

THE POLITICAL STAKES IN EAST-WEST TRADE

I. A TIME FOR REVIEW OF OUR TRADE POLICY TOWARD THE SOVIET BLOC

The conduct of our commercial relations with the countries of the Communist bloc cannot be isolated from our international policy as a whole. The policies we pursue in this sector of our trade exert a significant influence on the nature of our commercial posture toward the rest of the world. They affect directly the climate of our relations with the advanced industrialized countries of the West as well as the nature of our response to the needs of the emergent and still underdeveloped nations around the globe. For this reason, it seems to me, it is of the utmost importance at the present juncture in our trade policy discussions to reexamine the whole complex of problems involved in trading with the Communist countries. There is an urgent need at the present moment to bring our commercial posture into better balance with the newly evolving patterns of economic relations in the main lanes of the world market that are certain to be of great consequence to the flow of our own trade as well as to the stability of the international economy as a whole. An economically integrated Atlantic community, through the tangible realization of its united interests, can resist the great pressure now exerted by the Communist bloc in its attempts to pick the best fruit of our technology to build up its own economic machinery.

There is no question that even a little trade with the industrialized free world is of advantage to the Soviets. But the facts also indicate that the disadvantage to our national interest in trade with the Communist bloc grows in proportion with the disunity among the free world industrialized nations on this subject. This disadvantage must be turned into a gain for the free world—a gain commensurate with the objectives of trade between equals. The real issue is not in withholding from the Soviet bloc nations all of the goods which they seek to import, but in utilizing their desire for those goods which a united Atlantic community is willing to sell, as the basis for maximum gains for peace and freedom. Judicious application of this policy with Soviet satellite countries is especially important.

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A. OUR ECONOMIC RELATIONS WITHIN THE WESTERN COMMUNITY

The serious inquiries that are now underway, and will undoubtedly continue well into the future, bearing upon the conditions of our economic intercourse with the European Economic Community, ought to provide the necessary backdrop against which the Western community of nations might proceed to reexamine in a constructive way the role likely to be played by Soviet bloc trade in the international economic relations of the industrialized nations. Our friends across