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BILDERBERG CONFERENCE

May 29th-31st, 1954

LIST OF PARTICIPANTS.

CHAIRMAN:

HIS ROYAL HIGHNESS PRINCE BERNHARD, PRINCE OF THE NETHERLANDS.

VICE-CHAIRMEN:

COLEMAN, JOHN S.

VAN ZEELAND, PAUL

SECRETARY-GENERAL:

RETINGER, J. H.

RAPORTEURS:

BALL, GEORGE W.	U.S.A.	<i>European Unity</i>
DE LA VALLÉE POUSSIN, ETIENNE	BELGIUM	<i>European Unity</i>
BINGHAM, GEORGE BARRY	U.S.A.	<i>Overseas Territories</i>
HIRSCHFELD, H. M.	NETHERLANDS	<i>Overseas Territories</i>
GAITSKELL, THE RT. HON. H. T. N.	U.K.	<i>Economic Problems</i>
ROCKEFELLER, DAVID	U.S.A.	<i>Economic Problems</i>
*) DE GASPERI, ALCIDE	ITALY	<i>Communism</i>
NITZE, PAUL H.	U.S.A.	<i>Communism</i>
***) MOLLET, GUY	FRANCE	<i>European Defence Community</i>
ZELLERBACH, J. D.	U.S.A.	<i>European Defence Community</i>

* * *

*) Unable to attend owing to illness.

***) Unable to attend owing to an unforeseen and urgent meeting of his party regarding the EDC.

ANDRÉ, ROBERT	FRANCE
ASSHETON, THE RT. HON. RALPH	U.K.
DE BEAUMONT, G.	FRANCE
BONVOISIN, PIERRE	BELGIUM
BOOTHBY, SIR ROBERT	U.K.
BRAUER, MAX	GERMANY
BROWN, IRVING	U.S.A.
CAFIERO, RAFFAELE	ITALY
CISLER, WALKER L.	U.S.A.
COWLES, GARDNER	U.S.A.
DAVIES, THE RT. HON. CLEMENT	U.K.
DRAPIER, JEAN	BELGIUM
DUCHET, R.	FRANCE
FAURE, M.	FRANCE
FERGUSON, JOHN D.	U.S.A.
FOSTER, JOHN	U.K.
FRANKS, THE RT. HON. SIR OLIVER	U.K.
GEYER, G. P. TH.	GERMANY
GUBBINS, SIR COLIN	U.K.
HEALEY, DENIS W.	U.K.
HEINZ, H. J.	U.S.A.
HØEGH, LEIF	NORWAY
HYDE, H. MONTGOMERY	U.K.
JACKSON, C. D.	U.S.A.
JAY, NELSON DEAN	U.S.A.
KANELLOPOULOS, P.	GREECE
KONINGSBERGER, V. J.	NETHERLANDS
KRAFT, OLE BJØRN	DENMARK
LEVERKUEHN, P. M. A.	GERMANY
MALAGODI, GIOVANNI F.	ITALY
MOE, FINN	NORWAY
MOTZ, ROGER	BELGIUM
MUELLER, RUDOLF	GERMANY
MCGHEE, GEORGE C.	U.S.A.
NEBOLSINE, GEORGE	U.S.A.
OOSTERHUIS, H.	NETHERLANDS
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GENERAL REPORT:

The Bilderberg Conference was prepared by a group of men of good-will from twelve Western European countries and from the United States of America. Its general purpose was to study the relationship between America and Western Europe in order, by means of a free and frank exchange of views, to lay the foundations for improving mutual understanding between Europeans and Americans on problems of common concern.

The task of choosing the participants fell on this small group, who based their choice on the following considerations: first, men of high integrity; secondly, men internationally, or at least nationally well known; thirdly, men who within their own field hold a position of authority and enjoy the confidence of their fellow-men; fourthly, men having no obvious nationalistic bias and being neither strongly for nor against any other country of the Atlantic Community; fifthly, men well acquainted with the problems of the relations between the United States and Western Europe.

Since the problems confronting the Conference were not only political, but concerned the whole field of public activities, the number of politicians invited was, with certain variations, not more than a third. As regards the remainder, slightly under one-third were businessmen and Trade Unionists, the others being intellectuals, professional men, and leaders of public opinion. The Conference was convened by H.R.H. The Prince of the Netherlands. In order to permit people to speak freely, the Conference was private, neither the public nor the press being admitted, and the participants stayed together at country hotels near Arnhem. The costs of the Conference were covered by private subscriptions from Europe, principally from the Netherlands. Every participant, whatever his position in public life – minister, leader of a party, head of an association – attended in his personal capacity; his speeches, declarations, etc., engaged only his personal responsibility.

Three members who had accepted invitations were prevented through illness from attending the Conference, and the absence on this score of one French member and of two Italians was much regretted. Certain others were prevented from attending by important political activities in their own countries, and this was the case so far as two of the French participants were concerned. Unfortunately no politician was able to come from the United States because

of pressure of business there facing both the House of Representatives and the Senate.

As was to be expected, the discussions were lively and on a very high level throughout the Conference. As a result of the frankness which prevailed, coupled with the knowledge that discretion was assured, arguments seldom used in public were presented, and helped to clarify many points.

The object of the Conference being to discuss the relations between Western Europe and the United States, it was decided to start with a general debate, followed by a discussion of respective approaches to the main problems which are the cause of divergencies and misunderstandings.

The five main problems were:-

1. The general attitude towards Communism and Soviet Russia.
2. Unification of Europe.
3. European Defence Community and European Defence.
4. Problems of Overseas Territories.
5. Economic problems.

During the discussions these were extended to cover the present situation regarding East-West trade, the present events in South East Asia, and the industrial use of nuclear energy.

To prepare the discussion, five Europeans, as well as five Americans, were asked to present reports on the five subjects.

The intimate atmosphere of the Conference, the frequency of the meetings, all of which were plenary, with no division into committees, created an environment of mutual trust and friendship. Thus, when it came to dealing with controversial subjects, more was accomplished than had been expected.

For a variety of reasons, and in particular in order to allow people to speak with the utmost frankness and with the certainty that their words would reach their fellow-participants only, and nobody else, a plea for the utmost discretion was made by the Chairman at the end of the Conference. That is why, for instance, in the present note, while certain views and arguments are repeated (in no case are the actual words spoken quoted), the names of the speakers are not given. The participants are therefore requested to exercise the greatest care in the use of this document, which should be treated as strictly confidential. On the other hand, this document is meant to serve as a basis of enlightenment of various views which the participants to the Conference agreed to disseminate and which we hope they will try to make understood in their particular sphere of influence.

At the end of the Conference a Press Statement was released, in which were summarised the principal points of agreement reached on the various subjects under discussion. In this report the relevant paragraphs of that statement are quoted, since they give a balanced picture of the conclusions, but they have been expanded through the addition of a number of views and arguments put forward in the course of the meetings.

PRESS STATEMENT

released on June 1st at Soestdijk Palace:

During the last three days a group of seventy-five Europeans and Americans have been meeting at the Hotel Bilderberg at Oosterbeek. The individuals attending this meeting were invited by His Royal Highness Prince Bernhard in order, by means of a free and frank exchange of views, to improve mutual understanding between Europeans and Americans on problems of common concern. There were present members of different political parties, representatives of business and labour and academic life. While some of the members are in active political life, all members were present only in their individual capacities, and no member spoke for any government or organisation. It was not the intention of the Conference to propose governmental action, but simply to determine the areas of agreement on these common problems, and to reach a better understanding as to the underlying reasons for differences in the attitudes prevailing amongst the European and American people. The members of the Conference all came from countries sharing the same basic democratic faith, and a firm devotion to liberty and to the rights and dignity of individual citizens.

During the course of the three-day Conference the members discussed the following subjects:

- A. The attitude towards Communism and the Soviet Union.
- B. The attitude towards dependent areas and peoples overseas.
- C. The attitude towards economic policies and problems.
- D. The attitude towards European integration and the European Defence Community.

As a result of the discussion, it developed that the extent of agreement among the members was far greater than had been foreseen, and even where there was a divergence of attitude the reasons for differing views were fully and frankly discussed, and are now better understood.

During the course of the discussion the following points were among those made on the subjects under consideration:

I. The attitude towards Communism and the Soviet Union

1. The peoples of the free nations of Western Europe and the United States are in full agreement that the combination of Communist ideology and Soviet military power is the paramount threat to individual freedom and free institutions. Faced with the threat of aggressive Communism, the Western nations are in the same boat, although it is a boat with several decks; if the boat sinks all will go down together. The differences which still exist between these nations on the subject of how to meet this threat are almost entirely differences of method rather than of purpose.

2. Criticism, which is an essential ingredient of a healthy democratic society, must also be an ingredient of a healthy democratic alliance. The democratic nature of the alliance of the West is both its strength and its weakness. Since the Western nations cannot act through compulsion or regimentation, progress is sometimes delayed, yet the fact that the Western alliance functions through the free consent of all members endows it with a moral and spiritual unity. It was repeatedly emphasized that certain of the tensions which have disturbed relations between the United States and the countries of Western Europe have resulted from the lack of adequate consultation before important public steps were taken. It was agreed that improved machinery for consultation was highly desirable.

3. The basic purposes of the free world were described by different speakers at the Conference as freedom and security, freedom through security, and peace with liberty. The aim of the free nations is to deter aggression and to defend the free peoples. It is to protect the whole world against a war which might destroy civilisation. Its strength is designed for defence and not for offensive purposes.

4. Good relations between the free nations must rest on friendship and understanding between the peoples of those nations, not merely on agreements between governments. Public misunderstandings could encourage Soviet aggression by creating a misleading impression of weakness within the alliance.

5. The Communist threat presents itself in different ways in varying countries. To most Americans it appears as a foreign conspiracy alien to all

national traditions and traitorous in nature. To many Europeans Communism, while no less dangerous, appears as an ugly perversion of certain Left-wing movements with long historical backgrounds. It was agreed that, in certain nations of Europe, many people vote Communist without considering themselves disloyal to their country, but in protest against what they regard as wrongs and injuries. In such countries the Communist movement is cultivated by outside leadership, but it has roots in native soil.

6. Poverty and deprivation are contributions to Communism, but not its sole cause. There is no precise correlation between the appeal of Communism and the existence of bad social conditions. In certain regions of Western Europe it attracts well-paid workers and in some cases intellectuals. Nevertheless, the best way to counteract Communism is for the free countries to demonstrate to the world that an adequate standard of living can be achieved for all people under conditions of freedom.

7. Soviet Communism is not a force of liberation, progress and social justice, but a movement of reaction and retrogression. This fact must be constantly emphasized.

8. It took Stalin to teach the free nations of the West how much they depend upon one another. Military co-operation has been seen by all to be necessary; it has been implemented through the North Atlantic Treaty. It was agreed that similar co-operation in the economic and political fields would greatly advance the prospects of world peace.

9. America sometimes charges its allies with slowness and undue deliberation in meeting the Communist threat. European nations sometimes feel that the United States is unreasonably impatient. The main difference between the European and American attitude towards the Communist threat is a different sense of timing. Both the Europeans and Americans understand that Communism is not like the weather, against which occasional local precautions can be taken, but that it is an active enemy requiring positive, energetic and steady opposition.

10. The opposition to Communism must be carried out through democratic means. Hatred must be kept to a minimum, as hatred breeds more hatred and becomes in itself a destructive force. Soviet Communism is a pseudo-religious imperialism or a perverted secular religion. It must be countered by a moral as well as a material force having superior power to command men's minds and hearts. In this battle of course religion and spiritual values play a most important part.

II. Attitude towards dependent areas and peoples overseas

1. The problem of dependent areas was explored as a source of possible misunderstanding between the United States and the European powers with responsibilities for such areas.

2. It was agreed that the welfare of the dependent peoples themselves should be the primary point of concern. It was recalled that the United Nations Charter sets forth the proper role of nations holding responsibility over less developed areas of the world. It is a role of trust, in the nature of a sacred mission, and has been so accepted by the nations signing the U.N. Charter.

3. Certain of the members argued that no dependent area should be given full independence until it is capable of maintaining its freedom, but that every effort should be made to create the pre-conditions for secure independence with all possible speed. A slightly different view was that the test should not be whether the dependent area is potentially able to protect a new-found sovereignty, but whether it has developed an adequate degree of literacy, political understanding and a viable economy. It was noted, however, that the achievement of these conditions would generally provide the best assurance against a loss of independence.

4. Under-developed areas are sometimes not well supplied with indigenous administrators and technicians capable of carrying on a democratic government. Some areas which have recently won independence have had to accept less efficient administrators and declining standards in various ways. Mention was made of the long programmes of development by the colonial powers in the fields of education, public health, nutrition, and economic production. It was stated that perhaps no colonial area in the world now shows a net profit to the power in possession, as a result of expensive programmes of development.

5. On the other hand, a very strong wind of nationalism is blowing across the world, and under these circumstances, it was argued, demands for independence may not conform to any degree with the extent of preparation for independence in any given area. Dependent peoples, it was argued, show a willingness to buy their freedom, even at a high price to themselves in prosperity and orderly government; and they will not generally be willing to accept readiness for self-government as the test of when self-government should begin.

6. The act of independence does not necessarily mark the emergence of a competent addition to the society of free nations. When treaties are signed

and the ink is dry, it was stated, the process of creating a stable nation is not at an end.

7. It was pointed out that dependent areas would lose all chance to gain freedom if the free nations of the West should themselves lose their independence.

8. There was general agreement on the objective that the dependent peoples of the world must be assisted along the road that leads to self-government. There was a lack of agreement only as to the tempo of this movement. The American point of view tended to favour a more rapid tempo on the theory that nationalist feeling, contained too long, may explode into violence which can only benefit communism. There was a difference of view among European spokesmen on the question of tempo, though full agreement on acceptance of the ultimate objective of self-government.

9. It was generally agreed that military action alone cannot be effective in such areas as Indo-China. It must be accompanied by political action as well. It was pointed out that a military success for Western forces in Indo-China, if not accompanied by a satisfactory political programme, might lose hundreds of millions of people of Asia and Africa to the Western cause of freedom.

10. The difference between America and Europe with respect to the problem of overseas territories emerged from the discussion as minor by comparison with the areas of agreement. The obvious objective to be sought is an agreed policy of the West to work towards colonial self-government as rapidly and safely as is possible. Such a solution serves the interests of the West and of the dependent peoples. It thwarts the imperialistic interests of Communism.

III. Economic Policies and Problems

1. It was generally agreed that economic factors were no longer such a serious cause of friction between the United States and Europe as they were a few years ago. The chief reason for this was the improvement in the dollar situation which on the surface was very substantial. The diminution in purely economic aid which had accompanied it was psychologically valuable.

2. In 1953 American imports and expenditure abroad exceeded exports in total by some 2 billion dollars. This permitted an increase in the gold and dollar reserves of the rest of the world – especially Europe. But within Europe the increase has been very unevenly distributed. Moreover the flow of dollars

itself has been sustained only by abnormal American government expenditure – defence aid, offshore purchases, military expenditure and stockpiling – of some 4½ billion dollars. Anxiety was therefore expressed lest, when this abnormal expenditure was cut down the dollar gap would reopen. It was recognised that rising levels of trade and investment remained essential ingredients in that “partnership for growth” between America and Europe which is essential.

3. The Randall Commission Report is evidence of the attitude of the present American administration on trade policy; the support of the American business community is evidence of new industrial thinking. All of President Eisenhower's trade programme will not be adopted by the American Congress this year; nevertheless, European business men are aware that further tariff reductions are by no means the only important method of facilitating trade. Delays and uncertainty resulting from the intricacy of Customs regulations are equally frustrating to the freer flow of goods.

4. The condition of the American economy has significance for every European country, but the relatively minor reflections abroad of the decline in American economic activity during the past several months is an encouraging reminder that the European economies have grown in health and stability. There are a number of factors operating in the United States economy which will tend to prevent serious economic dislocations of long duration.

5. For some years now the United States has been producing manufactured goods at so fast a rate that it has become increasingly dependent on overseas sources for raw materials. This process will continue, and American imports, principally of raw materials, will rise gradually but substantially. The consequence should be a large increase in the supply of dollars to the rest of the world. The rise in American imports, however, will consist largely of goods from areas outside Europe. If therefore Europe is to have a share in the increased dollar earnings, it will have to export more to third countries in a framework of multilateral trade. The problem of convertibility of currencies was recognised as an important problem for the free world. Reference was also made to the need for facilitating migration as a means of relieving poverty and overpopulation in certain areas.

6. During the last few years, differences between America and Europe over East-West trade have been an important cause of friction. While trade between Western Europe and the Communist bloc has in fact been regulated in accordance with agreements reached between the governments of European

countries and the United States, public opinion in America has been very much at odds with public opinion in Europe and vice versa on the subject.

7. It was recognised that this conflict sprang largely from the differences in the emotional reactions to the Korean war in America and Europe – differences which it was thought had recently diminished. It was hoped that the negotiations at present taking place on the list of controlled exports would do much to eliminate them.

It was the general opinion:

(1) That certain exports of a strategic character to the Communist bloc would have to continue to be regulated in accordance with agreements made between the free nations, so that there would be no divisions among free nations.

(2) That it was undesirable for the democratic countries to become too dependent on the Communist bloc for either supplies or markets.

(3) That subject to these guiding principles, there was no objection to expanding trade with the Communist bloc where there were advantages to the free world.

(4) That this trade was unlikely to reach a high level because of unwillingness on the Communist side to endanger their own self-sufficiency.

(5) That agreement between the U.S.A. and Europe on these lines would go far to destroy the considerable propaganda advantage enjoyed by the Communists during the last few years from the dispute between America and Europe over East-West trade.

IV. European Union and European Defence Community

1. European unity in some form has long been a Utopian dream, but the conference was agreed that it is now a necessity of our times. Only thus can the free nations of Europe achieve a moral and material strength capable of meeting any threat to their freedom.

2. The American members of the Conference expressed full support for the idea of European unification. They made it entirely clear, however, that American opinion is not doctrinaire as to the form unification should take. This is quite clearly a European problem which Europeans will solve in accordance with their own institutions and traditions.

3. There was discussion of the form for an effective unity. EDC is a form of co-operation in one field proposed by European nations and already ratified by several of the potential members. One member proposed that EDC and all of its members might become an integral part of NATO, which already exists. This same proposal would contemplate the formation within NATO of a central organ of decision, capable of action in the political and economic as well as the military field.

4. America's interest in European unification was presented as a result of the great sense of urgency that infuses American opinion and is shared by many Europeans. This desire for early and effective action does not reflect any lack of appreciation of the many difficulties faced by the European nations in seeking to find a successful formula. It was suggested that America's interest in the matter would be better understood and respected by Europeans if it were presented as to some extent an act of self-interest, involving America's own welfare, since human nature inevitably seeks private motives for public actions represented as purely unselfish.

5. It was stated that Europe does not wish to produce a "melting pot" in the American sense. It was pointed out in response that federation of the American states has not resulted in an insipid conformity of culture and character. It was further noted that the federation of the Swiss cantons provides a good example on a small scale, of uniting areas with differing languages, religions and customs for a greater strength with no sacrifice of individualism.

6. It was noted that Communist leadership has developed a fear of, and respect for, the idea of unity in Western Europe. The Communist ideology from Marx through Lenin and Stalin, has taught that the democratic nations of the West must collapse through internal stresses and through quarrels among themselves. If effective unity is achieved, this basic principle of Communism will be destroyed.

7. It was observed that the present is a moment of historic European opportunity. A momentum has developed which should not be permitted to slacken. The result of slackening might be a recrudescence of national rivalries which would gravely weaken the democratic forces and might lead to Soviet domination and the destruction of freedom.

I. ATTITUDE TOWARDS COMMUNISM AND THE SOVIET UNION.

THE ASSESSMENT OF THE COMMUNIST THREAT.

1. "The peoples of the free nations of Western Europe and the United States are in full agreement that the combination of Communist ideology and Soviet military power is the paramount threat to individual freedom and free institutions. The differences which still exist between these nations on the subject of how to meet this threat are differences of method rather than of purpose.

2. "The Communist threat presents itself in different ways in varying countries. To most Americans it appears as a foreign conspiracy alien to all national traditions and traitorous in nature. To many Europeans Communism, while no less dangerous, appears as an ugly perversion of certain Left-wing movements with long historical backgrounds. It was agreed that, in certain nations of Europe, many people vote Communist without considering themselves disloyal to their country, but in protest against what they regard as wrongs and injuries. In such countries the Communist movement is directed by outside leadership, but it has roots in native soil.

3. "Poverty and deprivation are contributions to Communism, but not its sole cause. There is no precise correlation between the appeal of Communism and the existence of bad social conditions. In certain regions of Western Europe it attracts well-paid workers and in some cases intellectuals. Nevertheless, one of the best ways to counteract Communism is for the free countries to demonstrate to the world that an adequate standard of living can be achieved for all people under conditions of freedom.

4. "Soviet Communism is not a force of liberation, progress and social justice, but a movement of reaction and retrogression. This fact must be constantly emphasised.

5. "America sometimes charges its allies with slowness and undue deliberation in meeting the Communist threat. European nations sometimes feel that the United States is unreasonably impatient. The main difference between the European and American attitude towards the Communist threat is a different sense of timing. Both Europeans and Americans understand that Communism is not like the weather, against which occasional local precautions can be taken, but that it is an active enemy requiring positive, energetic and steady opposition."

The participants in the Conference were in complete agreement in their assessment of the danger presented by Soviet imperialism. Summing up the

discussions, one of the participants pointed out that on both sides of the Atlantic it was agreed that the Communist ideology being totalitarian was fundamentally opposed to the belief in liberty and individual responsibility which characterised Western civilisation. In fact, it constituted danger number one to Western civilisation. An enemy power or group of powers had decided to use that ideology as an instrument of expansion. Whether the expansion of Russia was simply the old imperialistic expansion or a new type, made no difference to the nature of the danger. In the face of the Communist threat, it was possible to say that the reactions were fundamentally the same in Europe and America, i.e., the desire to build up military, social, economic, and moral forces strong enough to make aggression impossible, and thus to preserve peace.

As was pointed out at the beginning of the debates, however, this threat was global, and not limited to a particular area. For the first time in its history, the United States was insecure, and felt that the Soviet Union presented a real, massive, and immediate threat to its own civilisation. The United States had for 150 years taken security for granted. With the simultaneous occurrence of two events, the emergence of Communist imperialism and the discovery of nuclear weapons, the American people overnight found themselves threatened for the first time by the possibility of the destruction of their homes and of their families.

Later in the debates two speakers compared the Soviet danger with the threat of the Arabs for whom their religion, Islam, demanded world domination. This was why some of the participants felt that the West was faced with a new kind of problem, and that it was a mistake to judge the present situation, as many people were inclined to do, in terms of classical power politics.

Although the assessment of the Communist threat was identical so far as all members of the Conference were concerned, the importance of an agreed view as to its urgency became apparent early in the debates. This point was frequently repeated. As one of the speakers pointed out, the attitude of the United States and of Europe could be illustrated by speeches which had recently been made, one in the United States by Admiral Carney, who had said that the United States was rapidly approaching the cross-roads, which would probably be reached within two years, in its fight to the finish with Soviet Russia, the other in London by Sir Winston Churchill, who had again appealed for patience in dealing with the Soviet threat.

It was, however, remarked that these kinds of opinions tended to be expressed in very different ways in Europe and in America, giving the impression of greater divergencies than really existed, which led to frequent misunderstandings.

Another question in this connection, that of co-existence, was mentioned by several speakers. One of the Americans quoted a high official of the Administration as having recently said that we could only avoid war if we shared the firm conviction that co-existence was impossible. Again, the American Secretary of State had recently said that co-existence was impossible so long as Russia continued her present aggressive policies. Views on this point were divided in the United States, and the case of Turkey, which for the last fifty years had peacefully co-existed by the side of her enemy of long standing, the U.S.S.R., is often quoted.

The views on co-existence were closely related to the estimate of the short-term danger facing the West. In the United States there was a greater sense of urgency, while in Europe in most cases the long-term aspects took precedence over the short-term. One of the Scandinavian speakers explained, given a sufficiently long period of co-existence, the internal contradictions of the Soviet world were bound to turn in favour of the West. Soviet Communism was not able to tackle the new problems with which it was faced, and the doctrine which it applied would either prove its undoing, or would have to be radically changed. Among these problems was the fact that until recently power in the Communist world had been rigidly centralised. Now China was becoming a separate power centre, and this was to a minor extent the case in other satellite countries. This problem would in time become acute, and it was one of the chief sources of long-term hope for the West. He therefore believed the object of the foreign policy of the West should be the prevention of "Hell on Earth", rather than the creation of Heaven on Earth.

This debate also showed that Europeans did not share American impatience in the face of grave problems to which there seemed to be no immediate acceptable peaceful solution.

Political conditions which facilitated the expansion of Communism in Europe were mentioned on several occasions. Among these were the Leftist and, in some cases, the extremist tradition, which had deep roots in certain countries of Europe, in particular Italy and France. Thus, it was pointed out that although the majority in France was anti-Communist it must not be forgotten that sentimentally the Frenchman is inclined to be Left Wing, and that the Russians exploit this tendency. The tradition whereby the watchword was "Pas d'ennemi à gauche" ("No enemy to the Left") was very strong and had not yet died down. The fellow-travellers and progressist elements tried to make people believe that they were the advance guard of democracy, and tried to create the impression that Communism was but another Left Wing party, only more extreme. In this guise they could exploit whatever

incident in America might appear to Europeans as anti-liberal and anti-democratic.

Another political element which, it was pointed out, often helped the Communists, was the nationalistic sentiments in many European countries. These were exploited in particular in order to sow suspicion and distrust among allies and stir up anti-American feeling in the name of a country's independence, and were most frequently used in connection with German integration in the European community and German rearmament.

Another factor mentioned was that of the sense of power which the Communists gave to their followers. Communism, in the Greek speaker's opinion, represented less of an economic and more of a political and psychological problem than before the war. Communism was now inspired less by the class teachings of Marx than by the Nietzschean power worship. He considered that many people who, during or since the war, had adopted Communism, had done so because it satisfied their "superman complex".

Like Fascism and Nazism, Communism gave ordinary people the opportunity to distinguish themselves and achieve positions of prominence and power which they could not achieve otherwise on the strength of their capacities.

The same point was emphasized by a French participant, who recalled how members of the Communist underground organisation had emerged after the war with the halo of "toughness" and courage which they exploited extensively in the immediate post-war years.

He thought that one of the best remedies in this case was a strong and vigorous democratic government, applying with energy well-defined policies. The need for really good governments was of primary importance, and another speaker added that there must be stable governments if we want to carry out certain reforms. In this respect, France could follow the United Kingdom's example. For instance, M. Pinay's government gave the French people the impression of recovering its power of action and stability, enabling the government to take decisions which were even accepted by the working classes who felt that thanks to this stability the standard of living could be raised.

Finally, there was the fear of war, and, as one of the speakers pointed out, this was of particular importance in France, whose people were instinctively afraid of anything likely to start a war. The Conference was reminded, however, that this applied equally to other countries; in Italy, for instance, it expressed itself in the desire of people to reinsure themselves with the Communist side, in order to be safe in the event of Russian occupation, which did not seem unlikely to them in view of the many victories scored by Russia in the Cold War. An Italian speaker, after stressing the attraction which an

authoritarian regime exists in a country which itself is familiar with this experience, and is prone to swing from one extreme to the other, went on to speak of two other factors favouring the growth of Communism, namely the land hunger in the countryside and the fear of unemployment, particularly in industrial regions, which would always persist so long as the problem of over-population had not been solved.

Economic and social conditions were naturally put forward by many speakers as being of primary importance in the development of Communism. It was pointed out, however, – and this view is more fully discussed in M. de Gasperi's report – that Communist convictions or support at the polls for the Communist Party, and an unsatisfactory standard of living and social conditions, were not interchangeable terms, and that improvement did not necessarily cause people to change their views.

This opinion, however, was contested, and one of the participants pointed out that the fight against Communism was a material problem. In the case of Italy, it presented itself in the form of over-population. Other countries, such as the Netherlands, which were ruined after the war, but owing to their recovery had established sound economic and social conditions, had managed to reduce the Communist Party to an insignificant minority. The trouble in Italy had started with the suppression of emigration, and the problem resulting therefrom had led first to Fascism and later to the present troubles with the Communist Party. This was a problem which Italy could not solve alone, and she must get the help of other countries which would admit the surplus Italian population. This was an example of how international co-operation could help to solve the internal Communist problems of a country.

The view that the growth of Communism was not automatically related to economic conditions led many delegates to advocate the necessity for better democratic education.

The efforts of the Trade Unions in Great Britain and of the International Federation of Free Trade Unions, which sponsored a considerable educational programme, were mentioned, but many people thought that something could be done jointly by the Western European countries through official channels. The case of the unsuccessful Italian appeal for action to NATO was cited.

At various stages of the discussion American spokesmen explained how Communist problems appear to Americans. Their explanation may be resumed as follows:–

At a time when the United States people found themselves to be the most powerful people in the world, they simultaneously witnessed the victory of

Communist governments in Eastern Europe and China. The combination of a new-felt insecurity and the difficulty of explaining why the most powerful nation in the world was incapable of preventing major losses, led the American people to look for scapegoats within their own country. This was given impetus by the discovery of some instances of espionage. The resultant preoccupation with the conspiratorial aspects of Soviet Communism led to a widespread mistrust of liberal or nonconformist sentiments.

The Communist Party has never had any significance in the United States as a political force. At the present time, the number of known Communist Party members does not exceed 25,000, nor does the United States find itself burdened with social or economic conditions which are hospitable to an increase in Communist strength.

The United States possesses a labour movement which is not Marxist and which has been effective in eliminating Communists from its own ranks.

Communism in the United States has no political or social tradition on which to build. Because the industrial revolution in the United States occurred much later than in European countries, American labour never experienced the extreme hardships of European labour. Even during the early days of industrialisation, workers always had a degree of mobility far superior to that of European labour because of the existence of the frontier.

America having emerged recently as a principal power is new to the problems of external danger, and is anxious to find quick solutions. With this focus on Communist imperialism, it naturally thinks mainly in terms of military defence. On the other hand, America definitely wants above all to preserve a peaceful world, and is averse to any idea of preventive war.

The United States does not think of Communists as anything other than agents of Soviet imperialism, while Europeans distinguish between Communists professedly interested in social progress and social change and those who are active espionage agents.

6. "The basic purposes of the free world were described by different speakers at the Conference as freedom and security, freedom through security, and peace with liberty. The aim of the free nations is to deter aggression and to defend the free peoples. It is to protect the whole world against a war which might destroy civilisation. Its strength is designed for defence and not for offensive purposes.

7. "The opposition to Communism must be carried out through democratic means. Hatred must be kept to a minimum, as hatred breeds more hatred and becomes in itself a destructive force. Soviet Communism is a pseudo-religious imperialism or a perverted secular religion. It must be countered by a moral as well as a material force having superior power to command men's minds and hearts. In this battle of course religion and spiritual values play a most important part."

In the opening address a call was made to the people of the West to become more conscious of their responsibility to the whole world, and not only to those parts over which their respective influence extends. It was stated that in the face of the Communist challenge we must prove to the world that our answers to its problems are the right ones. If we want our ways to prevail we must win the votes of the world. We still have a very long way to go before we can win such contests everywhere. In many places in the world we see free people turning away from the West and casting their eyes on the Communist East. This implies that we should offer the world a conception of international society, a civilisation and a way of life which provide a place for everybody, including those who might oppose us to-day. If we want to succeed in this great and noble task we must prove that individually as well as nationally we can meet the challenge it puts to us.

A similar note was sounded by many speakers, one of whom pointed out that all the hopes of the Western world would crumble were it to experience a depression similar to that of 1929. It would prove a failure of democracy, which had first of all to demonstrate that it was a constructive force and attract support by showing itself capable of raising the standard of living of its people.

The same point was made by a Belgian participant when discussing the very strong Communist influence on intellectual circles in France. The best way of fighting Communism was to look beyond the conception of an outdated conservatism and give a new significance to democracy. New solutions must be found for the social problems. Much hope was attached to European solutions, which alone seemed likely to meet the challenge confronting the democratic system to-day. They provided the long-term formulas for social and political stability which were so badly needed in France.

The importance of the moral and spiritual factors was raised and a number of participants stressed the part which could be played by religion and the churches in the fight against Communism. Religious feeling in Western communities was strong, going to the root of the convictions held by Western peoples, and providing a fundamental base in the struggle against Communism.

Finally, one of the speakers mentioned that Communists could not be defeated by hatred and persecution, and that was why he was concerned with certain aspects of the present situation. Tolerance and reason were the proper defence. Given an atmosphere of tolerance, unless we could convince and prove to the people that we are right and the Communists wrong, they and not us will deserve to win.

8. "Good relations between the free nations must rest on friendship and mutual understanding between the peoples of those nations, not merely on agree-

ments between governments. Public misunderstandings could encourage Soviet aggression by creating a misleading impression of weakness within the alliance.

9. "It took Stalin to teach the free nations of the West how much they depend upon one another. Military co-operation has been seen by all to be necessary; it has been implemented through the North Atlantic Treaty. It was agreed that similar co-operation in the economic and political fields would greatly advance the prospects of world peace.

10. "Criticism, which is an essential ingredient of a healthy democratic society, must also be an ingredient of a healthy democratic alliance. The democratic nature of the alliance of the West is both its strength and its weakness. Since the Western nations cannot act through compulsion or regimentation, progress is sometimes delayed, yet the fact that the Western alliance functions through the free consent of all members endows it with a moral and spiritual unity. It was repeatedly emphasised that certain of the tensions which have disturbed relations between the United States and the countries of Western Europe have resulted from the lack of adequate consultation before important public steps were taken. It was agreed that improved machinery for consultation was highly desirable."

Three points in the opening address were debated at length, viz:

Since the free countries of Europe, the United States and Canada must act as one, they will need a certain unity of outlook and they must make an effort to think in terms of Western partnership as a whole. That means that we must promote a new way of thinking, transcending the Old World mentality which often has a provincial look about it. This could help Western people to realise their common interest. A common outlook is essential to the Western world if it is to maintain the unity of action which is so desperately needed.

The point outlined above is, however, at best a long-term process. In the meantime, ways should be found to eliminate frictions and misunderstandings among the partners of the Western world. Among these, here is one that should be mentioned: the right to criticise each other. Provided this criticism is given in the right spirit – positive and not negative – and is accepted in the same friendly spirit.

The interdependence of the Western countries makes interest in one's neighbours' affairs not only natural but necessary and vital.

In all Western democracies criticism is essential to good government. It ought to play the same beneficial role in the international field, enabling the country at which it is directed better to judge the effects of its actions on its allies and partners. Alas! to-day such criticism is often strongly resented. It is very difficult, however, to visualise the Western alliance working efficiently if the right of friends to criticise each other is not accepted as something

natural and necessary, not contrary to good manners or offensive to national pride.

Just as at this Conference we study the domestic developments in our respective countries and their bearing on international relations, sheer necessity will in future force people sooner or later to the critical examination of other allied or friendly countries' domestic affairs, whenever they can have international repercussions.

In the face of the present challenge the Western world must act as one. We must therefore find appropriate forms of action.

One of the best ways of doing this seems to be multilateral agreements, such as, for instance, NATO. Without prejudice to the many excellent existing bilateral agreements, these, although often more convenient and more easily reached, are more vulnerable and liable to be exploited by our enemies.

Unco-ordinated action, unagreed moves, decisions affecting allies which have been taken unilaterally, all these things carry grave dangers by providing the enemy with the immediate chance and the weapon to divide the Western world.

Similar views were expressed several times during the debates, and the problem of NATO attracted particular attention. Early in the course of the discussion one of the participants pointed out that NATO represented a successful attempt on the part of fourteen nations to work together. This organisation still followed the principle of unanimity, and the fact that it had achieved so much since its inception proved the degree of unity in the West. NATO had proved a predominant factor in stabilising the situation in Europe, and divergencies which existed at the present time sprang up in those regions in which no such organisation existed, in particular in Asia.

Another participant pointed out that on some aspects of the Western effort, i.e., as regards Article 2 of the Atlantic Treaty, outside certain well defined areas of military and financial action much was apparently said but little done.

Again, no appropriate machinery for consultation had been set up. The Atlantic Council, which met from time to time, was a cumbersome body, and the exchange of speeches could hardly be called consultation. Failure to achieve consultation had in turn created emotional reactions. Minor allies felt that most questions were not really their concern, and developed the unfortunate habit of looking up to the major allies or of being annoyed by their actions if and when not properly consulted. On the other hand, the bigger powers thought of the smaller countries as "them", and not as "us".

This need for consultation was further referred to at the end of the debate on Communism by three other speakers, who stressed the need for more frequent meetings between Americans and Europeans, not only between

officials but also between personalities from all professions and all walks of life, which would help to produce a common point of view on the free world of to-morrow.

Another speaker, who again was certainly not isolated in his opinion, pointed to the need for a joint policy towards Communism and the Communist states.

At the beginning of the debate on Communism one of the United Kingdom participants stressed that one of the chief difficulties during the past three or four years had been that massive emotional states had arisen in the United States which had no counterpart in Great Britain or on the Continent. Real differences of policy or emphasis could in the long run be solved by hard negotiation, but those emotional states rendered agreement more difficult and threatened to make it impossible. The speaker referred to two particular states of mind which had come into being in the last three or four years, one over China and the other over "McCarthyism". Many Americans felt strongly about Communism in China, and passionately about Korea. Although in Britain such feelings were understood, an opposing emotional attitude arose in response to the American attitude; many wondered whether America acted from passion rather than from policy.

With regard to "McCarthyism", the speaker wondered whether the many Americans who "hated his methods but valued what he was after" realised how those methods (not under-estimated by the newspapers) acted on European minds and memories. There was a difference of outlook between the two countries. When an American gave priority to the Communist problem, he was first of all concerned with whatever was to be done about it now. A Briton would take it rather as a statement of fact, such as that summer came after spring.

Difficulties between governments were therefore due, not to the intractability of their views, but to the massive emotional states prevailing in the different countries, and to the effects which in turn they produced in others. That factor accounted for the difference between the two periods, 1947 to June 1950, and from that date up to the present time. Those emotional states had not existed during the first period, but in the second they bedevilled the efforts of governments at all stages.

The emotions he had described, said the speaker, were the real cause of the conflicts between the Western partners, of which the Far Eastern problem was a classical illustration. The meeting should look there for the root of the trouble.

An American speaker said that McCarthyism had not only rocked the world, but had caused many misunderstandings between the United States and her friends. There were two aspects of the phenomenon: chasing Communism

and combating Communism. On McCarthy as a chaser of Communists American opinion was divided into three camps: those who strongly disapproved, those who approved of the aims of McCarthyism but who disapproved of the methods used, and those who were in complete agreement with it. The speaker believed that these three currents of opinion would continue to exist as long as McCarthy was in the Senate. McCarthyism had caused a split in religious circles, while among the general public tens of millions of sincere Americans disagreed on the subject. McCarthyism, moreover, had caused strife between the legislature and the executive. Communism at the present time certainly made a greater impact than it had done formerly, and McCarthyism might have fostered it to a certain extent. The speaker believed, however, that in the long run the American political system would peacefully and democratically absorb McCarthyism.

II. ATTITUDE TOWARDS DEPENDENT AREAS AND PEOPLES OVERSEAS.

1. "The problem of dependent areas was explored as a source of possible misunderstanding between the United States and the European powers with responsibilities for such areas.

2. "It was agreed that the welfare of the dependent peoples themselves should be the primary point of concern. It was recalled that the United Nations Charter sets forth the proper role of nations holding responsibility over less developed areas of the world. It is a role of trust, in the nature of a sacred mission, and has been so accepted by the nations signing the U.N. Charter.

3. "Certain members of the Conference argued that no dependent area should be given full independence until it is capable of maintaining its freedom, but that every effort should be made to create the pre-conditions for secure independence with all possible speed. A slightly different view was that the test should not be whether the dependent area is potentially able to protect a new-found sovereignty, but whether it has developed an adequate degree of literacy, political understanding and a viable economy. It was noted, however, that the achievement of these conditions would generally provide the best assurance against a loss of independence.

4. "Under-developed areas are sometimes not well supplied with indigenous administrators and technicians capable of carrying on a democratic government. Some areas which have recently won independence have had to accept less efficient administrators and declining standards in various ways. Mention was made of the long programme of development by the colonial powers in the fields of education, public health, nutrition, and economic production. It was stated that perhaps no colonial area in the world now shows a net profit to the power in possession, as a result of expensive programmes of development."

The problem of development in the colonies attracted the attention of many participants. Early in the debate one of the speakers recalled the appeal made many years ago by Queen Wilhelmina for the education of the native population of the Dutch East Indies, to prepare them for self-government. This population, however, had increased in one century from 5 to 70 million, which meant that every year 1 to 2 million more children had to go to school. In the present state of its civilisation, premature independence had laid the former Dutch colonies open to the risk of power being seized by extremist elements,

and the only reason this had not happened was that no sufficiently ambitious strong man had yet appeared to take the reins of dictatorship.

Another problem which seemed of vital importance was the lack of administrative ability, which was felt far more strongly in Africa than in Asia. One of the speakers said that it was obvious that the system in Africa, which consisted in giving a good education to a limited number of intellectuals, at the same time leaving millions of individuals in ignorance, could not provide the country with an adequate number of civil servants and could only lead to Communism. It was therefore indispensable gradually to raise the workers' standard of living by increasing their salaries and by developing the native middle classes which would form a social nucleus more liable to understand democracy.

Political progress in Africa must proceed side by side with a certain economic progress if we want to attain a real democracy. Political power must be granted progressively; this should be given first of all to local authorities. It was a general trend which must be followed in relations with Africa. Somebody asked how quickly this could be done. "This", was the answer, "depends on the development of the economic situation which could be accelerated by an investment policy."

This economic problem caused one of the American speakers to point out that he saw a fundamental difference of emphasis between the European and the American outlook. Europeans tended to think that if the economic and social level of colonial peoples were raised, political progress could follow more slowly. Americans regarded social and economic progress as fundamental, but they laid a greater stress on the speed of political development. However, in the last years they had come across a good deal of evidence of the ill effects of granting independence to people unable to administer themselves in the surroundings of the twentieth century.

The speaker stressed the importance of educating those countries in the technical sciences and crafts. There was a tendency among them to embrace the liberal professions rather than the technical ones, and America felt very strongly that technical education should be provided and encouraged. What was the choice, the speaker concluded. Was it between the political independence of a country and starvation, on the one hand, mismanagement and the economic exploitation of its inhabitants on the other? Experience had shown that some countries which had recently become independent were considerably worse off than they had been before.

The economic problem was matched in importance by that of the establishment of democracy, and one of the United Kingdom speakers pointed out that colonialism as a policy was a thing of the past and that a democratic

approach to overseas territories had taken its place. He pointed out that except in the case of ancient Greece, democracy was a new doctrine and the effect of its impact, together with the impact of the new sciences, had not yet been fully realised in the West. The effect of their impact in Asia and Africa was bewildering.

He thought that the West should consider itself as the trustee of Asia and Africa. It ought to be realised, however, that basic education was insufficient to equip a people for self-government and it would be unfair to expect those inexperienced peoples to look after themselves without some special training. Such training of selected students from colonial territories under British administration had been carried out in the United Kingdom.

Lectures had been given and courses had been run on local government. It had been interesting to note that all the students had pointed out that, although their countries had now their own legislatures, supervision was still required to avoid any misuse of power.

1. "On the other hand, a very strong wind of nationalism is blowing across the world, and under these circumstances, it was argued, demands for independence may not conform to any degree with the extent of preparation for independence in any given area. Dependent peoples, it was argued, show a willingness to buy their freedom, even at a high price to themselves in prosperity and orderly government; and they will not generally be willing to accept readiness for self-government as the test of when self-government should begin.

2. "The act of independence does not necessarily mark the emergence of a competent addition to the society of free nations. When treaties are signed and the ink is dry, it was stated, the process of creating a stable nation is not at an end.

3. "It was pointed out that dependent areas would lose all chance to gain freedom if the free nations of the West should themselves lose their independence.

4. "There was general agreement on the objective that the dependent peoples of the world must be assisted along the road that leads to self-government. There was a lack of agreement only as to the tempo of this movement. The American point of view tended to favour a more rapid tempo on the theory that nationalist feeling, contained too long, may explode into violence which can only benefit Communism. There was a difference of view among European spokesmen on the question of tempo, though full agreement on acceptance of the ultimate objective of self-government.

5. "It was generally agreed that military action alone cannot be effective in such areas as Indo-China. It must be accompanied by political action as well. It was emphasized that a military success for Western forces in Indo-China, if not accompanied by a satisfactory political programme, might lose hundreds of millions of people of Asia and Africa to the Western cause of freedom.

6. "The differences between America and Europe with respect to the problem of overseas territories emerged from the discussion as minor by comparison with

the areas of agreement. The obvious objective to be sought is an agreed policy of the West to work towards colonial self-government as rapidly and safely as possible. Such a solution serves the interests of the West and of the dependent peoples. It thwarts the imperialistic interests of Communism."

From the outset of the discussion it was pointed out that on the American side there was a strong and traditional feeling that Colonial people should be free. Emotionally, Americans still felt a little like colonials, but from a rational point of view, as public opinion grew more sophisticated, they were discovering that a too sudden liberation might work out badly for all concerned. They had not, however, outgrown their feelings.

In Europe, that conflict was reversed. The pull of emotion, in which national pride was involved, worked in the sense of keeping colonials under European guidance. Reason, on the other hand, had shown the dangers of keeping too tight a hold.

A speaker pointed out that America's role as mediator in Colonial questions could be a very important one. He hoped he was not expressing a naive view when he said that America could act as a bridge between colonial peoples and the colonial powers of Europe. Such action would require a great effort of intelligence and understanding on both sides. Here again, it was a question of patience. Many Europeans felt that Americans were too impatient on the issue of colonialism. Americans, on the other hand, felt that Europeans were too patient. In the great nationalistic storm they would all be swept out of Asia and Africa, with most unfortunate results. However, it was not primarily a question of European or American interests. The interests of the colonial peoples themselves should not be forgotten, but these interests were closely bound up with those of the Western powers, as was increasingly recognised in America. An American speaker quoted a remark made by Henry Byroade, Assistant Secretary of State, who in a speech delivered in 1953 said that the premature independence of these peoples would not serve the interests of the United States nor the interests of the free world as a whole. Least of all would it serve the interests of the dependent peoples themselves.

If America was to play a useful part in working out the problems of colonialism, it would have to acquire a fuller appreciation of Europe's attitude on the subject and to understand the real benefits brought by Europe to these areas. Europe should also learn to appreciate America's good intentions. The United States might not always be right-headed, but they were right-hearted.

This point was taken up by a Dutch speaker, who asked why America, who itself suffered from a conflict between emotion and reason, was better suited to deal with the problem of colonialism. Was it not liable to make the same

mistakes? He suggested it would be better that an international body like the United Nations should be the mediator on those problems.

The American speaker replied that he did not consider America alone to be able to act as a mediator in the colonial question, and that within the United Nations his country would certainly play an important part owing to its great interest in the subject. America could control and use its emotional drive for that purpose.

Referring to this question, another speaker suggested that the role of the United States should be that of leadership, which implied heavy responsibilities.

The attitude of the United States has, however, evolved considerably, and one of the Americans pointed out that the one reason why the United States felt it should play a role in working out colonial problems was that America thought they were no longer merely a question of emotions, but that they involved the military security of the United States. Whatever the progress in dependent countries, there was a trend towards freedom, and colonial powers could either keep the lid on it, which was a bloody and unlasting solution, or organise an evolutionary development ending in liberty for the native populations and economic advantages for the ex-colonial powers. He asked the members of the Conference how the participation of the United States in that task was viewed in Europe – with alarm or with comfort? Looking at the past, he would expect alarm, but America had evolved since Wilsonian self-determination, and had gone a long way since the time when every black with a tommy-gun was looked upon as a potential George Washington.

Again, the European attitude towards the aspirations of the Colonial peoples varied from country to country, and one of the speakers said that the benefits the Colonial people had received from white governments meant nothing to them compared with the urge to be free.

That was precisely what had happened in Indo-China. The weakness of the Western position was not only due to military causes but to the lack of a basic democratic outlook, and if India, Indo-China, and Burma had not achieved their independence, the whole conflict would certainly have been a very different one. The speaker concluded by saying that the only solution lay in a speedy development towards self-government.

The question of timing in granting independence to colonial or dependent territories was frequently stressed, and one of the speakers suggested that good timing brought its own reward in co-operation, whereas bad timing might bring resentment and confusion. In disengaging themselves from their colonies in implementation of the United Nations Charter, the Western countries had been caught by the Cold War. They could not take back power and responsibilities which had already been handed over, and in order not to create a

situation favourable to Communism, had had to slow down the process of granting complete independence. It was to the advantage of the colonial powers to maintain their support of the colonial territories and to strive to assist them in their evolution towards complete independence.

Another country's policy was that a nation should become independent as quickly as possible, as far as was consistent with its power to rule itself. The test was a more internal one: did that country have a sufficiently large political class? Was it economically able to stand on its feet? The question should be approached in that way and not from the point of view of its position in international politics. The result would be the same, because Communism would only flourish in a country that was economically unsound, or that was not fit to govern itself because it was illiterate. The recent example of British Guiana was a case in point. On both sides, more information was wanted about each other's point of view. It should be realised in the United States that the object of the British Government was to bring independence to colonial countries. The issue was not so much one of colonialism and anti-colonialism, but of timing. A constitution was no more than a step in the path of a country's independence. It did not in itself alter existing conditions.

Another speaker pointed out that the freedom and future of Europe was as much at stake as that of the colonial territories. The world was divided into two hostile camps between which a line of balance would have to be found. He thought, therefore, that the Western countries should accept the situation in which they found themselves and decide whether or not a country should be surrendered to Communism, if by so doing the final security of the world could be obtained. It was the right and duty of the Western countries to safeguard their own future and by so doing the freedom of the colonial territories would also be assured. It was the duty of the West to help these territories to gain their freedom, but the truth that a defeat of the Western countries would bring a total loss of freedom everywhere should not be overlooked.

The subject of colonial and dependent territories led one of the participants to refer to the general problem of relations between Western and Asian and Middle Eastern countries. He pointed out that the real issue was whether or not the Western countries could gain the confidence of the peoples of Asia and Africa. It was ironical that the United States of America, which was in the forefront of the struggle in favour of colonial territories, should itself have worse relations at present with some of those countries than had Great Britain. It should be realised that in many countries the United States was considered as a major imperialistic power. He reminded the Americans of two facts: first, "colonialism" was deemed to exist when a large power exerted its authority in a country without consideration for the local inhabitants; and

secondly, that the newly independent Asian countries reacted just as the Americans had done before World War II when, having escaped from Europe, they tried to avoid being dragged into power politics. He felt that if the American people understood that the Asian peoples were reacting just as they themselves had done, they would more easily gain confidence in Asia.

Speaking on the same subject, a German participant pointed to the danger of allowing Communism to become the champion of liberty in under-developed areas. Communist propaganda was successful owing to the suspicion with which the promises of the Western powers were regarded. Much would depend on the fight in these countries against Communist infiltration. The Federation of Free Trade Unions had tackled that question on an international basis and had found it easier to solve in that way. A regional fund had been created, fed by European and American Trade Unions, which included among its activities the setting up of trade union schools in under-developed countries. This work had succeeded at any rate in gaining more confidence than was inspired by any action by individual countries, for Western nations were still looked upon with a deep-seated mistrust.

Continuing in this train of thought, another participant said that in his opinion the responsibility of the Western nations towards newly liberated countries did not cease when, after ensuring that such countries were strong enough to withstand Communism, they were granted their independence. It should be remembered that colonial territories were willing to pay a high price for their liberty and would cheerfully accept a reduction in their standard of living in return for such liberty. If the former colonial powers would not continue to help them, an economic crisis might arise which would pave the way for Communism. Responsibility lies equally with Europe and with the United States.

Early in the debate one of the speakers, referring to Indo-China, recalled that in 1950 two distinct events had occurred in connection with the Korean problem. The first had been a decision enabling the United States to initiate military action in Korea with the full approval of the United Nations, and the second had been the overwhelming world opinion that aggression had taken place in Korea. The present problem was an early instalment of a situation comparable to that which had existed in Korea, an instalment which might later involve an area of the world from Buddhist Burma through Ceylon and Hindu India to the Moslem countries. He thought that it would be a mistake, believing the problem to be a matter of urgency, to deal with only one aspect, i.e., the military aspect. Although it might be possible to win battles in S.E. Asia and Indo-China, the aftermath of such battles might mean the loss of 500,000,000 souls to Communism if social and political aspects of the problem

were ignored. Political judgment was vital to the successful conduct of affairs in those countries and was complementary to the military aspect. The problem was urgent in both aspects and unless they were handled together as was done in the case of Korea, the world might be faced with a communist State extending from the China Sea to the continent of Africa. It was for this reason that he advocated dealing with the political aspect at the same time as the military aspect.

III. ECONOMIC POLICIES AND PROBLEMS.

1. "It was generally agreed that economic factors were no longer such a serious cause of friction between the United States and Europe as they were a few years ago. The chief reason for this was the improvement in the dollar situation which on the surface was very substantial. The diminution in purely economic aid which had accompanied it was psychologically valuable.

2. "In 1953 American imports and expenditure abroad exceeded exports in total by some 2 billion dollars. This permitted an increase in the gold and dollar reserves of the rest of the world - especially Europe. But within Europe the increase has been very unevenly distributed. Moreover, the flow of dollars itself has been sustained only by abnormal American government expenditure - defence aid, offshore purchases, military expenditure and stockpiling - of some 4½ billion dollars. Anxiety was therefore expressed lest, when this abnormal expenditure was cut down, the dollar gap would reopen. It was recognised that rising levels of trade and investment remained essential ingredients in that 'partnership for growth' between America and Europe which is essential.

3. "The Randall Commission Report is evidence of the attitude of the present American Administration on trade policy; the support of the American business community is evidence of new industrial thinking. All President Eisenhower's trade programme will not be adopted by the American Congress this year; nevertheless, European business men are aware that further tariff reductions are by no means the only important method of facilitating trade. Delays and uncertainty resulting from the intricacy of Customs regulations are equally frustrating to the freer flow of goods.

4. "The condition of the American economy has significance for every European country, but the relatively minor reflections abroad of the decline in American economic activity during the past several months is an encouraging reminder that the European economies have grown in health and stability. There are a number of factors operating in the United States economy which will tend to prevent serious economic dislocations of long duration.

5. "For some years now the United States has been producing manufactured goods at so fast a rate that it has become increasingly dependent on overseas sources for raw materials. This process will continue, and American imports, principally of raw materials, will rise gradually but substantially. The consequence should be a large increase in the supply of dollars to the rest of the world. The rise in American imports, however, will consist largely of goods from areas outside Europe. If therefore Europe is to have a share in the increased dollar earnings, it will have to export

more to third countries in a framework of multilateral trade. The problem of convertibility of currencies was recognised as an important problem for the free world. Reference was also made to the need for facilitating migration as a means of relieving poverty and over-population in certain areas."

Discussion on the possible recession in the United States was obviously the introduction to this part of the debate. The optimistic views of the American participants were generally accepted, and it was the long-term prospect rather than the short that became the subject of debate.

The impact on Europe of the difficulties recently experienced in the States prompted one of the participants to point out that an important difference now was that wholesale prices had not fallen and that therefore the impact of the recession on imports had been confined to reduction in volume. This was partly due to the fact that the break in the boom came about two years ago.

A second important point was that obviously there must have been compensatory buying from the rest of the world. This seemed to him important as it dispensed with the assumption that the rest of the world was dependent on what was happening in the United States. This time in the United States imports and exports had declined, but all this had been compensated for by an increase in non-dollar trade. Psychologically this was of some significance. That would not have been possible without something else happening as regards the dollar gap. There were three reasons why gold flowed into Europe: a major influence was an increase in American overseas spending, i.e., making dollars available through their overseas military expenditure; secondly, the benefit of certain dollar economies; and thirdly, the movement of capital had been recently towards instead of away from Europe.

In connection with the long-term economic prospects, multilateral trade attracted the attention of the meeting. At the beginning one of the participants developed the following argument: -

For the past century the volume of production had been doubled every twenty-five years and there was reason to believe that this would continue. During the past ten years there had been a change in the character of U.S. production. The rate of production had been speeded up, which had caused the United States of America to be dependent on raw materials from abroad, especially minerals and petroleum. Imports would increase to a great extent. Europe and Britain would have to depend on getting dollars from countries outside the United States, which would mean a re-establishment of multilateral trade. Although this had been unrealistic some years ago, he believed it was now possible to achieve.

Another speaker, referring to the question of multilateral and bilateral trade, recalled that it had been pointed out that it was Latin American and

not European countries that were likely to benefit from future increases in purchases abroad by the United States. Personally, he did not take a pessimistic view of these prospects. He thought that European countries had for so long been accustomed to bilateral trade that they had forgotten the classical mechanism for multilateral world trade which had existed for decades before 1914, and which had used the clearing-house of London. London had been perfectly adapted to perform these functions. Possibly New York was not yet completely adapted to taking over this role, but if it could succeed in perfecting the necessary mechanism, the rest of the world could begin to solve its problems. Bilateral trade protected by governments was comparatively easy; but the liberal multilateral system of trading, based on efficient private initiative, could be much more successful.

Another speaker was less optimistic. Multilateral trade already existed, for instance, between Canada, the United States, and Great Britain, but the question was not quite so simple. Europe would find the prices of what it bought would rise, and that it would have to meet fierce competition in the United States in seeking to earn enough to pay for its imports. It was a question of terms of trade.

This led one of the participants to refer to the necessity for a common attitude towards under-developed countries whose economy was based in most cases on the export of raw materials. This raised many problems. If, however, it were possible to find in the near future some way of stabilising the prices of raw materials, instead of hoping that a future liberalisation of trade would automatically provide stable prices, this would ensure a stable economy for these countries, and as a result would inspire them with more confidence in the West and greater willingness to look to the West for political guidance.

In the course of the discussion in connection with the dollar gap, the Randall Report was often mentioned. One of the participants, in reply to statements that had it not been for political reasons, the Randall Commission's proposals would have gone a good deal farther, said that that was not the case. He mentioned also that there had been undue emphasis on the foreign trade aspects of that report, which were only one of its elements. Two men on the Randall Commission, as well as one Englishman, had advocated a complete convertibility of currencies. The dollar gap was due to prices and could be referred back to the provisions of the International Monetary Fund which had fixed exchange rates at an unrealistic level, and for which the United States had been largely responsible. If true convertibility came about, the dollar gap would be considerably narrowed. He added that it was not possible to say how much politics had influenced the final report prepared by the Randall Commission. Political considerations had to be met, the Battle Act

was the result of such considerations and had been widely condemned, but yet it had made possible a number of things that otherwise would not have happened.

On the subject of imports into the United States, customs difficulties were not entirely the fault of the government. They were often the result of efforts made by importers to obtain rates that did not apply to the particular merchandise.

Commenting on points previously raised, such as the United States Battle Act and restrictive practices in tariffs and customs duties, another speaker pointed out that apart from their evil economic consequences they also gave rise to friction in relations between the United States and European countries. As long as Europe was unable to rely on favourable conditions of trade with the United States, relations with the United States must suffer in one way or another. He believed that the United States Administration was anxious to smooth the path for Europe in the economic field. But its position was different from the position of governments in European countries. The Administration was faced with internal political difficulties which resulted, for example, in the comparatively unadventurous proposals of the Randall Commission which he thought some members of the Commission would have liked to see much more far-reaching. For the same internal political reasons consideration of this report might now be postponed. It should be borne in mind, therefore, that the United States Administration was handicapped in many ways, and it should be emphasized that it was important to find a way so to educate public opinion in the United States that the Administration would receive more support for its new policies of economic co-operation with Europe.

Problems of individual countries were also mentioned in the discussion. One of the Italian participants, referring to the question of over-population in Italy, drew the attention of the Conference to the following facts:-

Two million workers were unemployed or underemployed, and there was an annual increase of 180,000 in the working population. Since, however, the birth-rate was falling more rapidly than the death-rate, it was anticipated that the population would be stabilised round about 1970. Meanwhile, internal absorption of the labour force could be further developed if enough capital were made available from abroad. Internal absorption was more desirable than emigration, which represented a loss to the country of origin of the emigrant. A worker was a machine whose value had in fact been calculated as at least \$ 10,000, which was a gift by the country of origin to the immigration country. Workers were now leaving Italy at the average rate of 160,000 a year; on the basis of these figures it could be argued that Italy was making relatively the largest contribution of any country to overseas

investment. He emphasized these points particularly in order to show that the Italian Government was not in favour of emigration purely for its own sake. Emigration would, however, be necessary for the next five to ten years as a complement to internal absorption of the labour force. Of the total number of workers leaving Italy each year one-third went to other European countries and roughly two-thirds to Canada, Australia, and Latin America. The Italian immigration quota to the United States was less than 6,000 a year. The United States had passed a special law in 1953 authorising an extraordinary quota of 60,000 immigrants over two years, but of these 45,000 had to be refugees and 15,000 relatives. In the opinion of his Government the authorisation by the United States of an annual quota of 50,000 to 70,000 Italian immigrants would be of immense political benefit to the West. It would set an example to other countries. In addition, the moving of Europeans to certain countries of the free world, for example Australia, would constitute an improvement in the defence of the West by re-enforcing its outlying citadels.

Another participant pointed out that in his view there was already a great measure of agreement between the United States and Europe on certain basic economic principles which tended towards the freeing of national economic systems. These were:-

- (1) the need for an expanding economy, and
- (2) the recognition that expansion should not be carried out by inflationary measures.

The primary target was to raise the standard of living of the masses by increasing productivity, which could only be done by bringing about a freer movement of goods, labour and money.

It was obvious that an attempt to free trade would raise many problems in many fields. He would point out, however, that in Germany an occupation law had been passed modelled on the Sherman Act which, although providing for a great degree of decartelisation in many fields, did not yet make provision for the legal dissolution of cartels. A bill was at present being examined by the Federal Parliament for freer trade. He was glad to say that the opposition was in favour of this bill and that there was more public support for it than was generally thought. This was a considerable achievement since it represented the beginning of a reversal of the classical German attitude. He believed that the new economic philosophy of free enterprise would be successful in Germany, and he emphasized again that on it depended Germany's integration in Europe. In 1945 Western Germany had found herself starting from scratch reorganising her economy. Germany was now nearing the end of

this period, and there was much talk of restoring former economic principles. He thought that the fact that the pros and cons of these fundamental principles were being discussed was a hopeful sign, since it was necessary for Germany to reconsider her economic concepts carefully if she was to participate in European integration.

The Conference had its attention drawn to the problem of shipping by a member of the Maritime Transport Committee of the OEEC, who said that although Western Europe could make shipping services 50% cheaper than the Americans, it had been agreed that the United States should have a share, under the Atlantic Pact, in a pool of all vessels at the service of the military. The Conference was no doubt aware of the implications of the 50/50 clause, attached to American aid. Europeans had lately feared that this clause might become permanently attached to American financing, guarantees, etc. That was why he was particularly interested in the Randall Commission Report and President Eisenhower's statement thereon.

However, he feared that it was doubtful (for political reasons) whether the Randall Report could be carried into effect.

He had seen the Butler Bill on regulations concerning the percentage of American tonnage to be used and on freight rates, and he feared it might impede world trade. There would no longer be free shipping in the world. He added that his opinion was shared by the other members of the Maritime Transport Committee.

Finally, at the end of the debate, one of the participants expressed the opinion that the discussion had been extremely encouraging, and said that he had arrived at a point where he no longer knew whether such and such a problem had been raised by a European or an American, the points of view being so close. The speaker expressed his appreciation of the high quality of the reports which had been made. No-one would have failed to notice that there were very many points of contact between the reports from the two sides. The study of these reports made a very satisfactory impression. It was clear that the United States' economy was sound, and this should provide a lesson in dynamism for the Old World. As regards the question of investments, we could not expect to attain an international equilibrium without an increase in private and official investments in all their different forms.

The speaker was completely in agreement with the importance the Randall Report attaches to the convertibility of currencies. Also, on the subject of East-West trade, the basic reactions of Americans and Europeans have become considerably closer.

As regards reducing the obstacles which hinder the circulation of goods between America and Europe, we must be realistic, but it is certain that

changes in procedure could be made, and here again the American and European conceptions are much closer. Attention must also be paid to the desire to return to multilateral trade between Europe and America.

It was recognised that this dilemma sprang largely from the differences in the emotional reactions to the Korean war in America and Europe – differences which it was thought had recently diminished. It was hoped that the negotiations at present taking place on the list of controlled exports would do much to eliminate them.

At the beginning of the debate one of the participants said that the issue of East-West trade was one with an emotional background, and this forced different policies on governments. It seemed to him that all this sprang from the Korean war. In America people felt themselves at war with China, but this was far from being the case in the United Kingdom. It was true that the United States had had to carry a tremendous burden in that war, which explained why there had been a ban on trade with China. He also wished to stress that the Battle Act had created the greatest indignation; it was felt that the United States was using economic power to withhold aid in order to impose a particular foreign policy. He felt this was entirely wrong and that trade restrictions already provided ample fuel for communist propaganda. It was important not to confuse political and economic ideology.

Another American participant thought that economic warfare with the East had not been handled skilfully. The West had tended to view it in the restrictive and negative sense only; but it was possible to wage it with much more skill and success by adopting a more positive view. His country was gradually moving away from a restrictive attitude towards a more flexible one. Certain laws made this difficult, for example the Battle Act which he had known to react in certain cases against the United States itself.

It was now being appreciated in the United States that time was beginning to run out, if it had not already run out, for the solving of economic problems with certain countries, such as Japan. In the case of Japan the United States had the choice of continuing to pauperise her or of finding some device for allowing her to trade with other countries. If Japan did not have an outlet for her trade she would be driven into the Communist orbit. Japan was not the only case, and the United States Government was giving this problem serious consideration; but it needed partners in developing the economic growth of the free world, and the European countries were its natural partners.

East-West trade could be used, in the opinion of a United Kingdom speaker, as a means of penetrating the Iron Curtain and of spreading Western ideas on the other side. He said it might be considered from three aspects: –

(a) Its scope, or the type of trade to be carried on. In this connection he thought that no-one in the United Kingdom would want to deviate from a policy which had been commonly agreed on both sides of the Atlantic.

(b) Its volume. Here he thought that trade with the East should be developed as far as possible, without the Soviets being given the possibility, however, of using it as a reprisal weapon against a given industry in a given country.

(c) The methods to be used.

On the question of the methods, he considered that the West had already lost an opportunity. By indicating that it considered trade with the East as "unclean", it had given encouragement to undesirable channels of trade. For example, in his own country a body had been set up calling itself the British Council for the Promotion of International Trade, which was communist controlled. So long as this was the only kind of channel which was possible for East-West trade, it would be exploited by the East in order to divide the West. To combat this he thought it was essential that the West should have the widest possible contacts with each country so as to be able to encourage normal channels of trade. It was for the West to take the initiative here, to recognise that economic and strategic arguments were overwhelmingly in favour of East-West trade, and to try to overcome hostility to such a policy which might be due to emotional states.

On the question of the dangers inherent in East-West trade referred to by previous speakers, another Dutch speaker thought that a word should be said here about the gold position. The Western system of paying for purchases abroad in gold was a system which must be operated according to certain rules. For example, countries must be prepared both to pay gold and to accept it in payment. He thought it was possible that should a large volume of East-West trade develop, Russia might be willing to pay European countries in gold but not to accept gold. The transfer of large quantities of gold from Russia to the West, while it might suit one particular country, might not necessarily be in the interests of the West as a whole.

An American participant closely concerned with the utilisation of atomic energy in the commercial and industrial fields described the work which is being done on these lines by him and his associates. He described atomic energy as a source of heat infinitely more important than the energy obtained from the use of fuels. In Europe 60% of all power came from the use of fuels; in the United States three-quarters. But there was a limitation to the use of conventional fuels. The work achieved by the United States in this field could be made available to the nations of Europe. The speaker was listened to with the utmost interest, and although the subject does not fall

within the scope of the Conference, the participants expressed themselves as in favour of the ideas put forward.

It was the general opinion: -

(a) That certain exports of a strategic character to the Communist bloc would have to continue to be regulated in accordance with agreements made between the free nations, so that there would be no disagreement among free nations.

(b) That it was undesirable for the democratic countries to become too dependent on the Communist bloc for either supplies or markets.

(c) That subject to these guiding principles, there was no objection to expanding trade with the Communist bloc where there were advantages to the free world.

(d) That this trade was unlikely to reach a high level because of unwillingness on the Communist side to endanger their own self-sufficiency.

(e) That agreement between the U.S.A. and Europe on these lines would go far to destroy the considerable propaganda advantage enjoyed by the Communists during the last few years from the dispute between America and Europe over East-West trade.

IV. EUROPEAN UNION AND EUROPEAN DEFENCE COMMUNITY.

1. "European unity in some form has long been a Utopian dream, but the conference was agreed that it is now a necessity of our times. Only thus can the free nations of Europe achieve a moral and material strength capable of meeting any threat to their freedom.
2. "The American members of the Conference expressed full support for the idea of European unification. They made it entirely clear, however, that American opinion is not doctrinaire as to the form unification should take. This is quite clearly a European problem which Europeans will solve in accordance with their own institutions and traditions.
3. "There was discussion of the form for an effective unity. EDC is a form of co-operation in one field proposed by European nations and already ratified by several of the potential members. One speaker proposed that EDC and all of its members might become an integral part of NATO, which already exists. This same proposal would contemplate the formation within NATO of a central organ of decision, capable of action in the political and economic as well as the military field.
4. "America's interest in European unification was presented as a result of the great sense of urgency that infuses American opinion and is shared by many Europeans. This desire for early and effective action does not reflect any lack of appreciation of the many difficulties faced by the European nations in seeking to find a successful formula. It was suggested that America's interest in the matter would be better understood and respected by Europeans if it were presented as to some extent an act of self-interest, involving America's own welfare, since human nature inevitably seeks private motives for public actions represented as purely unselfish.
5. "It was stated that Europe does not wish to produce a 'melting pot' in the American sense. It was pointed out in response that federation of the American States has not resulted in an insipid conformity of culture and character. It was further noted that the federation of the Swiss cantons provides a good example on a small scale, of uniting areas with differing languages, religions and customs for a greater strength with no sacrifice of individualism.
6. "It was noted that Communist leadership has developed a fear of, and respect for, the idea of unity in Western Europe. The Communist ideology from Marx through Lenin and Stalin, has taught that the democratic nations of the West must collapse through internal stresses and through quarrels among themselves. If effective unity is achieved, this basic principle of Communism will be destroyed.

7. "It was observed that the present is a moment of historic European opportunity. A momentum has developed which should not be permitted to slacken. The result of slackening might be a recrudescence of national rivalries which would gravely weaken the democratic forces and might lead to Soviet domination and the destruction of freedom."

American feelings on the matter of European unification were described at the beginning of the debate by one of the participants, who said that in his opinion the feeling of urgency expressed by some Americans was due to the fact that history during the last hundred years had shown that a new formula for harmonious relations among European peoples must be found. He emphasized that Americans were not being dogmatic and did not want to impose a pattern of unification on Europe, but they did want a lasting solution to the problem which had confronted Europe for hundreds of years. Americans could not understand the attitude of opposition to the idea of some kind of federation.

From the standpoint of this rational analysis, or emotional feeling as some might call it, Americans were of the opinion that the only solution was for Europeans to work out a system to meet their own needs. This could probably be an adaptation of a federal pattern.

On two or three points, Americans were more fully persuaded than were Europeans. They did not fear that the creation of a federal Europe would mean a uniform and insipid cultural pattern. They believed that progress towards political unification was more important than towards economic unification and, while not seeking magical solutions, they greatly hoped that the momentum of unification would not be lost and that the progress made in the development of federal institutions and in the habits of co-operation should be maintained.

Another speaker pointed out that there was widespread agreement in the United States that Western Europe should be strong enough to face any Soviet threat, and as a result, the creation of the European Defence Community was the corner-stone of U.S. policy. Americans thought that it was possible to safeguard the danger of reviving German militarism through the guarantees provided by EDC. In 1951 the American public favoured German rearmament to help in the defence of Western Europe.

It should be borne in mind by Europeans that it was only since after the first world war that the United States had begun to interest itself seriously in European affairs and was consequently more impatient than was Europe to achieve results. The United States watched Russian actions bearing in mind the events which preceded the last war, and with the realisation that if steps had been taken early enough the war might have been prevented. Americans saw

that firm Western action in Persia, Berlin, and Korea had produced successful results and they therefore believed in continuing a firm policy. Finally, he pointed out that there was a strong feeling that if Europe were unwilling to defend herself, the United States should not assume that responsibility.

Replying, one of the participants mentioned that on this subject America often expressed herself like a governess speaking to bad boys. The things Americans said were true, and they were entitled to say them, but such language should be carefully used. When used too often or too loudly, it made America unpopular in Europe and any increase in American unpopularity was a step backwards on the road of Western solidarity. By too frequent references to what America intended to do or not to do if EDC failed to come into being, governments in Europe might be stiffened, but public opinion was infuriated, to the great satisfaction of the Communists. The speaker pointed out that since the governments of Europe did not need convincing about EDC, whereas any existing doubts lay with public opinion and parliaments, such language defeated its own purpose. It also produced the erroneous impression that any steps actually taken were the result of American pressure.

Dealing with the way in which America might present her views on European unification to Europeans, one of the participants expressed the opinion that it would be in the interest of the Americans to put forward their point of view in a different and perhaps stronger way. They must make it clear that if they are supporters of a European Union it is because it is in their interest just as much as it is in the interest of Europe. The more the Americans talk about common interest and co-operation, the more rapidly any feeling of suspicion towards them will disappear.

In addition, it must be clearly pointed out that the European Union is probably Europe's best weapon against Communism. The United States regards Communism as Russian imperialism but it must not be overlooked that in the eyes of a great number of people in Europe Communism represents a new gospel, that is, not just the solution to economic problems but to all problems. This is the reaction of certain simple mentalities and of those who tend towards simplification, as academic people often do. It follows that one can only fight one religious idea with another. The idea of "Europe" is exactly the idea around which Europe could rally as long as she could put it over as the great hope for the future.

Communist opposition to European unification is responsible for a number of difficulties, and one of the French speakers drew attention to the feeling of insecurity in face of the Soviet threat which in France is a serious difficulty encountered by advocates of European unity. He did not think that the basic problem had changed, but Russian tactics had been re-adapted and the threat

appeared to be farther off. Perhaps there is only one fundamental question to discuss with Great Britain. What danger does the Soviet Union represent to-day? What new development has taken place since 1950 when France proposed the EDC? The French Minister for Foreign Affairs recently told the Foreign Affairs Committee that thirty days after mobilisation, the Communist bloc (with the exception of China) could muster 400 divisions. To re-establish equilibrium is the essential condition for peace and for disarmament. We shall not succeed in building peace on compromises. It is not Communism which is gaining ground in France, it is neutralism. It has hundreds of different forms and leads to the same results. It is against this neutralism that we must fight.

Another participant thought that it was worth while examining why Communists were so much opposed to European unification in any workable form. It was a fact that Communist propaganda was aimed against such European unification even more than against United States aid or NATO. The reason was that the Communists thought that European unification would work if given a chance; and they were also opposed to it because it was part of their creed that the capitalist countries of the West were eventually bound to collapse as a result of conflicts among themselves. European unity, by preventing that collapse and strengthening the West, was thus a major menace to Communist beliefs. It was interesting to note that in this connection the countries of the West were adopting a progressive, imaginative, and even revolutionary attitude to meet the challenge of modern times, while Communists, on the other hand, were behaving in a rigid and reactionary way.

The Swiss participant explained the difficulties which must accompany the unification of Europe by giving the example of his own country in which hundreds of years passed before unification was finally realised. It had needed an internecine war to achieve unification. But he emphasized the fact that at the present moment – and Mr. Molotov is the first to realise it – the idea of European Union is both widespread and firmly established. In Berlin Mr. Molotov had declared his opposition to a European union and suggested a union of thirty-two countries, including the six satellite countries of the East and Soviet Russia. For him, 160 million Americans would upset the balance in Europe, while 200 million Russians would be the perfect balance for the thirty-two countries. The idea of European union is now so strong that Mr. Molotov can no longer oppose it openly. This is why he seems to accept it now, probably in order to thwart it later.

The desire for European independence was mentioned by another speaker as a feeling to which an appeal could be made. He said that European union is necessary from a political, economic and cultural point of view, and parti-

cularly in order to ensure European independence. There must be no feeling of dependence. The Americans know it because they felt it at a certain moment of their history with regard to European supremacy. The tables are turned to-day. A European union, supported by America, would provide much more independence for Europe, and the Americans must understand this point. This is a psychological question which can be solved and which would help to strengthen the Atlantic alliance itself.

The effectiveness of various forms of union was touched upon in several instances, and one of the speakers, who is a member of the Council of Europe and of the Assembly of the Coal and Steel Community, said that in his opinion the Council of Europe is ineffective because few of its recommendations are ever followed up. For this reason, he did not believe that it would ever lead to any positive results. As regards the Coal and Steel Pool, its few achievements were entirely due to its supranational character, which alone enabled any progress to be made.

He considered that European organisations must have real powers, as consultative methods only led to very academic debates whose results were reduced to nothing. He would be glad to see European Federation on a military level.

European unification is closely linked to-day with the problem of German rearmament and of the EDC. Speaking on this subject, one of the participants reminded the Conference that the time for theorising about Germany was past. Western Germany was a resurgent and already powerful nation, and German youth would sooner or later be armed. To-day Germany was Europe-minded and the time was ripe for taking it into the European family. At a later date temptations offered by the Russians might prove irresistible.

The concept of the EDC and of Little Europe found vigorous opponents, one of whom pointed out that the real issue was not the proposed Treaty as such. The real issue arose over the conception of a small group of men under the inspired leadership of M. Monnet, who believed in the necessity of uniting the destiny of France with that of five continental partners, among whom Western Germany would be dominant, under a supranational political authority. From this supranational political authority or "little federation" the United Kingdom and the Scandinavian countries would necessarily be excluded.

Continuing, the speaker said that he was opposed to the "little federation" because he believed it would result in the further division of an already truncated continent; that it would be based on an uneasy and ephemeral balance of power between France and a partitioned Germany, and on mutual

suspicious rather than common interest. Finally, it would have no historical roots and no political, economic or geographical reality.

The importance of German reunification could not be too much stressed. Germany was at present divided as a result of military events, which took no account of political or ethnical considerations. As Walter Lippmann had pointed out, anything built on the foundation of a divided Germany would be to some extent built on sand. The dangers were obvious. The legitimate objective of Federal Germany would always be reunification. Germany could achieve this by force, or by agreement.

At Berlin the Western ministers had proclaimed that the Bonn Government could not bind the government of a reunited Germany. This meant that the Germans might one day have to choose between an association with the West and a separate agreement with the Soviet Union. At Rapallo in 1922 and at Moscow in 1939 they had chosen the latter. The temptation to do so again might be strong, since the Russians alone could give them back Eastern Germany. If, however, they were taken into full partnership with the West, German reunification might well be achieved by agreement, not between Bonn and Moscow, but between the Western and the Communist worlds.

In conclusion, he thought that there were four essential points to bear in mind: -

1. The necessity for solidarity in the West; at present this solidarity was lacking.
2. The need for Franco-German reconciliation, at present in danger.
3. The need for effective co-operation between the U.S.A., the British Commonwealth and Western Europe, not yet achieved.
4. Recognition of the fact that there was no purely European solution to any of the problems confronting the West.

As he saw it, the only solution consisted in a confederal European defence organisation under United Kingdom leadership, of which the EDC would form part, which would itself become an integral part of NATO. NATO was the only organisation capable of defending the free world with success, or of containing the German military potential without risk.

The West was now trying to conduct a global struggle against the forces of Communism, without a global policy. The imperative need was for some central organ of decision, within NATO, to co-ordinate the political, strategic and economic policies of the Western world. At a later stage, a consultative assembly for NATO might well be set up, which would meet periodically on both sides of the Atlantic to consider reports from the NATO Council.

What he had in mind was not a rigid supranational authority, but a central

confederal political authority within NATO, which would co-ordinate the policies of the West. He invited the Conference to examine the possibilities of this proposal.

Replying, one of the members recalled that at Bermuda President Eisenhower had pointed out that the objection to substituting NATO for the EDC was that neither France nor Germany was in favour of the proposal. Both France and Germany would make considerable sacrifices if they participated in the EDC. Other countries were also making considerable contributions, while in the case of the United Kingdom it might take the form of refraining from confusing the issue by putting forward alternative solutions at this stage.

Another speaker pointed out that a recent Gallup Poll in Germany had shown that more than 90% of the population were in favour of a united Europe. The unification of Germany was one of the tasks within the framework of a united Europe. Germany was entitled to unity and self-government, and no German Government could accept the present division of Germany as permanent. This feeling should not, however, be interpreted as a return to the nationalistic thinking of Germany in the 1930's, which he considered to be now a thing of the past.

In Western Germany all political parties – except the small number of communists – were in favour of uniting for defence with the West, and opposed both neutralisation and any idea of a second “Rapallo”. Progress towards European unification would necessarily be slow, but with real enthusiasm and determination it might be made gradually step by step.

Continuing the discussion, another participant stressed that EDC is the only hope of a sound reconciliation with Germany and without it France's difficulties would be infinitely greater. A previous speaker had said that he was against American intervention in the debate on European Unity. For his part, he believed that this intervention must not be too flamboyant, but it was most necessary. The United States must show clearly that they want European Unity. He then spoke of Great Britain's attitude towards EDC and the European Federation. He considered it a very important point. At the time when the Federalist and European Movements were created at the instigation of Great Britain, there was very little opposition in France. Great Britain's withdrawal marked the beginning of the French hesitation. That was why France, who considered that the defence of a civilisation depended on the European Federation and Franco-German reconciliation, asked Great Britain most urgently to ally herself as closely as possible with the French efforts.

Another participant wondered whether it was fully realised to what extent there were two ways of thinking in Europe on European matters, the British

and the Continental. Britain, as a previous speaker had made clear, wanted to move far more slowly than did the Continent. The Scandinavian countries followed Great Britain in that respect, but should it decide to move faster towards European unity, they would follow too. A great responsibility rested on Great Britain, and she had still not accepted without reservations the fact that she was a part of Europe. On the other hand, Denmark did not understand the position of France. Once Germany had become a fully integrated partner, an epoch would have come to an end. In a sense it already had, but the time had come to take a decisive step and if that were taken, the future of Europe would look much brighter than it did to-day.

The discussion on European unity led many participants to the subject of a larger Atlantic Community. At the outset of the debate, one of the speakers said that his candid opinion was that the time had not yet come when America could think in terms of an Atlantic community. The United States could not abandon some of its sovereignty to a supra-Atlantic State. He felt that the Americans had good reason for saying that Europeans should work out their own problems, although with American help and encouragement. The United States, while prepared to work in close co-operation, was not willing to complicate matters by attempting to create something larger and more complex than a European Union.

Wishing to make clear his concept of the Atlantic Community, another speaker pointed out that when thinking about the Atlantic Community he did not mean a federal union, but the establishment of those habits of co-operation which were developing from 1947 to 1950 until disturbed by the outbreak of the Korean war. Certain events in the last few years had shaken the confidence of European countries in United States' support for the Atlantic Community. For example, if it were true that European countries had been cutting down their arms drive, the United States was cutting down to an even greater extent. He hoped that the United States would realise the need to restore confidence in its determination to develop NATO into a permanent community, and so to help the United Kingdom and France in their difficulties.

CONCLUSIONS.

This Conference not being a policy making body was not concerned with governmental policies, but directed its attention to achieving a better cohesion in international affairs between Western Europe and the United States, a better mutual understanding and a greater mutual trust.

The Conference was launched with a full awareness of the differences in the psychological approach towards many present-day problems of, on the one hand, the Americans and on the other, of the peoples of Western Europe. This difference is greatest in problems which, for the Americans, have a sentimental background not shared by Europeans. The American past being completely different from the European, their reactions to certain international problems are conditioned by this difference in outlook. The first Europeans who settled in North America were often rebels who left Europe, generally dissatisfied with the religious, political, social or economic conditions that prevailed in the countries of their origin. They set up a new state, whose freedom they jealously guarded, and did not want to be involved again in all those problems on which they turned their backs when they came to the United States.

This psychological approach to international problems is also at present dominant in so far as the way of living is concerned. There is no doubt that because of the origins of American civilisation, the American "way of life", with all that it has given – opulence, prosperity, and happiness – is less susceptible to what is called in Europe the Leftist tendencies. Although Americans have adopted some constructive socialist ideas, such as the public ownership of certain public utility projects, certain techniques of industrial management, and administrative planning, the general public in the U.S. (not the experts) sometimes confuse Socialism with Communism. Because of their social and economic sentiments, Americans react strongly against "Leftist" trends, and their reaction to Western European Socialism, especially among the non-political masses, is fairly often critical.

But once this fundamental point was made, it was generally agreed that both for the sake of defence and even more so for a constructive future, mutual understanding must, and indeed, can be achieved.

The Conference found that many divergencies on economic questions could

also be removed without too much difficulty, both by considered agreement and by greater mutual understanding.

Too often, however, governments and parliaments were taking decisions in the economic field without giving due consideration to their effect on other nations. Long term foreign policy should always be taken into account even if the economic measures were primarily concerned with domestic conditions.

The Conference condemned all unilateral actions or unilateral decisions without prior consultation with other nations which could be affected by such decisions. It believed that the most suitable form of agreement is the multilateral, although bilateral agreements are sometimes unavoidable.

Therefore, the general opinion was that whenever problems affecting the whole of the Western communities were involved, a thorough consultation with every country concerned is absolutely necessary. Many participants in the Conference considered that the existing machinery for consultation should be developed further, and that in particular the provisions of Art. 2 of the NATO Treaty giving the basis for such machinery ought to be amplified. All countries bound by the NATO Treaty should now contribute towards the further development of personal and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles on which these institutions are founded, and by promoting conditions of stability and well-being. NATO is an example in the military field of excellent co-operation, consultation and mutual trust – let us use it in the vast civilian sector to the same advantage. In many cases new machinery should be created (perhaps on the lines of the Bilderberg Conference). Various participants spoke in support of this idea.

Many speakers suggested that fuller information (but not press propaganda) should be made available to the general public about the problems discussed by the Conference. This is an important suggestion, which could be dealt with again on the lines outlined above.

Insufficient attention has so far been paid to long-term planning, and to evolving an international order which would look beyond the present-day crisis. When the time is ripe our present concepts of world affairs should be extended to the whole world.

It was agreed that every country in the present interrelated world had an interest in the domestic problems of every other country, in so far as they affected international relations. No government, however, should interfere in the domestic politics of another country involving purely internal matters, such as, for example, elections, and in particular should refrain from bringing pressure to bear on another country when an issue which local public opinion would regard as purely internal is at stake.

Divergencies of views and methods are the very essence of the Western concept of life, and are therefore certainly not extraordinary in themselves. Such differences will always exist even between close neighbours linked by a single concept, as for instance, between Belgium and the Netherlands. A great variety of historical and other factors is involved in each case in which divergencies occur, thereby prohibiting a uniform system of counteraction; but some forms of tactics and strategy can always be agreed upon.

There were, for instance, those at the Conference who considered that although the fight against Communism and Communists should be conducted according to local needs and the always different local situation, it should nevertheless be based on international co-operation. General plans and general strategy have to be made to meet the world-wide Communist threat. An approach dictated purely by military considerations, which would not take account of the psychological, social, and intellectual factors, is insufficient. It might bring local victories but it is likely to risk alienating or making enemies of whole countries or even continents.

The effort made to increase as much as possible the general and technical education of the backward countries, especially in the Asiatic East, should be commended, and more stress laid on educating in the West people from the under-developed countries, especially in view of the fact that thousands of them receive a very thorough training and indoctrination in Russia to-day.

With regard to religion, the general feeling of the Bilderberg Conference was that insufficient attention had been paid in the West to the fact that religion is a real and proper bulwark against Eastern materialism and to the unethical aspects of some of the communist doctrines. A short and long term policy should be directed to the building up of the proper moral background both for the individual and for the state. Successful action in this respect will provide a protection against Communism in the future.

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Finally, in view of the desire expressed by the majority of the participants in Bilderberg, and on the invitation of the American members, it was decided that a similar conference should be convened in the U.S.A., time and place to be decided upon later.