

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF THE DIRECTOR FOR MUTUAL SECURITY

March 4, 1952

No. 5

FOR DELIVERY AT 10:30 PM EST, TUESDAY, MARCH 4
FOR RELEASE TO MORNING PAPERS OF WEDNESDAY, MARCH 5, 1952. NOT TO BE
PREVIOUSLY PUBLISHED OR QUOTED FROM.

ADDRESS BY W. AVERELL HARRIMAN, DIRECTOR FOR MUTUAL SECURITY, BEFORE THE
PHILADELPHIA BULLETIN FORUM IN PHILADELPHIA, PENNSYLVANIA.

LISBON AND THE SECURITY OF THE FREE WORLD

We are met at an extraordinary moment in history. Tremendous changes are taking place in the world. New institutions are being invented, new attitudes shaped as the free world labors to unite and organize its strength to deter Soviet aggression. The pace of history is now so swift that a man is hard pressed to keep up with it. Pre-occupied as we are with the things which touch us immediately, we sometimes fail to comprehend the magnitude of events, and, seeing them separately, miss the pattern into which they fall.

Perhaps it is because I have just come back from the meeting of the North Atlantic Council in Lisbon that I feel so keenly the sweep of history and our role in steering it. Our leadership is inspiring confidence that through unity of purpose and action a world war can be prevented and the foundations laid for peace.

At Lisbon new long strides were taken towards the security of the free world. Two profoundly significant factors affected the work of the conference:

The first was the determination of the governments of those ancient antagonists, France and Germany, to join with their neighbors in merging military forces in a single defense establishment. With a Franco-German understanding it becomes possible to bring Western Germany into the European Defense Community and to conclude the contractual agreement ending the occupation. Thus the full political, economic and military potential of Western Europe can be utilized.

The second factor which made progress possible at Lisbon was development of

Walter S. ...

procedures whereby the nations of the North Atlantic Community now sit down together, analyze their several capabilities and decide among themselves on a combined plan of action for common defense.

Thus when the Ministers met at Lisbon, they were able to go forward and to adopt a detailed plan of action for strengthening the security of the West. This plan called upon each of the participating nations to put forth further efforts and to ask for continued sacrifices by its people. This our partners are willing to undertake because they see clearly what can be accomplished and that this is worth the effort in creating a real deterrent to aggression. There was a new confidence, a new determination among the Ministers at Lisbon, a new conviction that by working together we can expand our economies year by year to meet the increasing defense effort, and in time improve the conditions of the people.

The conference at Lisbon has a very real importance for the citizens of Philadelphia and for everyone in the United States. We can feel more secure because our allies in Europe are going forward with us to build strong military forces to protect the Western World. This could not have been undertaken but for our inspiration and tangible help. If that inspiration flags and if that help is withdrawn, the whole defense structure and the faith on which it rests can be undermined. The great hope of peace would fade and only the Kremlin would profit.

It is the Kremlin's objective to frustrate the plans that have been set afoot by disrupting the great coalition of the North Atlantic. By every device in their power they are seeking to separate the nations who have come together for common defense. This is no time for us to falter. This is the moment to move forward and to consolidate the gains made over the past five years.

Two wars, in quick succession, are bitter proof that the only way to discourage aggression and to defend ourselves against attack is in company with others. No single country is big enough, or strong enough, or rich enough to guarantee its own security. The other nations of the free world have learned that same lesson. So,

Approved For Release 2003/04/18 : CIA-RDP80R01731R001400040013-3

when a new version of the old tyranny arose to menace the world, there was a notable drawing together of the nations who cherished their freedom. When it became clear with Korea that the Communists would not shrink from outright aggression, this movement toward unity was greatly accelerated.

Who would have thought even a short time ago that we would see the Parliaments of France and Germany voting to accept the principle of merging their military forces into the European Defense Community? For centuries, the rivalry of those two countries has soaked the soil of Europe in blood. Yet in a split second of history we are seeing these ancient enemies being brought together by the common need for security from a greater danger.

It is high tribute to the farsighted vision of French statesmanship that the initiative for this step and the other revolutionary concept of the Schuman Plan came from France. It is remarkable, too, in the light of the long tradition of German militarism, that a majority of the Bundestag do not want an independent German army, and have accepted the principle of combining their forces with those of their neighbors, for their own security as well as everyone else's.

It is true that there remain certain reservations by each side, but in the light of the fundamental agreement, these difficulties should be resolved.

The draft treaty setting forth the plan is virtually completed. This plan is for six nations, France, Germany, Italy, Belgium, Luxembourg and The Netherlands to join in a European Defense Community with a supranational authority. There are plans for an assembly made up from members of the individual national assemblies. There will be a council of ministers with a defense commission to carry out the executive responsibilities of a defense department. There will also be a court to adjudicate differences and interpret the agreements.

The European Defense Community will be associated with the still larger but less tightly knit collective body, the North Atlantic Treaty Organization, now streamlined and strengthened as the result of Lisbon. In fact the European Defense

Community could not have been contemplated except within the context of the North Atlantic Community. The six-nation European Army will be a part of the total NATO force--the Eisenhower Army, as they call it in Europe. It is important not to get the two confused. The United Kingdom which is at the center of the British Commonwealth is not joining the European Defense Community but is making her contribution, just as we do, to the larger NATO forces under General Eisenhower, by stationing troops on the Continent.

Another thing to remember is the speed with which NATO has been developing. After all, it was only two and a half years ago that the North Atlantic Treaty was ratified by the member countries. After the surprise attack in Korea it became evident that defense preparations must be speeded. It was only a year ago that Eisenhower took over the command of the embryonic forces then being developed by each member country. Last September the Council at Ottawa recognized that it was necessary to reconcile an acceptable defense position for Western Europe with the capabilities of the member countries. A Temporary Committee of the Council was established to undertake this task. Each country was represented on this Committee. I was the United States member and acted as its Chairman.

We set about our task by taking stock first of what military forces existed and then what resources of men, equipment and finance could be made available for immediate build up. This was the first time in history that free nations in peacetime had joined together in submitting all the necessary information to analyze what the military program of each country was, whether it was effective, and whether each was doing its fair share.

An international military staff under General McNarney analyzed the military programs for the Committee. He pointed out the weaknesses that existed in the individual programs, and through open discussion, obtained agreement on far-reaching improvements in the plans of each participating country, including our own.

Things began to move without waiting for the completion of the report. Two

Approved For Release 2003/04/18 : CIA-RDP80R01731R001400040013-3

countries undertook to extend their universal military service from 12 to 18 months. Other countries increased the number of their regular forces and extended the period of service for specialists, all with the objective of developing combat-ready forces as quickly as possible. Recommendations were made for priorities for equipment to be available to those units which would be trained and ready. An economic staff analyzed the military budgets and the economic capabilities and problems of each country, and pointed out in some cases that greater efforts were possible.

Working together, the Committee as a whole recommended individual and collective action in the economic field. Plans were made to promote the expansion of production and a generally expanding economy in Western Europe in order to carry the increased defense program and to overcome the economic difficulties confronting Europe. It became clear that Western Europe, just as this country, can substantially increase production if enough raw materials are available. All countries can work together to mutual advantage to increase the output of those essential materials.

The European countries agreed to increase their military effort as their production expands. Where a larger financial contribution was feasible, additional efforts were agreed to.

Thus the Temporary Committee developed a plan of action in the military field and in the financial and economic area through which we could build up the maximum balanced collective force as rapidly as possible. This means that each country will concentrate on the most important tasks which it is best qualified to undertake for the collective strength. We thus will obtain a maximum economy and elimination of the duplication which results from the simple combination of separate and independent forces developed on a nationalistic basis.

The Temporary Committee's plan of action was adopted by the Lisbon Conference. The member nations agreed to provide by the end of 1952 approximately 50 divisions--about half combat ready and the rest capable of rapid mobilization--and 4,000 operational aircraft in Western Europe, as well as strong naval forces.

Steps were decided upon to lay the foundation for further build-up in 1953 and beyond. It was agreed to give more responsibility to General Eisenhower and the other NATO military authorities, and the civilian organization was greatly strengthened. It was agreed that the permanent organization should carry on continuously the type of review undertaken by the Temporary Committee, in order to set each year firm goals for the next year and the years ahead in light of changing conditions.

With Lisbon NATO has moved from the stage of general planning to that of concrete action.

Now all of this which is happening in Europe has the most direct bearing on our situation here in the United States. Our great defense effort has two parts -- the expansion of our own military forces, representing by far the major part of our defense expenditures; and then the contribution we make to our security by enabling other nations to strengthen themselves. This is the Mutual Security Program. This program is about 12 per cent of our total budget for defense. In a very real sense,

it is this 12 per cent which makes the rest of our effort fully effective.

The myth that this country could somehow make itself safe by arming to the teeth and letting the rest of the world go hang has been pretty well exploded. We are dependent on the rest of the world for the very stuff of which our armaments are made. We couldn't arm ourselves to the teeth if raw materials from the rest of the world were denied us. That's just the way things are. Furthermore, if the productive resources and skills of Western Europe were to be added to those already controlled by the Kremlin, then our present preponderance of industrial capacity would be offset.

We cannot be secure while the rest of the world is insecure. We cannot be safe while the rest of the free world is defenseless. It is obviously and urgently to our best interest to make certain that the free world remains free and that our friends have the means to stand guard with us against the common danger.

Our investment in strengthening our friends and allies abroad is the best and least costly way to add to our own security. The weapons and materials which we send abroad make it possible for our partners to put forth a much greater and more effective effort. If we fail to continue this, then our own forces and our own expenditures would have to be drastically increased, and even then we could not obtain the same measure of security. Then, too, when the NATO forces are fully equipped we can hope for a lower level of our defense expenditures.

There are those who say we should spend our money only on our own defenses. They talk as if our defenses were steel and concrete. But our defenses are not steel and concrete, they are men. Our planes are for men to fly. Tanks are for men to fight in. Guns are for men to shoot. To me it is the height of isolationism to reserve to the young men of our country the exclusive privilege of fighting for freedom. We have friends and allies in the world who are ready to fight. They are only partially equipped. They need equipment to make them effective allies.

There are those who complain about taxes for the Mutual Security Program. What

better investment for the coming generation can we make than to provide them with well-equipped allies. But beyond this, I am convinced that if we carry on with our whole security program fully and effectively, we can prevent another world war. And it's the only way to prevent it.

Later this week, the President will recommend to the Congress the appropriation of just under 8 billion dollars for Mutual Security. I do not see how we can do the job for less. Besides our support of NATO, the program includes extensive contributions to our security in the Far East, and limited amounts for the Middle East and South America.

By far the greater part of the program is to provide finished military items to help equip our friends and allies both in Europe and in Asia. This spells the difference between their having effective forces and ineffective forces. It spells the difference between discouraging further aggression or perhaps inviting it.

Another part of the program is to provide funds for materials to support the defense effort of our allies. Without this our friends could produce less equipment and train fewer men. We would be faced with the alternative of seeing weaker defenses in Europe, or sending more equipment or men from the United States.

The third part of the Mutual Security Program is technical and economic assistance to the underdeveloped countries -- the Point Four Program. I will discuss this later on.

I have used the phrase "defense support." Let me explain what it is. By "defense support," is meant those contributions we are making to enable the Europeans to buy the raw materials they need to increase their military effort. If we provide the dollars to buy certain of the materials they lack, it makes it possible for them to produce equipment of far greater value and to put more men into the armed forces.

That's defense support -- It's a different concept from the Marshall Plan. Under the Marshall Plan we gave these countries help to rebuild their economies.

- 9 -

Now through defense support we are helping them expand their military programs for our mutual security.

All of us are concerned that each country do its share. In the Temporary Committee I found that the Europeans are equally concerned. It's hard to make a precise estimate. The situation is different in each country in terms of such things as gross national product, per capita income, pay of the armed services, available resources and industrial capacity. We must remember that our gross national product on a per capita basis is over three times that of European members of the North Atlantic Treaty and, therefore, the defense effort is harder on the average European. But one thing I found was that they all had pride in their country's doing its fair share.

The French, for instance, are planning to spend more than the amount indicated by the Temporary Committee's analysis. The French are trying to raise forces large enough to balance those of Germany in the European Army and at the same time carry the heavy load of the long and costly war against Communism in Indo-China. Last week the French Assembly, with only the Communists dissenting, voted to approve this expanded defense program. It was on the question of who was to pay the necessary tax increase that the Government of Premier Faure was overthrown.

In spite of what we hear, the French people are paying heavy taxes. French taxes are collected in a different way from ours, much more from sales taxes than from income taxes. But in fact the French people pay a larger percentage of the National income in total taxes than we do.

The British were the first in Europe to enlarge their defense program. Their military production is now greater than that of all the other Western European countries put together. Britain is not only contributing to General Eisenhower's forces in Europe but is fighting Communists in a jungle war in Malaya and maintaining sizeable forces in the Mediterranean and the Middle East.

There is a new spirit in Europe which the North Atlantic Treaty has imbued. Denmark, which has not had a military tradition, has instituted universal military service for the first time in her history. Her young men, now that they have modern weapons, are beginning to feel they can defend their country.

For their part the Norwegians, who share a common frontier with the Soviet Union, are determined to resist any attack. I heard in Norway an expression that if they are invaded, there will be a gun in every window.

To the original North Atlantic Treaty area have been added Greece and Turkey with their fighting forces on Europe's right flank. We are also sending military equipment to Yugoslavia. They have a large number of men under arms, but badly need modern equipment. When I saw Marshal Tito last summer, he made it clear to me that he is determined to resist any Russian or Satellite attack.

Not all of our Mutual Security Program is military, because not all of the threat is military. The Communists have many insidious techniques with which they seek to undermine the structure of freedom. They fish in troubled waters, and they find opportunities in many parts of the world. Over half the people of the free world are in slavery to hunger and disease. We are trying through the Point Four Program to help these people free themselves from that slavery and give them real hope for a better life, in place of the false hopes held out by the Communists.

There's a quotation I like from Jonathan Swift. He wrote: "Whoever could make two ears of corn, or two blades of grass, to grow upon a spot of ground where only one grew before, would deserve better of mankind than the whole race of politicians put together."

Swift had the Point Four idea two hundred years ago. Today, we Americans, with our scientific knowledge, are literally helping people grow two ears of corn where one grew before. This is a new kind of international diplomacy, and will be more effective where people are hungry than all the old kinds of diplomacy put together.

Through our new kind of diplomats, farmers and health officers, we are showing the peoples of underdeveloped countries how to increase their food production and how to stamp out the diseases which go with hunger and lack of modern knowledge. We are also helping them add to their wealth by expanding the production of the raw materials which they need and the world needs.

By this means we add to our own strength by creating new sources of supply for things which are vital to our production. We are building for our own future and insuring our own expanding economy by stimulating an expanding world economy. By freeing people from the slavery of hunger and disease we are creating the conditions in which freedom and stability can be maintained.

The point I want to emphasize is that this entire enterprise on which we and our friends are embarked offers the only clear hope for a peaceful world. The goal is in sight. I am satisfied that by and large our allies are doing their part. We must continue to do ours.

There are times when it seems that we in the United States are carrying a disproportionate share of the burden. By any reckoning the load will be heavy, if only because we are the strongest of the partners. With only one-tenth of the population of the free world, our gross national product just about equals that of all the rest of the free world put together. That is why we can afford to do what we are doing.

There are those who fear that this program is too great a drain upon our financial resources. I can only say that the money requested for the Mutual Security Program represents less than $2\frac{1}{2}\%$ of our national output. This $2\frac{1}{2}\%$ --

- 12 -

only one-seventh of what we are spending on our own defense establishment--does not seem too much to pay for an essential part of our security.

There are many questions of detail about this program on which there may be differing views. But the overriding fact is that this is a program through which security can be achieved. It seems to me that we are at a critical moment in history--a moment when the decisions we now make will mold the shape of things to come. We stand today at one of those watersheds of history from which the future will flow in one direction or another. It lies within our power to determine which direction it will take.

We have had difficult decisions to make before. We have not shirked them. For the last five years we have steadfastly pursued a course which is unprecedented in history. We have made great strides in the right direction. It is unthinkable that we should now turn aside.

Our program for peace is based upon strong and willing allies to stand guard with us on the frontiers of freedom. To the very degree that we have strong allies our ability to preserve our own freedom is reinforced.

Our future cannot be separated from the world's future. It is in our hands to make that future one of prosperity and peace.

#