once powerful French equivalent—the Comité des Forges—has made a similar recovery, it is not apparent to the naked eye. It may, of course, be that the Comité des Forges, as constituted before World War II, cannot operate under French Government today in the freewheeling style that marked its activities before the war. Nevertheless, the significance of German iron and steel recovery and its superiority over France's industrial counterpart, is not lost on the French.

Added to these basic French fears are factors which complicate the French position still further.

1. France has the second largest Communist Parties this side of the Iron Curtain. The French Communist Party has consistently and obediently pursued Soviet objectives. It has played indefatigably on the innate French fear and distrust of Germany, seeking by every means at its disposal to block any effort at Franco-German reconciliation. It has depicted proposals for German inclusion in a Western European defense arrangement—whether via EDC or NATO—as aggressive moves directed against the Soviets and it has howled up the thesis that German rearmament in any form will set off a third world war. It has stumped for a neutralized Germany to be achieved by a French agreement with Russia. Its biggest successes have been scored in (a) the defeat of EDC (in conjunction with the de Gaulleists); (b) the stimulation of neutralism in France; and (c) the successful exploitation of existing French—and generally European—desires for another East-West meeting on the German problem.

2. The omnipresent fear—prevalent throughout the Continent—that in the event of a third world war, Europe will be a major battlefield, has sharply accelerated French sentiment for another effort to explore the possibility of a peaceful settlement with Russia. This is by no means an exclusive line with the Communists. It is a view held by non-Communists and even anti-Communists through Europe. In the case of France, a valid basis for such a viewpoint is clearly discernible. In addition to French political and military links with the United States, French soil accommodates United States airbases and a vast network of supply depots. The implications for France in the event of a United States-Soviet clash are obvious.

3. Bled of its best cadres and a good part of its youth of military age in the Indochina fighting, the French can argue persuasively that, in the face of colonial needs, they can make only a limited commitment to a European defense establishment. As a result, France finds itself in a dilemma. To insist that Germany, which has no colonial requirements, limit its military contribution so as

not to exceed French components of a European army, is to risk the displeasure of France's allies, who see at least quantitative disadvantages to the overall European defense structure. On the other hand, to accede to the establishment of a larger German force is to endanger the political life of any French Government that would even consider an imbalance of French and German forces on the Continent.

4. The political, military, and economic factors outlined in the foregoing have bred a conviction in France—most recently articulated by Mendes-France—that France cannot safely enter into a close relationship with Germany until the French economic house has been set in order and until the French state and the French economy are solvent.

THE GERMAN POSITION

Germany is more aware today than at any time in the last 8 years that she enjoys a seller's market. The industrial recovery which has made Germany so great a prize in the struggle between East and West was achieved so rapidly because German money and manpower did not have to be diverted to the maintenance of a military establishment. Politically, Germany has been able to make equally great strides because of the leadership of a remarkable man. In Chancellor Konrad Adenauer, Germany has been endowed with a statesman whose dedication to the principle of European unity has given immense encouragement to the free world. Moreover, the Chancellor has been able to rally a substantial majority of the German people behind his policy of association with the West, the first trend to the contrary having appeared only after the defeat of EDC by the French National Assembly.

Germany's objectives have been set forth frequently in the public prints. They bear repeating only as a point of departure in analyzing the position in which the Adenauer government finds itself at the moment. Germany's goals are:

1. To regain complete sovereignty.
2. To achieve unification of her country, now divided into occupied zones by the East and the West.
3. To facilitate the political integration of Germany, as an equal partner, into the western community of nations.
4. To make her contribution to the military defense of the West, again as an equal partner.

The problems confronting Germany in the achievement of these objectives have stemmed from two sources. Externally, the principal problem has been French procrastination on the issues of German sovereignty and, of course, a German military contribution to western defense. French obstinacy has buttressed domestic German opponents of the Adenauer policy. As in France, extremists of the far left and far right have made common cause to buck West German associations with the West. But the Adenauer policy has evoked opposition from more moderate elements as well.

Germany's leaders have recognized the need for an accommodation with France. However, German readiness to deal with France on equal terms can be said to have diminished in some respects since the French defeat of EDC, an action which gave stimulus to both the isolationist spirit in Germany and to German neutralists, who see a deal with Russia as the only way to secure the reunification of their country. One German spokesman, Franz Josef Strauss, a member of Chancellor Adenauer's party, has pointed out that the French rejection of EDC exercised a particularly unfortunate effect on German youth, which has been showing great enthusiasm for the concept of Germans as "German citizens of Europe."

Even more onerous dilemmas confront the Adenauer administration at home. To outline these problems in summary form:

1. The Social Democratic opposition has maintained pressure for another round of western talks with the Russians. Spokesmen for the Social Democratic Party concede that there is little reason to expect that Russia will prove any more amenable to the attainment of German goals than it has in the past. However, like many other Europeans they argue that the effort must be made, if only to keep Russia's real motives under exposure.
2. The Social Democrats argue that the only real enthusiasm for a new German Army is prevalent among the former professional military class. Hence, they say, such an army could only be made up in the main of unreliable elements.
3. The Social Democrats question the effect of a rearmament program on the German economy.
4. This party has exploited the unification issue to the hilt. Were unification to come about, the Social Democrats would stand to accrue considerable strength

from the workingclass elements in East Zone territories. Avowedly dedicated to the principal of free elections, the Social Democrats would presumably reject unification on Russian terms. However, their argument that parleys with the Russians are an essential prerequisite to any hope for unification has proved persuasive to many Germans, including the Free Democrats, who are part of the Adenauer coalition.

5. Communists in West Germany appear to be only a negligible factor. However, external communism has vigorously exploited German sentiment for unification. Having offered France a deal for joint Franco-Soviet control of Germany on the one hand, the Russians simultaneously sought to woo the West Germans by offering sanction of an independent German military establishment and German unification. The price is West German rejection of invitations to associate itself with the West European community. This cynical offer made little impact on the Germans when it was first broached. If it is to stay in limbo, however, the Germans may have to be given concrete evidence of the West's support of the Adenauer objectives.

THE BRITISH POSITION

Great Britain's frontier today is on the Elbe, and the security of this frontier demands Franco-German reconciliation. Britain's explanation for refusing to affiliate with a supranational European defense establishment is that her colonial requirements preclude any such arrangement. Whatever the merits of this contention, British political life reflects many of the same divisions and apprehensions observable in France. Britain's vulnerability to attack from the east is less than that of Germany and France by only a matter of minutes, as modern aircraft fly. Having experienced the full shock of war upon her soil, Britain has no more appetite than France for any course that holds out the possibility of a final diplomatic rupture with the East. Almost alone among western nations, she has maintained open channels of communication with the Russians, the leaders of her very substantial minority party having been entertained by the Russian and Chinese Communist hierarchies. Whether or not Mr. Attlee and his associates are living in a state of self-delusion, the fact remains that Britain as a political entity is in a unique diplomatic position in the West. She is perhaps alone in her ability to talk directly with the leadership of Russia and Red China. A steadfast adherent through the ages to the Empire's self-interest, Britain recognizes her own need for western solidarity on the Continent, including the presence of United States military forces. This recognition is shared by the British Labor Party, albeit by a slim majority.

Beset by a substantial body of neutralist sentiment, pressured for the initiation of another round of talks with the Russians, the nightmare of the incumbent British Government must be the prospect of a United States withdrawal from the Continent to peripheral bases. For Britain cannot shoulder the main burden of European defense, whether militarily or financially.

THE POSITION OF THE UNITED STATES

Solidification of Europe into a common defense entity has been a cardinal goal of United States military and political policy since the first postwar signs of Russian intentions. The most desirable contribution to the achievement of this policy—and the one most consistently sought—is a Franco-German accord. French delay has proved steadily more exasperating, with the result that a substantial body of sentiment has been built up in this country for some arrangement that will leapfrog France to arm Germany. A rash of public statements by congressional leaders has muddled Western European thinking about United States policies and objectives. Statements following the first announcement of a possible shift in United States policy hinted strongly at a switch in aid priorities from France to Germany. The absence of a flexible United States approach—including an inventory of alternatives—to the EDC issue proved doubly frustrating to American public opinion, coming as it did on the heels of the diplomatic defeat sustained by the West at Geneva.

The EDC collapse came as such a sharp disappointment to the United States because of a stark political fact too often overlooked by political pundits, both professional and nonprofessional. This fact is that Western Europe does not share the all-consuming fear of communism that prevails in this country. Europeans, who, ironically, are living almost directly under the muzzles of Communist guns, regard the American attitude toward communism as obsessive and, in some cases, so provocative as to militate toward an increase in East-West tension.

The failure to grasp this European viewpoint has induced a reaction which has

taken the form of suggestions that Europe be left to "go it alone," with the United States to concentrate on a buildup of its own Military Establishment and the basing of retaliatory American power in areas on the periphery of the Soviet domain.

UNITED STATES POLICY—ITS MILITARY NEEDS IN EUROPE

To deter a Communist military adventure—to retaliate by the swiftest, most effective means if aggression is initiated—the United States must have the most forward "decks" possible—on land and sea—from which to launch its counterblows at both tactical and strategic targets. In Europe, forward "decks" are now in being in England, France, and Germany. Quite apart from the heavy investment of American dollars involved in the establishment of these bases—and the countless millions that would be required to uproot and transfer them—the military security of the United States itself would be directly and adversely affected by any withdrawal from these sites.

In terms of conventional warfare, particularly by ground forces, the sum total of land components that can be mustered by the Western nations—short of an actual state of war—is insignificant by comparison with the bodies available to the Russians and their satellites. Nevertheless, the presence of American troops on European soil is at once a deterrent symbol for the Communists and an earnest of United States support for the free world that has the most important psychological connotations for Western Europe.

Without even the symbol of United States readiness to come to Western Europe's aid in the event of attack, Britain, France, and Germany in particular are far more vulnerable to assault. With United States forces confined only to peripheral area, sudden attack could bring disaster to Western Europe before adequate retaliatory force could be mustered in the forward areas. Nuclear bombing of strategic targets in the Communist heartland would be of little aid or comfort to the British, French, and German people under direct-Communist attack up front.

Elimination of France from the complex of United States forward outposts in Europe poses difficult problems not only in logistic terms but in terms of rear area security. France's large Communist Party is a danger that must be taken into account. The isolation of France by the United States for the sake of German rearmament, however, would be likely to intensify, rather than to diminish, the West's security problem. French inclusion in a European defense structure would at least impose on the French Government the obligation of dealing far more firmly with its Communists than it has until now. Admittedly, this would be no easy task, but it does appear to be a far better solution than permitting the Communists to exploit the embitterment that would sweep France if the country were walled off by the United States.

UNITED STATES POLICY IN THE POLITICAL REALM

United States security demands a stable France and a stable Germany, with both nations acting in concert.

Mendes-France has proved a popular leader in France. His refusal to risk his government on the EDC issue is not easy to condemn. From the United States point of view, there is no guaranty that Mendes-France might have been succeeded by anyone who could have mustered a parliamentary majority on an issue that did not have the support of a majority of the French people. On the other hand, there is a possibility that he might have been followed by an administration more neutralist or isolationist in character. Mendes-France at least gives evidence of a moderate attitude toward Germany, of belief in European unity, and of a conviction that France ought to demonstrate more self-reliance in the solution of her economic problems.

No American can clutch to his bosom the prevailing French sentiment for another round of talks with the Russians. However, it cannot be cried down nor can the French be compelled to accept the American viewpoint toward communism. The French attitude and fear—common to most Europeans—on which it is based, must be understood and dealt with from a new approach. That approach must be an effort to smoke out the Russians once again on the possibility of a peaceful settlement. This effort should have the support—but not the participation—of the United States. The United States has held out the hand of friendship to Soviets repeatedly. The results have been a series of stiff rebuffs with the consequent adoption by this country of a "get tough" policy toward the Russians. The furthest the United States can go toward a show of diplomatic politesse to the U. S. S. R. is a proposal such as President Eisenhower's

plan for a pooling of atomic resources for peaceful use. Meanwhile, Russia's frequent calls for four-power talks on Germany and Austria and the United States rejection of such appeals on the perfectly sound basis that Russia fails to show she is prepared to match peaceful words with peaceful deeds, has built up in the European mind a picture of the United States as so bellicose in her hostility toward communism that she is blocking efforts to arrive at peaceful solutions. The time is past when the average European can be persuaded by "made in the United States of America" words and pictures that Russia peace-talk offers are purest propaganda cant.

The job of exposing the Russian professions for what they are is a direct responsibility of Western European political leadership. It is primarily a responsibility of the British, who, as noted hereinbefore, have maintained their channels of communication with the Soviet leaders.

XVI. PRESS REACTION FOLLOWING THE NINE-POWER CONFERENCE

Reports of 9-power agreement in principle on Germany's inclusion in NATO and the Brussels Pact prompted the Wall Street Journal and the New York World-Telegram to question the need for maintaining sizable United States ground forces in Europe.

The Wall Street Journal, in an editorial on October 1, 1954, pointed out that the United States now maintains 6 divisions on the Continent, or almost one-third of this country's total Regular Army strength. The Journal noted that the threat of Communist aggression, insofar as the United States is concerned, is not limited to Europe. Hence, it said, a 12-division German contribution to Europe's defense forces, would justify a reduction in the United States commitment.

The New York World-Telegram, which has been carrying pessimistic reports of the 9-power meeting by Ludwell Denny, criticized the French for failing to meet their full military responsibilities for their own and Europe's defense and added that if the French aren't prepared to do their share, there is no reason why the United States should do the job for them. The World-Telegram shares the view that United States ground forces in Europe should be cut back.

Meanwhile, a CBS overseas report by Richard C. Hottelet, CBS correspondent in Germany, predicted a quick restoration of full sovereignty to West Germany. Hottelet said this would include the right of the Federal Republic to conduct its own foreign policy.

Presumably, the Adenaur government would then be in a position to negotiate with Russia and the East Germans on German unification. Pressure for such a move would seem likely on the part of the West German Social Democratic minority. Popular support of the Social Democratic position could pose difficult problems for the Adenaur administration. At the same time, the Western Powers would have to expect an even sterner diplomatic challenge from the Soviets than that which confronted them at Geneva.

What offensive action can be expected from the Soviets will lie in the diplomatic field, and this undoubtedly will be pressed with the considerable skill and cunning at their command. Andrei Vishinsky's disarmament speech in the U. N. General Assembly on September 30, 1954 suggested that the Russians may already have made their first move. Significantly, Vishinsky delivered his talk against a background of press reports reflecting optimism in London on progress toward German integration in the western alliance. As always, the Russians demonstrated their highly developed sense of timing. Disarmament under a system of international control and inspection has been broached from time to time by the United States, yet it is extremely doubtful whether the great mass of neutralist-minded people in Europe and Asia have any recollection of United States initiative on this issue. Instead, the timing of the Russian proposal and its announcement against the background of the London meetings will impress these millions as a unique and original peace gesture by the Soviets. Unquestionably, Russian propaganda will encourage this view and will play it off against the London meetings, which will be depicted as aggressive in intent.

With the acquisition of full sovereignty, the Germans will be wooed with fresh ardor. If the Federal Republic is to stay in the western camp, Chancellor Adenaur will have to surmount the most formidable test of his leadership since his accession to office. No less a test will confront the diplomacy of the United

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States, Great Britain, and France. A major task will be to gain and hold the initiative in convincing the world outside the Communist domain of the free nations' peaceful intentions.

Two themes dominate American press comment in the wake of the Nine Power Conference. Conservative newspapers voice reservations, pointing out that the achievements of the London talks look promising on paper but will have no real meaning unless they are supported by the Parliaments of the major European states. These journals argue that ratification of the Act of London, particularly with regard to the establishment of a German Army, should be employed by the United States to cut back much of its military establishment on the Continent.

No great hosannas are forthcoming from more moderate newspapers, which also warn against overoptimism until legislative endorsement of the London talks are forthcoming in France, Germany, and Britain. Dispatches to these papers describe early reaction in French and German Parliaments as tepid. A story from Bonn, filed with the New York Times by M. S. Handler, describes the vote of approval given Chancellor Adenauer by the Bundestag, but points out that Social Democratic opposition to the conclusion of a Western alliance for Germany before any talks have been held with the Russians is likely to leave a deep cleavage within Germany. Mr. Handler says that a Western orientation for Germany rests on Adenauer's leadership and notes that if the German Chancellor were to pass from the scene there is no way of knowing whether Germany would stand fast by the Adenauer commitments.

A series of spot interviews in Germany by Wellington Long, chief of Newsweek's German bureau, discloses wide divergences among average Germans on the virtues of a new German Army.

The most thought-provoking estimate on the post-London situation of the West is forthcoming in an editorial in the October 8 Wall Street Journal. Unlike the New York Times, which dismisses Vyacheslav Molotov's latest German proposal as a transparent propaganda boobytrap that ought to be rejected out of hand, the Wall Street Journal warns that it would be a mistake to discount the newest Soviet pitch simply because it is propaganda. The Wall Street paper goes to the heart of the West's present difficulties when it points out that, the initial success of the Nine Power Conference notwithstanding, the Russians have managed to retain the diplomatic and propaganda initiative.

Since Molotov has seemingly indicated Russian willingness to discuss the German problem on the basis of long-standing Western conditions for German reunification, free elections in all parts of Germany, the Wall Street Journal observes: "It is not necessary for Mr. Molotov to be 'sincere' in this offer in order for him to get his conference. The mere fact that he professes willingness to discuss the West's plan for free elections makes it difficult for the West to refuse to attend the conference, if he pushes hard enough for it; the West can hardly reject a discussion of its own proposal."

Should Molotov have his way, the newspaper concedes, Russia might at least be able to delay implementation of the London agreement. The paper adds, however, that such a delay would not be too great if Molotov comports himself in the usual Russian fashion, for the Western Powers would not be likely to sit around a conference table too long if it became apparent that the Russians were far more prepared to talk about Germany than to do something about it.

The fact remains, nevertheless, says the Wall Street paper, that Molotov has demonstrated the degree to which Western policy is at the mercy of Soviet policy. The reason:

"The Western Powers cannot by themselves unite Germany because the Soviet hold on the East is absolute. Only the Soviets, by relinquishing that hold, have the power to unite Germany."

The risks involved for Russia if she were to agree to free all-German elections are obvious. The Journal speculates, however, that, faced with the certainty of West German rearmament, the Soviets might be willing to gamble East Germany for all Germany on the theory that the Social Democrats might capture control of a unified country. On this thesis, the Russians presumably could woo, frighten, or subvert a Social Democrat German Government into submission, or at the very least, succeed in denying Germany to the West.

Surveying other alternatives, the Journal assays the German position in the event of rearmament despite Molotov's tactics. With rearmament, says the paper, goes sovereignty. Then the Journal adds:

"All Germans will still want unification. The Soviets will still be able to give it to them if they forsake the western alliance. Can the Western Powers realistically hope to hold against its will a sovereign and armed West Germany?"

And if they cannot, what then becomes of the western alliance and the defense of Europe?"

The Journal concludes with this trenchant observation:

"Since the Western Powers cannot unite Germany, they have—and have had all these years—little choice but to tie West Germany as close to them as possible. Now more than ever, however, it is necessary to realize that the Soviet power to unite Germany is dangerously close to the power to untie Germany from the West."

In the press analysis of November 1, it was suggested that the Russians would be quick to institute their customary stick-and-carrot treatment of the French and Germans in reacting to the results of the Nine Power Conference. Molotov's appearance in East Germany and his statement hinting at Russian willingness to discuss German reunification on the basis of existing western proposals was timed almost to the minute to coincide with Chancellor Adenauer's report on the London meetings to the West German Parliament. In the United States, at least, Molotov was given as much space as Adenauer.

It takes no seer to discern the advantages to Russia in Molotov's riposte to the London parleys—even if one assumes that the Soviets are prepared to be as good as their Foreign Minister's words in East Germany.

Russia's European conquests since the end of World War II have not required the military intervention of Russian troops. Her local janissaries, backed by the proximity of massive troop formations and a crushing propaganda machine, have gobbled up virtually all of Eastern and Central Europe. In addition, she has a powerful array of willing and obedient servants in the heart of Western Europe, notably in France and Italy. Russia can therefore afford the luxury of granting a small concession here and there, even, as the Wall Street Journal suggests, to the extent of gambling East Germany for all Germany.

The gaps and defects in Europe's defenses notwithstanding, the Soviets have a realistic appreciation of the striking force that could be hurled against them from the Continent, no less than from the ring of United States airbases on the edges of the Russian domain. There is, in short, little if any profit to be derived for Russia in a military adventure in Europe.

Meanwhile, the Kremlin's faithful and power-hungry friends in China, have manpower to burn. Even if they were not already armed with an encyclical from their lawgiver, Nicolai Lenin, who decreed that "the road to Paris lies through Peking," the incumbent Russian mahatmas are acute enough to see the profitable prospects of sapping the United States by keeping her rolled up through Chinese provocation. The United States is emphasized because it requires no savant in geopolitics to perceive that, for the Communist world, to undermine and overcome the United States is to take over the entire Western World with little or no molestation.

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