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10 March 1966

Mr. Robert R. Bowie
Department of State
Room 7246, New State Building

Dear Sir:

Referring to our conversations on 12 January and 9 February and to your subsequent letter to Mr. R. Jack Smith, the Deputy Director for Intelligence, I am transmitting herewith in twenty-five copies a paper entitled "The United States in Europe."

This paper is not an official document of the Central Intelligence Agency, it was not coordinated within the Agency, and I alone am responsible for the views expressed.

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[redacted] my colleague, [redacted] has in particular brought to my attention a number of useful documents and contributed some constructive ideas.

I understand that the National Intelligence Estimate entitled "Western Europe: Problems and Prospects" is currently scheduled to be completed in May, and when available, would provide you a coordinated opinion of all the USIB agencies regarding the European outlook. In the meantime, I hope you will find the opinions set forth in the attached paper interesting and provocative.

Sincerely yours,

[redacted]

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Encl: Copies 1-25 of paper
entitled "The United States in Europe"

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No. 1155/66

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THE UNITED STATES

IN

EUROPE

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7 March 1966

THE UNITED STATES IN EUROPE

Introduction and Summary

1. The principal preoccupation of American policy in Western Europe over the next ten years will be the unresolved question of Europe's unification. It is not a question of whether a European union will exist, but rather its kind, its effectiveness, its geographic dimensions, and its orientation. To a greater extent than is usually recognized, the elements of union are already in place. The Common Market is in important respects a political union, although primarily economic in jurisdiction; and the six countries which are its members have in the past seven years been principally engaged in determining the modalities of their constitutional ties with each other. Those which are not yet members--most of which have been experimenting in unification among themselves, have in fact been primarily occupied with seeking methods of establishing their own relationship to the EEC.

2. There is no real doubt that the process of unification will--in some way--continue. In the Common Market--and in the European Free Trade Association as well--the advance towards union has become self-sustaining to some degree at least, and the integration already achieved has created imperatives which the public, business, and labor can ignore only at considerable cost. The main economic problems which Western Europe faces in the next ten years--growth rates which have sagged, inadequate investment, inflationary pressures, labor shortages, and an alarming technological gap--all argue for a continued pursuit of a collective approach. Moreover, the economic responsibility of Europe to the world at large--as the major trading area, a world buyer and seller, and a source of financial and technical aid to the industrially backward--no less than its responsibility to the Europeans dictates greater unity of direction and purpose.

3. The political exigencies of European unification are scarcely less imperative. Within the nation-states, the great issue of public, economic, and social policy which were the stuff of national politics in the recent past are declining in importance as the unification

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process has pushed the critical decisions beyond the purview of any one of them. If the result on the one hand is to underscore the political interdependence of the depoliticized nation-states, it is accompanied on the other by an aggravation of the national rivalries which Europe's unusual circumstances since World War II have kept below the surface. Foremost among these is the competition between France and Germany which must ultimately be absorbed in an effective European structure. Finally, only in some kind of collective economic and political effort do the Europeans see any hope for restoration of the continent to something like its historical importance in world affairs.

4. All of this offers a reasonable assurance that Europe's unification will proceed, but it cannot be said with certainty at what pace or with what final result. In the EEC, that part of the integration process which lies ahead is the hardest, and the instruments for achieving it are weak and under attack. Largely because of De Gaulle, the "spirit" which animated the community and which was perhaps more important to its achievements than its institutions has been badly hurt. As both the EEC and EFTA come closer to free internal trade, the division between them has begun to tell, and the pressure for some accommodation continues to mount. As the East-West detente has slowly gained and the solidity of the Bloc has weakened, the Western European countries have rediscovered interests in Eastern Europe which, while most unlikely to become more absorbing than their relations with each other in the immediate future, seem nonetheless to press for greater attention. Externally in general, as the economic and political implications of European unity have become more evident, the United States and others have sought commitments, guarantees, and assurances for their interests which would be seriously affected and have exerted pressures which on occasion at least have had disruptive effects.

5. The European movement remains deep in the crisis of basic conceptual differences that neither De Gaulle's veto of Britain's accession to the EEC in 1963 nor his seven-month boycott of the community in 1965-1966 resolved. There is on the one hand a concept of a European union which is based in particular on equality among the members and the mutual acceptance of restraints on national sovereignty, which assumes a community interest over and above that of the members and recognizes the need for its effective representation, and which in its outward orientation

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would reflect this mutuality and equality of interest. On the other hand, there is a concept of Europe which is Gaullist in origin and which, in stark terms, accepts the nation-state as the only reality. It abides no restraints on freedom of national action other than those which may flow from a balance of power, tends to equate the European interest with that of France, and holds out the--highly illusory--prospect that Europe's reunification will follow upon the retreat, in the first instance, of American power.

6. It is nonetheless the thesis of this paper that despite these disintegrative pressures there is available--either to the US or to Europe, nor for that matter, to the USSR--no alternative so promising as the continued pursuit of Europe's economic, political, and military integration. Although the peace which has prevailed in Western Europe the past twenty years is already longer than that between the two wars, its essential conditions are rapidly changing--Germany is moving toward a pre-eminent position, the old rivalries are more in evidence, and above all, the bipolarity, of which the US and Soviet occupation of Europe was above all the symbol, is giving way to a polycentric world. No one would expect either US or Soviet withdrawal from Europe in the next ten years, but it would behoove the US above all else to proceed with the creation in Western Europe of the conditions which would permit a safe, sane, and mutually profitable adjustment of US-European relations--economic, political, and military.

7. It is, therefore, the further thesis of this paper that the US interests in the Atlantic area must be secured in the first place in Europe's internal arrangements. A partnership is scarcely conceivable at all in conditions of renewed hostility and tension. A European union dominated by De Gaulle holds only dubious promise for cross-Atlantic trade and commerce, nor do his views promise very much by way of international monetary cooperation. Individual European nations, having severed their colonial ties almost in their entirety, seem likely as time goes on to become more ingrown unless this drift is arrested by the achievement of some collective influence in world affairs. While on the whole we have not liked the kind of preferential ties the EEC has retained in Africa, the precise arrangements were dictated largely by France and it must be said that the EEC/African association arrangements are responsible for a greater European involvement in Africa than would otherwise be the case.

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8. The pages which follow will examine the essential features of Europe's condition as they appear today and as they seem likely to evolve: in particular, the state of the Common Market; economic and technological trends as they bear on the problems of unity; Continental politics; Britain and the Continent; the problem of Eastern Europe; the US, Europe, and the state of the partnership; and the nuclear question. This will be followed by some general guidelines for US policies, with specific comments on current issues and other problems on the horizon.

The State of the Common Market

9. There is no way to assess the state of the Common Market--let alone to guess its future--except to look at it from various points of view. In historical perspective, not even the most severe of its crises have borne out the skepticism with which it was greeted in 1957. On the contrary, the EEC has survived, it has in many respects prospered, and it is recognized as one of the truly constructive ideas of the century. For the most part, key provisions of the EEC treaty have been carried out on, or ahead, of schedule, and they have had a major impact on the growth of European trade, production, and prosperity. Numerous foreign missions have been accredited to the EEC's headquarters in Brussels, and there are several regional groupings which are trying to emulate its success. The USSR has persistently considered the EEC a threat to its objectives in Western Europe, while the US has accepted it as a critical factor in the organization of world trade, the maintenance of a viable payments system, and the development of better trade-and-aid relationship between north and south.

10. As an economic enterprise, the EEC no doubt deserves in important respects the image of success it has acquired. Tariffs among the members have been reduced by 70 percent, many of the non-tariff barriers to free internal trade have been removed, and the common external tariff is two-thirds in place. Legal restraints on the mobility of labor, capital, and freedom of enterprise have been eliminated or eased in varying degrees, some social legislation has been harmonized, and measures have been adopted for community regulation of cartels and monopolies. The basic decisions taken in January, 1962, and December, 1963, opened the way for the institution of organized free trade in agricultural products and community financing of a common agricultural policy, and the agreement reached in December, 1964, on unification of grain prices by mid-1967

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made it feasible to proceed with an integrated agricultural market. Even in the "gray areas" of economic union, institutional machinery for policy coordination has been set up in the Medium-Term Economic Policy Committee, the Committee of Governors of Central Banks, the Budget Policy Committee, and the Monetary Committee.

11. There is no way of apportioning precisely between community and non-community measures the credit for the generally favorable economic trends in the EEC since 1958, but the community impact cannot be questioned. Exports among the member states from 1958 to 1964 increased roughly three times as fast as exports to non-members, and the share of intra-EEC exports in total exports rose from 30 to 43 percent. Growth in intra-EEC trade in manufactured goods has been particularly sharp--one-half the increase in members' exports of machinery, transport equipment, and consumer manufactures, and three-fourths of the increase in semifinished goods is accounted for by intra-EEC trade. The prospect of larger markets has had a notable impact on the volume and direction of investments, the tendency of industries to plan expansion and modernization on the basis of area-wide requirements, and the emergence of the community as the most important outlet for the members' major growth industries. It is also evident in the wave of consolidations, mergers, and marketing agreements, the organization of community-wide industry associations, and the increasing cooperation between the national trade unions.

12. Even the community's most ardent proponents are frank to admit, however, that all this is still far from the economic union foreseen in the Treaty of Rome. The viability of the common agricultural policy (CAP), with its heavy reliance on price mechanisms and import controls, has yet to be fully tested in practice. Regulations for the organization of the market for several commodities are still missing, and common prices have yet to be set for several more. Even if agreement is reached in the next few months on these and on interim financing arrangements for the entire CAP, a permanent source of revenue must ultimately be found for a program which will cost in the neighborhood of a billion dollars a year by 1970. Despite lengthy consideration there is still neither a common energy nor transport policy. The machinery for the coordination of economic and budgetary policies has not yet been really tried, nor has any great progress yet been made toward the harmonization of taxes. Above all, the community must still draw the conclusions for monetary

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unification which, in particular, the liberalization of capital movements and the institution of a system of common agricultural prices clearly imply.

The Common Market as an Institution

13. The EEC, however, is not primarily an economic enterprise, nor do its current difficulties stem from the inherent complexity of the economic issues it faces. Rather, they come from the political consequences of economic union--implications which the writers of the Rome treaty fully expected, but which seem now to have struck the member states, and De Gaulle in particular, with unexpected force and insistency. Why this should be the case is difficult to see. In the 1955-1957 period when the EEC treaty was taking shape, it was already a critical part of the argument between the Six and Britain whether it was possible to link modern industrial societies in an industrial free trade area such as the British advocated without making the union substantially complete--whether it was not necessary to include in the market as well the free circulation of agriculture, labor, and capital; to regulate competition; to harmonize taxes; to control exchange rates; to coordinate fiscal and budgetary policies--in short to proceed toward economic unification. The EEC's decision to opt for the maximal approach gave rise, of course, to the other critical argument--whether it was realistic to expect that the agreements needed for effective union could be reached through intergovernmental cooperation, or whether there were not needed in addition institutions which would effectively represent the community interest and place some restraint on the freedom of action of the member states. Again, if more gingerly than many would have wished, the EEC opted for the maximal approach.

14. It is in this context that the crisis which the EEC Commission on the one hand and De Gaulle on the other chose to bring to a head last June must be placed in the first instance. Although it is popular now to consider that the Commission made a grave tactical error in linking its proposals for financing the CAP with measures to establish its own independent sources of revenue and to extend the budgetary powers of the European Assembly, it had in fact been asked to submit such proposals; in doing so, it was exercising the role envisaged for it in the EEC treaty; and the substance of its proposals had clearly been projected in the treaty's text. Above all,

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the inherent logic of its position was unassailable. The Common agricultural policy which had been adopted with great difficulty and in response to persistent and even brutal pressures from Paris called in fact for a broadly supranational agricultural market with unified prices, a system of variable import levies to protect those prices, and a community-financed fund to subsidize exports and to help finance the modernization of farming methods. Given the vast expenditures involved and the inequity of advantages (France is the prime beneficiary of the agricultural market), the Commission's proposal that the CAP be financed to an increasing degree from the receipts from the community's common external tariff was a far greater assurance to France of the continued availability of funds than reliance on annual appropriations by the national parliaments. Moreover since CAP expenditures and the policies on which they were based would no longer be subject to the control of national parliaments, the Commission was wholly in harmony with European democratic traditions in proposing that the supervisory role of the European Parliament be increased, as those who would pay for the CAP--Germany and the Netherlands--firmly insisted.

15. De Gaulle, of course, did not see it this way. He charged the Commission with exceeding its authority, accused the Five of reneging on promises to agree to a financing plan by 30 June, and rather than accept a last minute compromise (which would in effect have prolonged the existing reliance on national appropriations and postponed the question of the Assembly's powers), he launched the boycott of the Brussels institutions which continued for seven months. There are and will remain many curious aspects in De Gaulle's reaction. There is no evidence that he objected then or objects now to the supranational CAP which his ministers negotiated and which the Commission's proposals were intended to finance. His anger at President Hallstein seemed to go beyond normal limits--perhaps partly because in the past French and Commission interests have coincided more often than not--perhaps partly because he saw the Commission's proposals as an attempt to extract "political concessions." Moreover, in insisting on prior settlement of the "political issues" raised by the Commission as the condition for France's return to Brussels, De Gaulle broadened his attack to include the majority voting provisions of the treaty, which he often restated in distorted form and seemed on occasion to have discovered for the first time.

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16. From the point of view of US policy interests, however, the struggle over the financing of the CAP is instructive not so much of De Gaulle's psychology, but of what it has disclosed of the nature of the Common Market. The whole development of the agricultural market has demonstrated the essential validity of the Monnet thesis that one step towards integration tends to call forth another. Each of these steps carries with it a political concomitant--the acceptance of some further restraint on freedom of national action, a transfer of some portion of authority to community institutions, and a commitment to continue the process. While it is true that each of these steps requires a new act of will on the part of the members and calls forth a greater sacrifice of sovereignty, it is also true that the failure to act becomes progressively more costly and that, because of the very complexity of the issues, the power to act depends increasingly on the expert bureaucracy in Brussels.

The Common Market as Realpolitik

17. The great crisis of 1965 therefore involved in the first instance the constitutional requirements in general of an economic-political union of the Six. But like the great crisis of 1963, its ramifications extend considerably beyond. In accepting the desirability of working toward an economic union, the Six had also to accept not only the basic concepts of that union, but also the existence and maintenance of a balance and commonality of interests among the members and between them as a group and those outside. Both great crises reflected, however, the emergence of sharp conceptual differences, real or emergent shifts in the balance of power among the members, and conflicting views of the best interests of the community in its dealings abroad.

18. To appreciate what now is happening, it is necessary to recall the circumstances which accompanied the launching of the Common Market in the first place. The decision taken at the Messina Conference to make a new attempt to "relaunch Europe" was preceded by the demonstrated inability of the Council of Europe to produce any real results, the growing awareness of the limitations of the Organization for European Economic Cooperation, doubts that the Coal-Steel Community's sector approach could be pursued very far without producing unacceptable distortions, and the disastrous demise of the two attempts to move more directly and

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decisively toward union--the European defense and political communities. Against this background, the Six agonized for months over their diverse and frequently conflicting economic interests, searched for methods to assure a continued balance, and tried to anticipate the impact on these interests of future political and economic trends. That agreement was eventually achieved can be attributed not only to the masterful compromises which were reached, but perhaps also to a wider acceptance of the idea that only unity could restore Western Europe to the preeminence which the Soviet intervention in Hungary and the humiliation of France and Britain in Suez so poignantly--and fortuitously--demonstrated it had lost.

19. All the essential features of the EEC treaty reflect, however, the delicacy of the balance which was struck. The presumed disadvantageous position of French industry necessitated the inclusion of escape clauses, the provision for the agricultural market, and at the last minute, the preferential association with the EEC of France's overseas territories. Italy, with its investment deficit and its (then) labor surplus, got the provisions for the European Investment Bank and labor mobility. Although German and Dutch industry with major markets outside the EEC would have preferred a lower common external tariff and were in fact greatly attracted to the idea of a larger free trade area, they got a provisional reduction of 20 percent in that tariff, a commitment to a common commercial policy, an open-ended membership article, and a preamble stating that it was the EEC's intention to contribute to the "gradual removal of restrictions on international trade."

20. Moreover, the EEC treaty managed to combine in a general way an equal sanctity of national interests with the assurance that an adamant assertion of those interests could not prevent the community from achieving its objectives. This was the purpose of the transitional period with its timetable for the accomplishment of specific actions called for by the treaty as well as the solemn undertaking of the members to "take all appropriate general or special measures to ensure fulfillment of the obligations resulting from the present treaty--(and to)--refrain from all measures likely to jeopardize (its) aims--." Both offered a guarantee of irreversibility--that is, a promise that once the difficult adjustment to union was undertaken, it would be pursued to the end. Above all, equality and permanence

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of partnership is implicit in the community's institutions. Hence, the community's legal personality, the independence of the Commission and its rights of initiative, the progressive reduction in the rights of veto, and the complex arrangements for majority voting.

21. It would be idle, of course, to pretend that the EEC has operated precisely as anticipated. The safeguards provided for France proved unnecessary and have remained largely unused. In the scramble for markets as freer trade has been instituted, French industry has done quite well. The Italian labor surplus was largely absorbed in the Italian "miracle." The two accelerations in the reduction of intra-EEC tariffs on industrial trade have given some substance to the Italian, Dutch, and French complaints that the social, transport, and agricultural policies in which they are vitally interested have failed to keep pace. Likewise, the first attempt after the EEC became effective to open up its membership--the proposals for an EEC-EFTA linkage--foundered on the opposition of France, the Commission, and the US. Majority voting, although used on several occasions, has been governed in practice by the unwritten understanding that it would be dangerous to override a vital national interest. Moreover, by the quality of the personnel it sent to Brussels, the force of De Gaulle's personality, and the subordinate position of Bonn to Paris, France has always enjoyed a de facto preeminence which is nowhere written into the treaty.

De Gaulle's Europe

22. Nevertheless, against the community as an approach to the economic and political rationalization of Europe and its relations with the non-European world, De Gaulle's vision of Europe and the world stands in sharp contrast. This is the case notwithstanding his announcement on accession to power that France would abide by its EEC treaty commitments--even though he had opposed the treaty--and the fact that until 1 July last year he scrupulously kept his word.* Nor is it a contradiction that from 1958 to the spring of 1965, France and the Commission were often allied and that France contributed perhaps more than any other member to the

*There may be some question that De Gaulle has been so scrupulous regarding France's commitments under the EURATOM Treaty and the London and Paris agreements.

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advancement of the community. There was never any real question where De Gaulle stood, however. He saw the community as an instrument which was useful within limits, but he categorically opposed its ethos, was contemptuous of its institutions, and unreconciled to the role it envisaged for France.

23. De Gaulle's views of Europe are, in capsule, a function of his views of the world and of his abiding objective to maximize France's influence in it. On his return to power he saw as the main obstacles to the grandeur of France its political and economic weakness at home and its over-extension abroad. Hence, the currency reform, the liquidation of the "corrupt" regime of parties, the installation of the presidential system, the withdrawal from Algeria, and the termination of the colonial governments in the rest of French Africa. Having accomplished this, however, major obstacles remain--as he sees them: (a) the bipolar world--the "two hegemonies", stalemated against each other and weakening around the globe, but still not seriously challenged Europe; (b) the re-emergence of Germany--which he sees variously as a French instrument or rival, or, as a pawn of the superpowers; and (c) the network of multilateral commitments--which France in its post-war weakness had had to accept, but which now limit its "freedom of action." Hence, the recognition of Peiping on the one hand and the tour of South America on the other; the campaign against US investments in Europe and the role of the dollar in international payments; the alternate wooing and abhorring of Bonn; the increasing concentration of military resources in the force de frappe; the progressive disengagement from NATO; and the more general attempt to disentangle France from its multilateral commitments--in favor of bilateral agreements in which its bargaining position could be maximized.

24. The "Europe des Patries" is to be understood essentially in this light--in the first instance, as De Gaulle's answer to the "ever closer union of European peoples" referred to in the preamble of the Rome treaty. Although the proposals he advanced in 1960 for such a Europe--the "Fouchet plan" for periodic, policy coordination meetings of national ministers and heads-of-state--had an appearance of innocuousness, their objectives were by no means modest. Had they been accepted, they would have permitted France, without abrogation of the EEC treaty, to disengage politically from it while

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retaining its economic advantages. Not only did De Gaulle expect that the important economic issues would inevitably gravitate to the heads-of-governments for resolution--he also thought that the Fouchet approach would end once and for all any notion that the route to European union is through the community. Instead, common economic, cultural, foreign, and defense policies would be hammered out in a context in which, given the political preeminence of Paris, the Five would be under strong pressure to harmonize their policies with those of France. Thus, in the second instance, the Fouchet plan was also a part of De Gaulle's larger scheme--a step toward a purely European alternative to NATO in which France, not the US, would dominate--and, he professed to believe, an alternative which would ultimately exert its attractions as far as the Urals.

25. In this context, it is also clear--clearer no doubt now than it was at the time--how dubious the prospects were of De Gaulle's reconciling himself to Britain's accession to the Common Market. He may have entertained this possibility at one point--after Prime Minister Macmillan's valiant effort in mid-1962 to persuade De Gaulle of London's European persuasion, reputedly going so far even as to suggest that the proper conclusions would be drawn in the field of defense. When the negotiations resumed in Brussels in the fall, however, it became apparent not only that Britain intended to bargain long and hard on behalf of its Commonwealth and EFTA interests, but also, that the accession negotiations would untie the common agricultural package the Six had strained to wrap up the previous January. Moreover, when Macmillan went from Colombey to Nassau in December and made it clear not only that he was still inextricably committed to London's special relationship to Washington, but also that his acceptance of De Gaulle's leadership of the Continent was by no means so complete as Adenauer's, the 15 January press conference unerringly followed.

26. If, in the remaining weeks of January, London had been willing to offer to conclude an agreement with the EEC--clearly accepting its treaty and the special transitional arrangements which had already been worked out for Britain in the previous months of negotiating, the situation might even then have been retrieved--or at least, the resistance of the Five to De Gaulle's veto might not have so quickly collapsed. London was unable to muster such courage, however, and the veto stuck. Adenauer went on to conclude the "little Fouchet

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agreement" with De Gaulle, relations with Britain were relegated safely to the Western European Union context, and the community resumed some semblance of its normal development--notably renewing the agreement with the eighteen associated African nations, carrying the common agricultural policy still further, and undertaking to open negotiations in the Kennedy Round. If, on the one hand, De Gaulle could point to no specific manifestation of the Europe des Patries, he could on the other find reasons for confidence in ultimate success. The unsavory demise of the Macmillan government and the deepening of Britain's economic problems served only to enhance De Gaulle's relative stature in Europe, and his stepped up campaign against, and progressive withdrawal from, active participation in NATO brought no effective response from any quarter. Moreover, when in the fall of 1964 Erhard seemed at the point on the one hand of renegeing on the outstandingly vital element of the CAP --grain price unification, and on the other, seemed of a mind to seek some bilateral satisfaction with the US on the nuclear question if the MLF was not forthcoming, De Gaulle's threats to withdraw from both the community and the Alliance (abetted, of course, by the anti-MLF opposition in the new Wilson government) produced the desired results.

27. In this light, the EEC Commission's decision in connection with its CAP financing proposals to raise again so forcibly and so soon the basic question of how Europe should be organized must have struck De Gaulle as an astonishing effrontery. Rather than the logical consequence of the policy which he had himself badgered the community into accepting, De Gaulle saw the proposals as a "power play"--an attempt to extract from France in return for the CAP a deeper and perhaps irrevocable commitment to a concept of Europe's union which he had repeatedly scorned. Not only did the Commission seek to remove the community from its previous financial dependence on the member states, but it sought to transfer its financial accountability from the states to the Strasbourg assembly--this at a time when, through the evolution of the majority voting rules in the EEC treaty, important additional segments of community policy would no longer be subject to veto. But, as De Gaulle so revealingly complained, only France could protect French interests. Hence, the French withdrawal from Brussels last summer and the vow not to return until, in an

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intergovernmental setting, the Five had agreed to return the Commissioners to their proper role as technocrats and to abjure the thought of ever overriding a vital national interest by majority vote.

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The EEC Equation in the Future of Europe

28. From this retrospective look at issues--which have too often been the province of the technicians--it is hoped there has emerged some sense of the place the Common Market occupies at the vital center of the continuing struggle over the future order of Europe. The EEC is the principal manifestation of that concept of Europe which is not only anathema to De Gaulle, but which in the past year at least was his principal adversary. Moreover, while it is clear that the "settlement of Luxembourg" which was reached in January and which ended France's seven-month boycott was no more than a truce, neither was it the victory De Gaulle expected and claims, and the community and the idea behind seem likely to remain a critical factor in determining the kind of Europe the US will face over the next ten years.

29. Again it is necessary to look at the Luxembourg agreements from various points of view, including the specifics, the tactics of the principal parties, and more difficult, the directions in which those parties may now attempt to move. So far as the future of the Commission is concerned, it is apparent that De Gaulle did not get what he set out to obtain--that is, the destruction of its independence and the withdrawal of its rights of initiative. The so-called "ten commandments" concerning the "style" of the Commission which the French brought to Luxembourg were already a retreat from earlier demands, and what finally emerged--as Council "proposals" concerning future working relationships between Council and Commission--are far less. Several of the original ten points were eliminated entirely, those remaining are recommendations--not directives, the Commission's right to make the proposals on which Council decisions are based was specifically reaffirmed, and some of the "rules" restrain the Council as much as the Commission. It is of course possible--even likely--that in the immediate future at least the Commission will proceed with greater caution. This has yet to be demonstrated, however, and it seems increasingly unlikely that the purge of individual commissioners which De Gaulle had wanted will in fact occur.

30. So far as the majority voting issue is concerned, the result is more clearly an indecisive one. All six agreed that on vital issues the Council would in the future endeavor "for a reasonable time" to find solutions acceptable to all, but France further declared its view that Council discussion "must" continue until

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unanimity is reached. Moreover, at the insistence of the Germans who evidently wished to retain it as a lever against French obstruction of the Kennedy Round, it was agreed that several outstanding agricultural decisions would remain subject to the unanimity rule. It is, of course, the implication of the French position that, regardless of treaty commitments, Paris would not feel bound by a majority decision taken against itself and would--by withholding its own votes--prevent such a decision against anyone else. On the other hand, the Five believe the possibility of majority voting remains intact, the relevant treaty articles have not been abrogated, De Gaulle's right to interpret them unilaterally has not been recognized, and in the event France declines to carry out a legal decision, the Five retain the recourse provided in the treaty.

31. For the immediate future of the community, however, it seems likely that the intangibles of the Luxembourg "settlement" will be more important than the specifics. On the positive side, it must be taken into account that De Gaulle did not emerge from the crisis as he entered it. He clearly expected that the Five would fall back in disorder as they did in 1963, and rather than risk a break with France, would accept the humiliation of agreeing to reconstitute the community on Gaullist lines. Instead, however, the Five defended the sanctity of the treaty, they kept the community functioning, their coalition held up remarkably well, and while none of them was prepared to accept a community of five members as a permanent arrangement, they ostentatiously made references to Britain as a potential sixth. This must have been a new experience for De Gaulle, and it seems reasonable to expect that he will think twice before again resorting to a tactic which profited him so little. Moreover, while it would be rash to assume the continued solidity of the Five, some subtle shift in the balance of power within the community --to France's disadvantage--may already have occurred. This is not to say that De Gaulle's return to the EEC was accomplished without intangible costs. There is, for example, a question how much damage has been done to the vital assumption of the community's irreversibility --in other words, whether governments, business, and labor, will continue to integrate if one in the process reserves the right to "opt out." There is also the question of community spirit and good will--which neither pats nor cracks on the head from De Gaulle seem likely soon to revive.

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32. How then does the community seem likely to proceed in the next few months or years? On balance, it would appear, slowly at best--and never very far from crisis so long as the Gaullist regime remains in France. Indeed, the crisis could reoccur again in a matter of months, despite the apparent desire of all parties to resume some semblance of normal activity. The backlog of issues which has accumulated in the past seven months is a huge one and several of them are vital--the reconstitution of the Commission's membership, adjustments in the common external tariff, the outstanding regulations and common prices on certain farm commodities, and of course, the agricultural financing. Above all, there is the Kennedy Round. Nearly three years of negotiations in Geneva reached dead center last summer due, in considerable part at least, to the paralysis of the EEC's decision-making machinery. The Five--though with varying degrees of enthusiasm--and the EEC Commission intend to produce the necessary changes in the Commission's negotiating mandate as well as the agricultural offers which will permit a trade and tariff agreement before the Trade Expansion Act expires a little more than a year from now. But the fact remains that, with the best of will, this would be difficult--and there are grave doubts that France will cooperate. So far at least, it has dragged its feet, and French officials have in various contexts expressed a lack of urgency in concluding a tariff-cutting agreement for which--they claim--French industry is in any case ill-prepared. Moreover, French ministers have in recent weeks revived the political arguments against the Kennedy Round which were heard when the TEA was passed--that it is designed to flood Europe with American exports and to dissolve "Europe" in the Atlantic area. At the height of the EEC crisis, the Five seriously considered the possibility of giving the Commission its required instructions by majority vote. But, if it becomes the clear French intention to keep the results of the Kennedy Round below an acceptable minimum or to talk it to death, would the Five now be willing or able to take this step--and assume the onus of reopening the crisis?

33. De Gaulle probably expects and hopes they would not since the available evidence would suggest he is ready now for a period of quiet, at least in community affairs. Having gotten what he could--and less than he expected--from bringing the EEC crisis to a boil, he sees more to be gained from relegating it for the time being to the backburner--while he brings other issues, notably

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NATO, to a livelier boil. And characteristically, he has previewed his course in his most recent--21 February --press conference. Taking account, no doubt, of the current suspicions regarding his intentions toward the Kennedy Round, he said it was the objective of his policies to expose French industry to competition, more of which could be expected "later in a world system of a lowering of all tariffs." But how much more and how much later? Nor is there anything very novel in his claim that the settlement of Luxembourg was "healthy" because it disposed of the "fiction" that economies could be subject to any authority other than that of the state, in his reinvocation of the vision of a larger "Europe" associated with but independent of the US, or in his suggestion that, if one of the Six would propose a meeting of ministers to discuss foreign policies, he, De Gaulle, would be happy to respond. This is Gaullist European diplomacy without the sharp edges, Fouchetism without the institutions, and Europe des Patries with the accent muted.

34. Thus it would appear that the European game with the massive stakes will continue, the outcome is perhaps as uncertain as before, and how soon the lines may again be drawn so clearly as they were in January, 1963, or in June, 1965, is difficult to foresee. The setting in which the game is played is changing; the players which began the game may not be the ones to finish it; and there are the players who do not sit at the table, but try to call the signals from the corners of the room. It is to these considerations this paper now turns, dealing successively with the broad political and economic trends in Western Europe and in the key countries, the special problem of Britain and its EFTA partners, the impact of the USSR and Eastern Europe, and finally, the US role.

The Political Setting

35. There are few generalizations which can truly be made of any country, and they are fewer indeed which can be made of a Continent still so diverse as Europe. Although we have become accustomed, for example, to think of Western Europe as an island of political stability--in the sense of a peaceful succession of governments without radical change in orientation or direction of policies, there are in fact the major and obvious exceptions. It is obviously true of Britain

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and the Scandinavian countries, of Switzerland, the Netherlands, and Luxembourg--it is probably true of West Germany and Austria, though neither has yet experienced in the post-War period a transition from one majority to another. On the other hand, the aging Iberian dictatorships seem likely to come to an end in the next ten years with consequences which cannot be foretold, there remains some reason to question whether democratic institutions have been firmly implanted in Italy, Belgian national unity seems on the verge of being rent along ethnic lines, and above all, who can say for sure whether the Fifth Republic--created out of conspiracy and near civil war--may not end the same way? Nevertheless, having said this, it is also possible to demonstrate that there is in Western Europe today a certain commonality of experience, development, and outlook which, despite the diversity of national circumstances, seem likely to figure large in how Europe decides to order its affairs.

36. Some of these common attitudes are residues. Despite the elapse of twenty years, Europe is and will remain for yet a time "post-War Europe." There is, for example, the psychological gap between Paris and London which is a reflection of the differing circumstances in which the two emerged from the War and which time has not erased. By contrast with Britain, virtually the whole Continent eventually had the common experience of defeat and occupation--an important consideration, no doubt, in its earlier and easier acceptance of the idea of a common fate and destiny. On the other hand, the burdensome legacy of Nazi guilt bequeathed to post-War Germany has been demonstrated again and again. It was an important factor in the French rejection of the EDC, it figured large in Labor's opposition to the MLF, and in the recent crisis, it was a grave handicap to German leadership of the Five. Similarly, the Soviet's crushing of the East German and Hungarian rebellions are burdens which Western European Communism will continue to bear.

37. Most of Europe has shared to some degree or other in the common experience of the end or ending of the colonial era. Although it is doubtful that Western Europeans are in consequence less aware of the "outside" world, they are at the same time less world-involved and more aware of their relations with each other. This has tended to produce a greater insularity and preoccupation with purely European problems in the narrowest

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sense, but it is also a factor in the phenomenon of European nationalism. Although the question of a European identity is a much debated one, there are few educated Europeans who are not aware of the historic role of European civilization. Not all of them would decry the low state to which the center of that civilization has fallen or would see any possibility of rectification. But on balance, the theories of decline and doom of Europe seem to give way to a new optimism and confidence, a belief that the European role is by no means ended, and the suspicion, in any case, that there may be a European interest not always precisely identical with the interests of the superpower to which the torch of civilization was passed twenty years ago.

38. Beyond these attitudes, important as they are, there would appear to be a more specific kind of European coalescence. This is the great movement to the political center--the evidence of which is not only the failure of the extremes at the right and left, but the acceptance by those parties within the democratic spectrum of a common body of political, economic, and social doctrine. While it is of course true that in Western Europe there are still influential radical liberals (in the old sense) whose doctrines are more laissez faire in flavor, it is the idea of a mixed system which holds sway--private and public enterprise, basic social legislation, economic planning, a measure at least of competition, monetary stability, and an anti-cyclical budgetary and financial policy. In the wake of the great post-War rewriting of doctrine--such as has occurred in West Germany--there is no major Socialist party in Europe today which in or out of power proposes to pursue policies which substantially differ from this. Nor, after allowing for a certain nostalgic pacifism in Socialist tradition is there much to choose between the foreign policy doctrines of the center-left or center-right.

39. In consequence of this, and of the strains which destalinization and the Sino-Soviet dispute successively placed on them, the Communist Parties in much of Europe have for the time being at least been eliminated as an effective political force. Even in Italy, where one-fourth of the electorate still votes Communist, the formation of the center-left coalition has isolated the party from its erstwhile Socialist collaborators, and party strategists have been deeply divided over which part of the center spectrum offers the best prospect of a new alliance. Their best ally may in fact be those elements

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in the Christian Democratic Party not yet reconciled to the coalition and the social reforms which the vital center has already accomplished in much of Europe. So far as the French Party is concerned, its immediate future depends on its success in making a permanent thing of the temporary alliance of the anti-Gaullist leftwing forces--an alliance for which De Gaulle himself bears considerable responsibility, and which, with his departure, will lose its main source of cohesion.

40. But the importance for the future of Europe of the coalescence at the center is not the difficulties it has caused for the extremes, but its implications for the future of Europe as a political entity. In the recent issue of Daedalus devoted to the New Europe, Eric Weil pointed out in a perceptive way that the Americanization of Europe has now been carried beyond the issues of production, efficiency, and higher standards as its primary focus to a new political realism more profound even than the American variety. In a kind of process of "demythization" and "depolitization", creeds, theories, and value systems have taken second place in importance to economic, social, and historical factors, and in the search for practical answers to practical problems, the concepts of State, Society, and Authority have tended to lose any real meaning. According to Weil, the great tasks are technical and administrative in nature, and the watchword is "planification"--the coordination of all factors and forces in a clear, understandable, and foresighted way. When this has been done the "political people become afraid of breaking up what executives have created."

41. Weil's views may have a peculiar relevance to the development of the Common Market's institutions, with the Commission and the community bureaucracy increasingly monopolizing the expertise essential to the effective functioning of a European union--and the "political people" in the Council increasingly at a loss to deal with the technical questions they are expected to decide. But will the process stop at the mere creation of a European administration? One must suspect not, but rather that in the end, the community will in turn be politicized. This is perhaps the more lasting significance of the insistence on the part of the Dutch and the Germans that, in connection with the CAP financial regulations, the Assembly's powers of review and control must be extended. Nor is it without significance that the Communists, having vigorously opposed the community, are throughout

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Europe following the lead of the Italian party in equally vigorously pressing for representation in the EEC's institutions which they obviously now regard as an emergent political arena.

The Economic Setting

42. If on the one hand there is a kind of political convergence in Western Europe, there is on the other a parallel convergence on the economic side. The great variations in levels of economic well-being of the early post-War period have narrowed, and on balance, this equalization seems likely to continue. Differences in per capita income among the major industrial areas--on the Po, in the Rhine-Ruhr area, northeastern France, and the Low Countries--are much smaller than the differences among the countries themselves, and the contrasts within the individual countries are often greater than between them. It would be illusory to suggest that, even within the EEC, there now exists a single economy, but this is far more the case than it was eight years ago--as the impact on the other EEC members of the recent gyrations of the Italian business cycle have demonstrated. Moreover, with all due allowance for national differences, the basic economic problems which all of them face are increasingly the same.

43. In general, Europe's economic "problem" of the next decade will be the maintenance of the politically and socially necessary rate of growth without inflation, monetary instability, and the violent swings in balance of payments situations which some of the individual countries have experienced in the recent past. Current projections suggest a slower rate of growth in Europe over the next five years--something like 4 percent a year, compared with 5.1 percent in the 1958/1964 period and a projected growth rate of over 4 percent for the US. This is a respectable growth rate, but the spectacular gains of individual European countries of the recent past appear for the time being to be over, and to a degree at least, the lagging US economy and the spurting European economy characteristic of the Fifties is not what seems to lie ahead.

44. If these projections are correct, it seems likely that the European countries will continue increasingly to share common economic concerns--over rising costs, levels of demand, shortage of trained labor, declining rates of population growth, level of investment,

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and the inadequacy of the European capital market. One would expect the search for economies-of-size to continue the trend toward industrial combinations within the individual countries and across national borders, and interpenetration of markets will probably accelerate. Western Europe is only now discovering the advantages and problems associated with automation. The great revolution in agriculture which belatedly came to Europe will no doubt continue, with the impact this will have on Western European society, political and party allegiances, and on Europe's internal and external trade patterns. A revolution of similar proportions is already well-advanced and is likely to continue in the energy sector as coal gives way still further to oil, natural gas, and later, nuclear energy.

45. It seems reasonable also to expect that in this context the Europeans will become more rather than less aware of the problems posed by differing rates of expansion or contraction in an incipient regional economy, and between it and the US in particular. The recent German deficit was in large part a function of the surpluses of its European neighbors, notably the Italian. Moreover, in the earlier period of Italian overheating, the Five alleged that their own inflationary pressures were imported from Italy, and they were sharply critical of the US loan which, however justifiable for political reasons, permitted the center-left government in Rome to delay deflation. Indeed, it was largely as a result of the Italian experience that the EEC Commission was able to push through the creation of the Business Cycle Committee and to argue effectively the need for conjuncture policy. This is not to suggest that in attempting to stabilize changes in the level of economic activity within the community, the EEC is any less aware of its continued vulnerability to movements of the business cycle elsewhere in Europe or on this side of the Atlantic. But the problems involved have a level of "approachability" in the European context which they do not yet have in the Atlantic.

46. If, finally, it is the prospect that the next ten years will not narrow the great gap in relative wealth and productivity on the two sides of the Atlantic but may in fact see it increased, we must expect a greater rather than a lesser reflection of this in European attitudes. It would be wise to expect the continuation

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in some degree of the negative reflections of this which have been evident in the past--a feeling of helplessness and a drift towards "little Europeanism"; idle complaints about the "brain drain", unfair US competition, or US investments in Europe; or, resistance to tariff cuts in the Kennedy Round. On balance, however, it would appear more likely that there will be an accentuation of the pressures on Europe to "catch up" and further exploitation of the more positive approaches to the problem--a welcoming of US inputs of investment and know-how, larger budgetary appropriations for fundamental research, and above all, a further pooling of resources of the kind that produced EURATOM, the European Center for Nuclear Research, and the European Space Research Organization. The "technological gap" in particular seems likely to become a household word among Europeans who have pre-vaillingly believed that American superiority in the peaceful uses of nuclear energy, in electronics, and computers are by-products of the War and post-War investments in bombs and space. Rightly or wrongly, there is a feeling that the US has some obligation to "share" in these fields--and there is some inclination to turn elsewhere if it does not.

The Nation-States

47. If these are some of the significant aspects of the milieu in which ineffable "Europe" is seeking the "reality" De Gaulle and Franco attribute only to the nation-states, it is, of course, the same environment in which those states continue to function. In this section we treat only the three largest Continental countries--reserving Britain for a later section, in deference to De Gaulle and in recognition that it remains in a sense in fact an external as well as an internal force in Europe. The Franco and Salazar dictatorships have kept Spain and Portugal outside the main stream of European politics for roughly a third of a century, and both countries will remain peripheral for the lives of their present regimes. The remaining smaller countries we neglect only for reasons of space, since collectively and individually they have often moved influentially, if not decisively, on the European scene. Belgium and the Netherlands were instrumental in the relaunching of the European movement in 1955; it was The Hague which largely assured the rejection of the Fouchet plan in 1962; Scandinavian socialism has been a model for social democracy throughout Europe; and it was the membership in EFTA of the three neutrals which made the prospect

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of an EEC/EFTA linkage so dubious a political prospect in US eyes. In short, it is doubtful, indeed, there is any viable European arrangement conceivable which ignored the interests of all of these, small though they be.

48. In Italy, it remains in considerable part the preoccupation of its domestic politics to establish the country as a nation-state. The trappings of statehood are only a century old, they followed centuries of division, and the social and economic cleavages in Italian society run deep. Despite the impact of communications, conscious developmental programs, and the phenomenal south-north migration of recent years, the industrialized and European-oriented north is still a far cry from the agricultural and Mediterranean south. Prospects are that differing rates of growth will for some years at least aggravate those differences. The Italian republic is only two decades old, and post-War practice of parliamentary democracy followed twenty years of Mussolini. It is true, of course, that the monarchists are a declining political party, that the strength of the neo-fascists appears stabilized, and that the huge Communist Party has not for some years entertained serious thoughts of seizing power by force. Nevertheless, the existence of these extremes has constricted democratic political activity and given to each change of government a quality of crisis it might not otherwise have had.

49. Against this background, it has been the main problem of Italian politics in recent years not merely to find a viable majority, but to find a majority for the economic and social reform programs which--held off by the conservative oligarchy on the right--would hold some promise, if enacted, of reducing the grip of the Communists on the left. It was for this purpose--i.e., the broadening of the democratic spectrum--that the center-left coalition was finally formed in December, 1963, after a lengthy courtship between the Christian Democrats and the Socialists, a succession of weak governments, and the near disastrous flirtation with the neo-fascists in 1960. The initial products of the coalition were still another split in the Socialist ranks, an accentuation of the right-left differences among the Catholics, and a stabilization program which took priority over modernization of the Italian state. On the other hand, it brought to an end the post-War political collaboration between

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the left-wing Socialists and the Communists, and probably achieved on the whole a wider popular acceptance of at least the purposes of social reform.

50. The future of Italian politics for the next several years will hang on the future of the center-left. The collapse of the Moro government on 20 January and its reconstitution only after a 33-day interregnum is an indication among other things of the strength of those who have not yet accepted its implications. The Communists never have, and elements on the right in and out of the government are recoiling at the thought that one of the next products of the center-left may be the reunification of the Socialists who have been divided since 1947. On the other hand, if the center-left parties again fall apart or go into the 1968 elections with no record of accomplishment, there might then follow the re-polarization of Italian politics which the center-left was intended to avoid. Moreover, it is principally the uncertainty associated with these issues which may lend an unusual unpredictability to Italian foreign policy in the immediate future. Unusual, because the most characteristic aspects of Italian foreign policy--a sensitive concern for Italian equality in both Europe and the Alliance, suspicion of Franco-German collaboration, support for the admission of Communist China to the UN, and a certain proclivity for East-West bridge-building--are generally and widely supported by all the parties. But, if fears of the impact of the Socialist left on the direction of foreign policy have proved exaggerated, this might not be the case with a shift to the right. On the right there are those to be found who not only admire De Gaulle's foreign policies, but who, like him, are tired of the "regime of parties."

51. In West Germany, attributes of the nation-state--at least as set forth by its ideologues--are also still missing. There remain the rival Germany, the divided and isolated capital, the actual one which still seems temporary, and the territories which are lost, but not yet renounced. The sovereignty exercised by the Bonn government is limited--by the London and Paris agreements which terminated the formal occupation, by the presence of the occupying forces themselves, and by the fact that the national problem--reunification--is beyond Bonn's power to achieve. Above all, Germany's sovereignty is restricted by its past. What may be permitted other states is not yet permitted the Germans by the suspicion

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in which they are still held by others, and to a degree still, by themselves. It was Hitler's gift to the German state to destroy its history, and however great the German incapacity to see himself as others see him, his pride of Germanic cultural or economic achievement, or his awareness of peculiar national interests, it would appear some time yet before any German leader could successfully appeal to the "grandeur" of the nation's past.

52. These psychological considerations have given the new political realism in West Germany an apolitical quality of its own--it is a flight from politics along with a convergence at the center. Thus, the popularity of Adenauer the father-figure and of Erhard the non-politician--the one a symbol of moral rehabilitation, and the other of economic restoration. On the federal level at least, the Socialists have as yet found no way to compete with this, despite the internal migration to Socialist strongholds and the party's adoption of programs with middle-class appeal. Nor have the Free Democrats and their adventurists, the refugee bloc, or the radical and lunatic fringe had any success in drawing support away from the "safe" center. It is possible, perhaps probable, that the next few years will see the emergence of a mood for greater experimentation: for one thing, a younger generation of politicians is coming forth in both major parties; for another, some of the bloom is off the German economic miracle, the trade unions seem less docile, and German agriculture will come under increasing pressure from the EEC; for a third, it is not in itself healthy that in a nation of fifty million so many still profess "no interest in politics." Nevertheless, it seems difficult to believe that the foreseeable future could reproduce either the social and economic conditions or the radical elements to capitalize upon them which made chaos of the inter-War period.

53. If the exigencies of its condition have tended to produce tranquility in West Germany's domestic politics, its foreign policy has been more or less paralyzed. The three imperatives of that policy--reconciliation, reunification, and security--have dictated a balancing act in which, more often than not, there could be no movement at all. Although Bonn's politicians have perforce professed that reunification is the prime objective, they have all known that security must come first. It is not only the extent of the security problem--the lengthy eastern border, the lack of depth, and the exposed position

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of West Berlin, but also the recognition that without security, reunification could not be accomplished in safety. It is also the realization that, in any case, German unity is within the power of the USSR alone to restore. Hence, the Adenauer focus on Europe and the Alliance, his acceptance of the doctrine of "positions of strength", and his relegation of reunification to the distant future--if indeed he desired it at all.

54. Hence also the distress in Bonn as the patterns established in the earlier Adenauer period shifted under the impact of Khrushchev, Kennedy, and De Gaulle. However much the rest of the world might welcome the glimmerings of a Moscow-Washington detente--of which the Berlin wall and Cuba crises, the retreat from massive retaliation, and the test-ban treaty seemed harbingers--they gave cause for further uncertainty in Germany concerning its security, and they contained the possible implication that the detente might be further extended on the acceptance of the permanence of the status quo. The evolution of De Gaulle's European policy has caused no less distress. He has seemed to be saying on the one hand that reconciliation in Western Europe could be maintained only through the permanent subjugation of Germany and its subordination to Paris. And on the other, he has been saying, quite openly, that German reunification will be accomplished only in the event of Bonn's willingness to run the risk to its security of a US withdrawal from Europe.

55. In the face of these developments, it has been Bonn's endeavor essentially to find--within the limits imposed by its policy imperatives--some additional leverage or elbow room. Thus the attempts to break out of the straitjacket of the Hallstein Doctrine, the Socialists' advocacy of a policy of "small steps", the establishment of trade missions in Eastern Europe, and the more grandiose schemes for exchanging credits for reunification. Thus also in part the peculiarities of Erhard's attitudes towards De Gaulle--his recognition on occasion of the profound differences which separate them, but his reluctance to countenance a break, and his wavering between support of the community and of Fouchetism--often without awareness of his equivocation. Finally, there is the cautious and incautious flirtations with the nuclear issue--among those who believe a nuclear "role" essential to German security, or who see it as a lever or pawn in reunification bargaining. In none of these endeavors has Bonn produced as yet any phenomenal results, but the problems remain, and it is not the seismic shifts of German foreign

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policy which seem likely to concern us in the next ten years, but the glacial ones.

56. But, if West Germany still lacks some of the prerogatives of statehood, we must also recognize the great uncertainties which still surround the condition of France. The eight years of Gaullist "stability" have tended to cloud over the chaotic situation in which the Fourth Republic collapsed--and the occasions since when it seemed possible the Fifth would follow. It is true of course, that the succession of military defeats which led to the change of regimes is unlikely soon to be repeated, the French military have a new profession in the modernization of the army, the great divisive issues of the past are not now in the forefront of French concern, and all the French have acquired a stake in the continuation of the stable conditions which are at the base of France's prosperity. It is also true, however, as De Gaulle has claimed, that France is De Gaulle--true, at least, of the Fifth Republic. There is no one in France today who could make the same appeal to French nationalism, and he himself has probably exaggerated the extent of its appeal. The presidential regime without him as president is as yet untried, the re-formation of the parties he wished is only beginning, the French Communist party remains the second largest in Western Europe, the further progress of France's industrialization may create new islands of social and economic discontent, and the affaire Ben Barka has some of the stench of the past.

57. To the great adjustments still ahead in French politics the December elections were a revealing prelude, even though there is not full agreement on what they may imply. Most would concede, however, that De Gaulle emerged a less mythical figure, and that having lost some of his own magic, his chances of bequeathing it to a successor--which were never great--are smaller. Most would also agree that the adjournment of French politics is over. The Gaullists are acutely sensitive to the new evidence of their weakness as a party and to their lack of new leaders, the anti-Gaullists have produced two new leaders of some stature--Mitterrand and Lecanuet, and around them, the first attempts are being made to regroup the political forces of the left and center. The results so far are not particularly elevating--some of the old parties are divided as to which way they should turn, the Communists are trying to retain their December alliance with the left, and both groupings face difficulties in establishing their identity. However, as the parliamentary elections approach--they must be held by next March--the pressures to agree will be great.

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58. Should the Gaullists lose their majority, this would not necessarily mean that De Gaulle's ability to govern had ended--although there might then be some question of his will to continue. The powers of the parliament under the new constitution are considerably attenuated, and an anti-Gaullist majority would likely have little internal unity of its own. Nevertheless, De Gaulle's performance since his December setback--and in anticipation of the parliamentary elections--suggests that Gaullists tenets are by no means impervious to events. Although there has been no marked shift in his domestic policies, he has responded to the impression that those policies have cost him votes with concessions to specific economic groups--particularly to the farmers and workers. His acceptance at Luxembourg of the impossibility of achieving his full political demands may also have been in response in part at least to the pro-European interpretation of the votes which went to Lecanuet. Whether in his evident intention to push ahead with France's disengagement from NATO he is likewise misreading the mood of the French electorate remains to be seen, but it is the risk of any authoritarian regime.

59. What would France's foreign policy look like if the next few years should see the end of De Gaulle? There is, of course, no way of knowing and much would depend on the circumstances--whether the transition is peaceful, whether it occurred with his death or retirement, in defeat, or after his authority had been renewed. It is probably true, however, that there is no one else who could have accomplished as much for France qua France with so little, and there is unlikely to be another soon. It is probably also true that the residue of what is most typically Gaullist will be rather small. The French desire for a leading role in Europe will no doubt continue, as will the fear of German revival, and the hypercritical distrust of the uses of American power. But it would seem on the whole that France would respond in a more normal and less neurotic way to the broad economic and political forces which are moving through all Europe and which we have described earlier in this paper.

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Britain and Its Vocation

60. Most if not all of these new forces have been moving through Britain as well, but it is Britain's peculiar problem that it has had no decisive break with its past. The British emerged from the War with the banners of victory--when their physical conditions were scarcely superior to those of the vanquished. The empire is gone, but for the most part in a manner so orderly that the agony of the French and the Dutch was lacking, and the "bits and pieces" of real estate, the monarchy, and the Commonwealth still contribute to the illusion that the imperial influence remains. Although the British people as a whole are as inward-looking and self-occupied as any in Europe, there is the special relationship with the US which, cherished by London and often encouraged by Washington, calls on the British government to go on fulfilling a world role. And there is still the Channel which provides the luxurious pretension that London can act without and upon the Continent --and choose the timing and manner in which it will act within. The UK is whole of territory, there are no great divisive, national issues, and there has been a peaceful succession of governments for years. But it remains Britain's profession to find its vocation.

61. That everyone knows this, including the British, makes the task no easier, as the continuity of London's post-War policies testifies. There have been no basic differences between the Conservatives and Labor as to the ingredients of Britain's economic plight--and precious little difference between their approaches as well. Since the end of the War, Britain has had one of the lowest rates of economic growth in Europe, and there is widespread agreement as to the causes: a comparatively low rate of investment combined with high consumption and defense expenditures; a management which is notoriously non-competitive in outlook, non-export minded, and suspicious of innovation; a failure to keep abreast of technological advancements to which an antiquated educational system has contributed; and a labor force constipated by over-full employment and the rigidities of trade union rules. Moreover, each burst of expansion in recent years has been cut short by a sterling crisis--induced by heavy imports, trade deficits, and speculation--which, because of the world role of the pound, no government has felt it could ignore. Each administration has, of course, promised basic remedies--the great studies of education,

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transport, etc. are cases in point--and the Wilson government in particular has tried to put forward an innovating turn of mind. If there is anything, however, which has characterized his government so far it is its orthodox defense of sterling and the timidity of its planning and incomes policies.

62. The imperatives of what Britain considers its situation have likewise imposed a kind of orthodoxy on its foreign policy through the years. With some few exceptions--Eden's misadventure in Suez and Macmillan's bid for EEC membership are instances perhaps--it is doubtful that the party in opposition would have behaved much differently from the party in power. Each government has felt more or less bound by Britain's ties and commitments abroad--and its limited resources at home. The restraints which Wilson has placed on his leftwing, and his performances in Malaysia and Rhodesia are examples of this. The new defense White Paper is especially revealing. In its effort to balance need and necessity, it is, as policy, neither fish nor fowl. Despite the pressures for major economies, total expenditures will continue to compare favorably with those of France and West Germany; despite the periodic talk of the withdrawal from West Germany, the BAOR will continue as part of Britain's reserves; despite the pre-election promises to "run-down" the nuclear deterrent, provision is made for its renewal after 1968; and despite the hoped-for withdrawal from Aden and Singapore, the East of Suez commitment remains sufficient that the resigning navy minister can charge that it can be kept only at the expense of complete dependence on the US.

63. What are the prospects for any decisive shift in Britain's orientation? They would appear to depend almost wholly on the further evolution of the British role in Europe, and after the disaster of January, 1963, we must be sensitive to the obstacles posed not only by De Gaulle and by the lack of British focus, but by the fiasco which has been London's European policy for twenty years. Churchill was one of the great theoreticians of European union, but not its practitioner, and in failing to make something real of the Council of Europe, London abdicated its responsibilities. When participation in the Schuman Plan was offered, the Labor government rejected it for wholly specious reasons, and at the height of the EDC crisis, the Conservatives declined to make the vital troop commitment they subsequently offered--too late--in the London and Paris agreements. London refused

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to believe in the "relaunching of Europe" and when the EEC began to take shape, the Foreign Office produced the diversionary alternatives of a free trade area and "great design", and when these failed, went on to organize the EFTA. And finally, when the application for EEC membership came, the Macmillan government felt obliged to bargain on behalf of new and old commitments so long that De Gaulle could effectively question its sincerity.

64. Nevertheless, with all the reservations the record requires, the question of Britain's membership in the Common Market seems certain to be reopened in the next ten years--probably sooner, rather than later. Like every other country in Western Europe, Britain is increasingly aware of the EEC's economic advantages--the economies of size, the export outlets, the importance of competition, the possibilities of technological cooperation--and more so than many, it is increasingly aware of the difficulty of solving its economic problems by itself. If the Conservatives were aware of this in 1962, they are more so now, and Labor's experience in office has been, to a remarkable extent a baptism in the realities of Britain's economic reliance on Europe. Moreover, if London seemed perplexed at the time by De Gaulle's veto of its membership, it is now fully aware of the community as a political enterprise and followed the recent crisis--although with mixed feelings and an excessive skepticism of the strength of the Five--with fascination and perception.

65. It is not therefore so much a question of whether there will be new negotiations, but when, and in what circumstances. Had De Gaulle not accepted the recent settlement at Luxembourg, it was the intention among some of the Five to keep the community operating until such time as a new approach to Britain could be made. Conceivably this possibility could soon arise again--in the event of a new crisis over agriculture or the Kennedy Round. Throughout the recent crisis, Paris for its part also made friendly noises in the direction of London. Although in light of De Gaulle's subsequent and more negative utterances these overtures seem to have had only a tactical significance, it is not beyond the realm of possibility that De Gaulle may at some point see in a defense arrangement with Britain and in its admission to the community a guarantee against too restrictive a community (or one in which German power would be increasingly felt) and an alternative to NATO as well. Thus, more acutely than the US, London may face the question--what kind of Europe it wants.

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The Eastern Europe Equation

66. Should the gravitational forces of the European community pull Britain into its orbit in the next few years, much of the remainder of free Europe would sooner or later follow--whatever the allowance that would have to be made for the requirements of neutrality, or whatever delays individual countries, such as the Iberian dictatorship, might encounter. Indeed, the negotiations on Austrian association with the EEC have recently made surprising, if still indecisive, progress, and would if successful set some kind of pattern for Switzerland and Sweden in the future. The Danish, Norwegian, and Irish applications for EEC membership have been inactive since January, 1963, but in the event of new negotiations on Britain's accession would surely be revived. It must be presumed that the process of negotiating such arrangements, once it were agreed to seek them, could occupy Western Europe for several years, and the process of digestion would last even longer. Nevertheless, there may be some point in speculating on what impact a great consolidation of Europe in the West might have on the Europe of the East.

67. The point is raised less by the long-standing assumption of the integrationists that a strong and united free Europe would exert a gradual but irresistible "pull" on the Bloc than by the more recent view that the problem of Eastern Europe is (or ought to be) an obstacle to unity in the West. Although the argument appears in various forms, its advocates seem generally to hold that a far-reaching unification of Western Europe would carry with it the implication of a "European settlement" which--lacking an agreement on such issues as the division of Germany and Central European security arrangements--could not be reached, or if reached, could not be maintained. They believe that the two decades in which the partition of Europe has been frozen is to be followed now by the possibility of a further thaw, and they are impressed in particular by the weakening of Soviet authority in Eastern Europe, the liberalizing trend in the individual countries, and the rediscovery in both parts of Europe of economic and trade advantages and of cultural ties. Some see in this trend real opportunities for further collaboration between individual COMECON and EEC countries, or perhaps between the two organizations. And looking still further ahead, they see the systematic development of a multilateral system of cooperation

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between the two Europes which would create a climate of confidence in which the central European political issues could ultimately be decided.

68. These are interesting ideas--which nevertheless seem illusory and exaggerated, and certainly premature. It is true that trade between Eastern and Western Europe has increased in the past ten years, but the fact that it has casts considerable doubt on the suggestion that a further consolidation of the community has had the effect of cutting off the east. It is also true that the decentralization process in Eastern Europe may open further avenues to Western trade and investment. Nevertheless, the autarkic socialist systems are deeply imbedded in Eastern Europe, both trade and investment are still geared to promote self-sufficiency, and the restrictive effect this has had on international commerce has been demonstrated within the COMECON itself. Eastern European nationalism has been the major obstacle to integration of the state enterprise systems in COMECON, and the prospect that any of the present governments will change either psychology or system sufficiently to open up the prospect of any real measure of integration with the EEC seems unlikely in the next few years.

69. Nor is there any real evidence to support what is, essentially, the Gaullist contention that a loosening up of the EEC--or a less supranational European union in general--would make it more attractive to the Bloc. Moscow believes, or professes to believe, that the community is or will become a German instrumentality, and it is highly doubtful that its view would be different of any organization of which West Germany was a member, regardless its constitutional form. From any reasonable standpoint, the form which most restricted German freedom of action would best serve the Soviet interest. What is attractive to Moscow in the Gaullist view is the implication of a withdrawal of US power from the middle of Europe and its replacement with a vacuum. Until that occurs, the USSR's position in Eastern Europe must be secured by its position in East Germany, and the structural forms of European organization--whether of the EEC, EFTA, or of a Europe to the Urals--will have only academic interest.

The United States in Europe

70. In the next decade as in the previous one, it would therefore appear that the main task of US policy

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in Europe will be the reshaping of American power and influence to a Europe which is taking shape, but has not yet achieved a final form. Because other US commitments will likely be equally or more compelling, it will be less a question than heretofore of deploying the maximum of US power than of finding the optimum, and, because the shaping of Europe may become more or less definitive, the precise extent of US influence may be less important than its sustainability over a calculable period of time. Such a policy, if it is to have any realism, must be based on Europe as it is and as it is likely to be, but it must also start with a realistic assessment of the sources of US power and influence. They are on the whole more indirect than direct, and more subtle and varied than we are perhaps accustomed to think, and in that fact may lie the possibility for flexibility and adjustment.

71. In the first place, it is important to recognize that the US position in Europe is in part a function of its world position and only the most catastrophic reversal of fortunes could deprive us wholly of influence. There are on the whole few illusions in Europe regarding the American preeminence in the free world, the vast difference between US wealth and power and that of its nearest challengers, and the extent to which the US has picked up the burdens which have been dropped by Europe. Awareness produces acceptance --to a degree and for a time, and with varying measures of good will. Along with the respect and deference which Europeans, like others, accord the US, there are also tendencies to over-reliance, resentment, and suspicion. Leaders are expected to lead, but not much allowance is made for mistakes, since any country essential to the defense of the free world is also powerful enough to involve it in general hostilities, by calculation or stupidity. Moreover, the impossibility of any direct challenge does not rule out the possibility of rivalry by indirection or by collective action, and as Europe looks at the superpowers, it must be expected that there will be a certain amount of interested, timorous, and malicious calculation on which is "ahead".

72. If therefore there is a certain "kernel" of US authority in Europe which has little to do with the facts of the US-European relationship per se there is also that "special relationship" which is more intimate perhaps than that which has grown up between any other two continents. The basic ingredients of this are too familiar, numerous, and complex to need any elaboration here. They include the common culture, language, and political institutions--

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the wave of European immigration and investment in the past century, and the reversal of the latter in the present; they include the "mother-daughter" relationship, the tourists, the exchange of artists, scholars, technicians, and technology; they are the common experiences in the two great wars, the continuing American occupation since the second, and the huge American investment of the past twenty years in the economic and social rehabilitation of Western Europe. And finally, they are the feeling of shared danger in the cold war, the US defense commitment of 1949, and the first hesitant efforts toward some institutionalized approach to dealing with common problems between us or which we have come to feel we share in other parts of the globe.

73. These familiar aspects of the US-European relationship are worth recalling in this general way, however, not because of their obvious relevance to our future relations with the "new Europe", but because of the perhaps more or less obvious paradoxes they involve. Although America from its founding was a European enterprise, the first century and a half of US diplomacy--sometimes successful, sometimes not--often, but not always, abetted by the Europeans--was directed at preventing that involvement from becoming too intimate. We wished neither European intervention in our affairs nor to intervene in theirs, the commitment of US influence and power abroad was primarily in Latin America and the Far East, and the Europeans for the most part obliged us by occupying themselves with their own balance of power problems and their colonial adventures in Asia and Africa. Hence, the Great War could rage for two years before the US could persuade itself that its vital interests were at stake in the outcome, and after the "peace" was arranged, we withdrew from Europe once more. In the inter-War period, we again deeply committed ourselves in the Far East, but neither the rise of Mussolini and Hitler nor the obvious need for cooperation in the Great Depression could draw us back into Europe--until we were attacked. Moreover, after the victory in Europe, the continuation of the war in the Far East and the reemergence of strong isolationist feelings at home led the US to try once more to establish the basis for a gradual withdrawal from Europe, which only the economic collapse in Western Europe and Soviet consolidation of its grip in the East compelled us to defer.

74. There are no doubt numerous conclusions which are to be drawn from this record, but we would wish here

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to mention four. First, that there is nothing in the record to suggest any historical inevitability in the intimate US-European relationship which has now developed or that the natural end-result will be a great community of the two. Second, the historical experience to the contrary has been that each has kept the other at a certain distance, by mutual consent and in part, at least, because of non-Atlantic ties. Third, that the US policy in Western Europe of the past twenty years was a brilliant improvisation in response to pressing needs of the moment, but--lacking a clear concept of objectives--was often contradictory in impact. Fourth, it is not within the US power to define what relationship it will have with Western Europe--it will be achieved rather by mutual consent and only in time.

The Post-War Record

75. If there is any single thread which runs through recent US policy toward Europe, it is the support of Europe's unification. The theme has frequently appeared in US thinking, often as a sentimental application of the American federalist solution to the problem of "Europe's wars". When, however, World War II was coming to an end, unification appeared a far more realistic alternative to Versailles: rather than further divide the nations with self-determination and the imposition of sanctions on the aggressors, they should be united and work together for their mutual benefit and safety. We were accordingly thrilled by Churchill's great post-War pleas for a European union with a "place" for Germany, and deeply disappointed when the materialization was the Council of Europe. When the Marshall Plan was launched, we wrote in the provisions for mutual cooperation, not only in hopes of reducing the costs, but of developing a practical basis for economic union. When this in turn seemed to come to a dead end, we went along enthusiastically with the great federalist projects--the CSC, EDC, and EPC--and finally, with the "relaunching of Europe" in the Common Market and EURATOM.

76. In important respects, the record of US support for unity is one of remarkable ardor and devotion--at least to the ideal. So long as the proposal in question seemed likely to contribute to a union in which no one of the members would dominate, it has had our endorsement--and on occasion at least, our acceptance of costs which promised to be high. We not only tolerated, but encouraged, OEEC discrimination against dollar imports in the

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earlier days of the organization; despite the gravest of reservations, we also swallowed our fears of the protectionist aspects of the EEC. The US commitment to unity is also one of remarkable deployments of prestige and influence, and on occasion, of vigorous intervention. --as our abortive effort on behalf of the defense community will forever recall. More successfully, we discouraged the British from their interference in the EEC treaty negotiations in 1956, we actively opposed a European free trade area as a discriminatory enterprise with no promise of political unity, and we dismantled the OEEC when it seemed likely to lend itself to the same development. Moreover, just as we ardently and unsuccessfully supported Britain's membership in the EEC, so did we succeed--initially at least--in discouraging the EEC from opening negotiations with the EFTA neutrals.

77. This is by no means the whole record but it is enough of it to raise the question whether we have more helped or hindered. If it were purely a matter of intentions there would be no need to ask, but when it comes to the impact of specific US actions, one must suspect the verdict of history will be more equivocal. Some moves which seemed "good" at the time--such as the US-EURATOM cooperation agreement--were scarcely selfless, and it is at least open to question whether the poor relations between France and EURATOM have not been due in part to the community's initial overinvolvement with Washington. Most observers still believe--many admittedly in retrospect--that the attempt to saddle the European community with the problem of German rearmament was one of the great mistakes of the decade, and while the EDC was a French idea, it was produced in response to US pressures for German manpower in NATO. Some will also question the timing and obvious US endorsement of Britain's application for EEC membership. Of course, had either the EDC or British accession been accomplished, European union might well now be much nearer at hand.

78. The record of US support for unification will also be judged against what we might also have done but did not do. There is involved here a range of questions which derive in part from the simple fact that unification is a process and not accomplished fact. How long should the US make overtures in vain to the EEC Commission, for example, when the particular US interest might be secured by a mere word from the embassy in the appropriate capital? Or contrariwise, when the community is deadlocked on an

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internal issue, should the US hesitate to use its influence in the national capital where it would do some good? (The lengthy stalemate over grain price unification in 1964 is a case in point.) In other words, how much are we willing to pay and to do for European union? Have we placed too high a value on the UK-US "special relationship" when by following a policy of consistently discounting it we might move the British closer to Europe? Some, for example, may think that the Nassau agreements made it far too easy for Macmillan to avoid a deeper commitment to Europe, and from a Europeanist point of view, some may question that we should now have encouraged London to maintain its commitments East of Suez. Have we been too concerned with shoring up the pound? Have we been too eager to sell to Europe what, with some encouragement, it could collectively produce for itself? In short, if we are serious in our support for European union, are we always prepared to draw the proper conclusions from the meaning of interdependence and partnership?

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The Atlantic Dilemma

79. In these questions the US comes to the heart of the issue. If Europe as a whole is another superpower --lacking only the effective organization of its resources --then there are or will be few matters which are purely intra-European. How and at what point, then, can the US best secure its interests without delaying, distorting, or perhaps preventing that effective organization from evolving? As the two centers of Western civilization and of modern, industrial society, we share a steadily increasing body of common interests and problems--with each other and in the rest of the world. How do we organize ourselves to do this, without disrupting on the European side the progress of its own more effective organization, or on the other, of imposing on the US restraints which psychologically, constitutionally, and as a matter of public policy we are not yet prepared to accept? In the rawest terms, does it better suit the US interest to deal with a European union in which our direct influence will likely be smaller, or does it suit us better to deal with them directly--bilaterally, or in some Atlantic or world forum in which the US voice is still loud and strong? In the past ten years we have faced these questions on numerous occasions and have responded in different ways, but in the next ten it is the dilemma which will insistently demand an answer.

80. Our past equivocation is evident in our theory as well as practice. In the initial years after the War we were predominantly world-minded--we foresaw peace restored, economies rehabilitated, and trade regulated and financed in great world organizations--the UN, the World Bank and Fund, the ITO, and the GATT. The cold war, of course, made much of this impracticable of full achievement, and we either resorted to regional arrangements--notably in the defense field--or we maintained the appearance or fiction of universality while the reality was something different. The process still goes on--prevailing from the larger to the smaller, but not exclusively so. Within the IMF, for example, it is the Group of Ten which calls the shots, but largely in reaction to the "exclusiveness" of GATT, we now have the UN's permanent conference on trade and development. In our relations with Europe, the same kind of pragmatism has likewise prevailed, and theory has been hard put to keep up. Thus we have had the two concepts of Atlantic community and of Atlantic partnership--the one envisaging full integration, the other, a cooperative relationship between two

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entities--and neither concept has had much to do with the realities. This is not to suggest that there is any merit in ideology as such, but unless there is a sense of direction and final goal, there is the risk of actions which are at cross-purposes or which counteract each other.

81. We have had some interesting and amusing experience of this in the OECD which has always reflected the mixture of US motives which went into it, and the compromises we have had to accept. We evidently envisaged the OECD as an Atlantic institution, but of which variety and what specific aims? As we set about recasting the OEEC's membership and functions along Atlantic lines, many Europeans suspected we were primarily bent instead on destroying the only instrument which then existed for European-wide economic collaboration. Hence there ensued the lengthy and sometimes bitter arguments over the retention or discard of OEEC operations, agencies, and regulations which, in the US view, did not seem appropriate in the Atlantic context or involved commitments which the US constitution would not permit us to accept. But if on the whole the US succeeded in disposing of the OEEC's European exclusiveness, the question remained of how Atlantic its successor would be. For our part we made it clear that we were not prepared for integration, but neither were the neutrals: when it came to organizing the Development Assistance Committee we vigorously insisted it be confined to active donors; we took the lead in arguing the case for Japan's accession, and ever since others have been pounding on the door for membership. This is not to question the OECD's good work or the difficulty of the problems we have had in organizing it. But the fact remains that what began as the "economic counterpart to NATO" has become instead a club of the rich with rather peculiar admission rules.

82. As viewed from this standpoint, it may also be useful to inquire if the Kennedy Round had a clear concept of the kind of US relationship with Europe it would likely promote? In form at least, the Trade Expansion Act was in direct line of descent from the trade agreements acts of the past, the most-favored-nation principle, and the idea of world-wide trade and tariff negotiations embodied in the GATT. In motivation, however, it was largely inspired by the advance of unification in Europe, notably on the part of the EEC, and the tendency of the other countries to coalesce around it. Thus, the proposed 50 percent reduction in the EEC's common external tariffs,

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it was thought, would make the community a tolerable entity to those European countries which could not join it and to other non-members as well. In short, we expected that the pressures would be off for a purely preferential intra-European trading area, that a more outward-looking EEC would be consolidated with Britain as a member, and that the community and the US would move a step further toward partnership, more nearly of equals.

83. But the TEA also makes a bow in the direction of the Atlantic community--explicitly in the authorization given the President to remove tariffs on items in which the EEC and the US together accounted for the bulk of world trade. As the anti-Atlanticists were quick to point out, this was a step toward limited free trade, and they inquired whether the US was willing to draw the implications for closer economic association across the board. Indeed, the same question may be asked with respect to the institution of substantially free trade between two principal trading partners, or with respect to agreement to accept as the basis for freer trade in agriculture a periodic confrontation on support policies along with the dismantling of the more usual protectionist devices. But, in a most-favored-nation world, how could such a community-type association be restricted to the Atlantic area?

Atlantic Defense

84. We should perhaps likewise ask the same questions before we become too deeply committed in the great debate now upon us over the future of NATO: i.e., whether we have a clear concept of the mutual defense relationship we now have with Western Europe and whether it is one we are likely to be able to maintain. So far, we as well as De Gaulle have alleged that the dispute is over arrangements which are predominantly Atlantic, multilateral, and integrated. But, it is the fact of the matter that the ultimate guarantee of Europe's security is American and American-controlled; that we have important bilateral defense relations with some of our NATO allies--notably Britain; and that, however important the integrated command and planning structure of NATO may be, the vital decision to war or not to war is not integrated and is totally unlikely to be taken by any supranational authority in the future of the Alliance. Moreover, while we are taking our stand more or less on maintaining the status quo, we have on two occasions at least been the

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great innovators--with major disruptive effects, and in both cases, on behalf of West Germany.

85. There is a case--a strong case--to be made for NATO and its maintenance for the time being and in its present form, but the case must be based on NATO's suitability to the immediate need. In the first place, NATO still provides a necessary margin of military safety in Western Europe. De Gaulle of course believes and acts upon the belief that the prospect of Soviet aggression in Western Europe is minimal and that in any case the defense establishment in Europe--other than the force de frappe--would be of marginal significance to the outcome in the unlikely event of Soviet aggression. Many in and out of France would accept this estimate--but they would not dare to act upon it. The stakes are simply too great, the nuclear standoff is still too fresh, and the chance remains of technological breakthroughs which might upset it. Therefore, to the extent that a minimal military establishment is needed in Western Europe, NATO is the most practicable way of providing it. The US forces which drove into the heartland of Europe twenty years ago remain there as the core of Europe's defense, integration of command structure and planning is militarily sound, and the NATO organization makes it possible for many small countries collectively to mount a modern military force which would be far beyond their separate capacities to put in the field. It is, of course, entirely possible that the Europeans could assume a larger share of the burden than they do, provided they were willing to bear the economic and political costs--or could organize themselves in a different way, provided they were willing to accept the necessary integration. But that time has not yet come.

86. NATO likewise provides the necessary margin of assurance of continued US support of Europe's defense. This is not in fact a practical necessity--in two wars we eventually recognized that our own national security would be in serious jeopardy if the then expansionist power consolidated a hold on Western Europe, and we fully recognize it now. But the North Atlantic Treaty is probably a politically and psychologically necessary formulation of our commitment, as are the continued presence of US forces in Europe a symbol and additional guarantee of our certain involvement. The memory of our previous withdrawal from Europe is too recent; a century and a half of isolationism (toward Europe) is too long;

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and our defense commitments in non-European areas are too great. Hence, the political consultations in the North Atlantic Council are a continuing process of re-assurance--of the "availability" of the US power to Europe which each reduction of forces, further deployment to--say, Vietnam, or shift in strategic doctrine may seem again to bring into question. As the Europeans may see it, a flexible response may mean no response, or a range of nuclear options may in their view make it more essential than ever to have a voice in selecting from among those options.

87. NATO, above all perhaps, remains essential for political reasons which are wholly internal to the intra-European scene. The Alliance provides to all except France a politically acceptable basis for our continued presence in a Europe which has not yet found a political stability of its own. That presence has seemed essential to the Europeans not only as a guarantee of security against the Soviet Union, but as a guarantee against themselves. It is not conceivable that Western Europe could have mounted a viable defense in the 1950s by itself without the reemergence of a preponderance of German power, and this accounted for the great agonizing over the EDC. Nor is it conceivable that any European power or any European construction could then have been trusted by a European majority or would be trusted now to wield the deterrent power required. These are the great questions which confront Western Europe today--whether it can contain and accommodate itself to the shifts in balance of power and influence which its own natural growth will lead to--and whether it could, in the absence of NATO, secure its defense without dangerously aggravating those shifts. There would appear to be a way to do so--the presence of Britain in a fully integrated Europe--but again the time has not yet come.

88. Finally, NATO seems essential for the present if it is to disappear in the future. In Europe as elsewhere, we are to bargain, and it must be our purpose as well as our profession to create in the long-run a new European normality to replace the more or less stable abnormality which grew out of the war and cold war. German reunification must ultimately be achieved as must the unification of Western Europe and the reunification of the Continent. It is inconceivable that this can be effected without a withdrawal of the Soviet presence in Eastern Europe--and without some adjustment of the American presence in the West. If NATO most fully accorded with the US' and Europe's needs in the Fifties and Sixties, it does not follow, however, that it will necessarily do

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so in the Seventies. And next to attempting in one decade what belongs to a later one, the greatest mistake of diplomacy is to assume that nothing may change.

89. If then these are the true purposes of NATO, it would seem that the great nuclear debate of the past five years or so was often lacking in perspective. There would be no purpose served in rehashing that debate since, for the time being at least, an interim answer seems likely to be found in the consultative arrangements envisaged in the Special Committee, and since in any case De Gaulle will shortly have shifted the focus of the issue to the future of the Alliance as a whole. It may be worth recording for future reference, however, that the multilateral force was probably foredoomed from the beginning. The MLF's proponents, for one thing, seemed not to have realized that the proposal, although addressed to the problem of precluding the Germans from acquiring an independent nuclear capability, in fact reopened in the most poignant way the whole question of Germany's post-War rearmament. When the US pressed this issue in the 1950s, it nearly wrecked the European movement, and after the French declined to countenance the EDC, West Germany entered the Alliance directly. Precisely the same pattern was emerging in the fall of 1964 when the President decided to draw back. But the MLF was also foredoomed because it could not be reconciled with any rational concept of the evolving European organization, no matter how much we might make our bows with "European clauses" in the direction of Europe. Above all, it seemed to envisage an Alliance frozen in perpetuity, in contra-distinction to our philosophical endorsement of an evolving US-European partnership of more self-reliant equals.

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Guidelines for a US Policy

90. What then are the courses of action available to us in the next ten years? In the view of those who are discouraged by the growing complexities of our relations with Western Europe, we could choose to place greater emphasis on our bilateral relations with the nation-states, or with the few larger ones which count the most. There is nothing in the record of the past ten years or in the prospects which seem to lie ahead in the next ten to suggest this would be either simple, practicable, or cheap. Since no European country is now prepared to accept another as the guardian of its interests, we would in fact find it extremely difficult to restrict the number of our "special relationships." Each of those relationships would involve us in a commitment to the national interests of the country in question, some of those interests would be inevitably in conflict, and each change in the intimacy of the bilateral tie might involve some shift in the intra-European balance of power. In short, the US would find itself deeply engaged in a new game of power politics in which the whole of Europe had been Balkanized, and, in attempting to maintain this inherently unstable system of multiple bilateral relationships, the US would surely emerge at odds with the whole post-War trend towards Europe's unification.

91. There is also the view that, rather than do this, the US should now place a greater emphasis on moving directly towards the Atlantic community. Its proponents hold either that the prospect remains remote of an effective European union, or that, should one emerge, there is no guarantee that the US would retain the possibility of assuring its interests in that union. There is no precedent in history for the effective organization of such an agglomeration of peoples, interests, and resources, and given the great discrepancy in size and power between the US and any of the other members, such a community would in fact prove to be no more than a kind of multiple bilateralism between the largest power and its numerous minions. As we have seen in COMECON and as we see in the Alliance today, the overwhelming power of the strongest member tends to produce the nationalist reactions which in the end make integration impossible. Even assuming the ultimate feasibility of Atlantic integration, its advocates must be certain

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whether this is a practicable objective for our time or for a later one--and whether, having decided to embark on this course, they would in fact be prepared to draw the necessary conclusions from it: among them, the adjustments which would ultimately have to occur in the Constitutional roles in foreign affairs of the President and the Congress and some sacrifice of the traditional US preoccupation in the affairs of Latin America and the Far East. In time, obviously, Atlantic integration may happen--even now sovereignty is largely an illusion. Meanwhile, in the most intimate relationship we have so far developed with Western Europe--i.e., in mutual defense--we have not been willing to make the commitment automatic, nor have we even contemplated participation in an Atlantic nuclear force in which the Presidential control was compromised.

92. This paper, however, ends where it began: in the conviction that the central problem of the US relationship with Europe is Europe's quarrel with itself. The main emphasis of US policy must therefore be directed in the first instance toward the achievement of a European settlement which is most in keeping with all of Europe's interests. Europe's quarrel with De Gaulle is his claim to privileges--the American preeminence in the Alliance he decries is precisely that which he would wish for Paris in Europe. Such a Europe would not be viable--not least of all because it would fail to reflect the variety of its members' interests with the US. In a Europe-of-equals, however, there would be that accommodation of interests which would assure not only its own viability, but the viability of its relationship with the US. This is the historic folly of De Gaulle--would he but accept that measure of integration in Europe required to produce a strong and viable union, then there would be no risk of Europe's subordination in an Atlantic partnership.

93. On the whole, it would appear that De Gaulle has but little time left in which to attempt to prevent a European settlement in which France will have neither more nor less than its legitimate role, however large his disruptive potential may be. But how quickly we will achieve the kind of settlement we are looking for will depend on our skill in directing a Europe-oriented policy. In NATO, we probably have no alternative now to holding the line, to the point even of France's withdrawal. But the wisdom of having deferred action

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on a nuclear force has already been demonstrated, and the scales are heavily weighted against the wisdom of reviving it. We may also be facing serious difficulties in the Kennedy Round, and we must be prepared to look on it as a political instrument. If the EEC makes any kind of reasonable offer of settlement we must not expect the maximum; if on the other hand, the French prevent the EEC from making an offer which its partners consider reasonable, then we must be prepared to run the risks of jeopardizing the outcome while the Five endure another showdown. That showdown would again reopen the question of the UK's role in Europe, and now more than ever we must realize that there will be no European settlement without Britain.

94. But beyond such specifics lies an attitude of mind which will be essential to any US effectiveness in promoting the kind of union which has now become vital to our interests. We must recognize that union as the center of our policy and subordinate all other considerations in our approaches to Europe to that. We must avoid contributing to any disruption of the balance of power, and we must not bring into the Atlantic context what is in the first instance intra-European. We must progressively disengage from bilateral arrangements and transfer them to the community whenever we can, and we must actively seek for projects amenable to European cooperation. We must not expect too much too soon, but recognize a breakthrough when we see one. We must disabuse ourselves of the notion that how Europe organizes itself is a matter for the Europeans to decide, but on the contrary, systematically seek in each country and in each instance to support the Europe-of-equals we are seeking. In short we must be willing to pay a considerable price now and in the foreseeable future--but one which will surely be smaller than we have paid in Europe in the last fifty years--and with far greater promise of an eventual return.

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