

B. A COMMON POLICY TOWARD THE BLOC

The need for resuming more actively our position of leadership is strongly indicated by all signs on the world economic landscape. It is especially urgent, I submit, in the area of East-West trade. In this sphere, our policies seem to have broken away from the moorings of close cooperation with our Western allies and we are now drifting in the uncharted waters of unilateral action. We have surrendered the advantages of free world solidarity with which we confronted the Soviet bloc during the late 1940's and early 1950's and have received nothing tangible in return. [The strategists of the Soviet Union have not failed to exploit this lack of a common position on the issue of East-West trade within the Atlantic alliance. They have exploited the existing lack of unity, have pitted one Western nation against the other in a campaign of commercial pressures and blandishments in which major trading firms in Europe, have been forced to compete among themselves in a race to see who will contribute more, in goods, in know-how, and in commercial credits to the modernization of the large but technologically relatively sluggish industrial plant of the Communist bloc insofar as it deals with civilian goods.]

quote
in
part.

I believe that at the present momentous stage in intra-Western cooperation it is most appropriate and timely to resolve the issue of a coordinated commercial policy toward the Soviet bloc. Assuredly, such a policy of practical coordination must soon emerge as one of our basic objectives. However, such coordination must not be achieved at the expense of any member of the alliance. It must, as its foremost goal, attempt to reconcile the legitimate commercial interests of Western businessmen with the abiding need of the governments of the Atlantic coalition for a common response on all major issues that enter into our political confrontation of the Communist world.

When the time comes to sit down around the table with our partners in Western Europe to discuss the wider opening of our own vast market to their products, we should be prepared to submit specific proposals on how to include within the intra-Western trading mechanism a common procedure for commercial relations with Communist countries. To arrive at such a joint procedure, it may be necessary to trade off certain specific safeguards and practices that have proved useful and congenial to individual countries in the past for a concerted approach on the basis of a procedure acceptable to the community as a whole. In the long run, this would be a small price indeed to pay for the all-important objective of bridging the wide gaps in policy that now stand as an invitation to the Soviet bloc strategists to lower commercial standards, to sow discord and to promote rivalry and friction among the members of the Atlantic Community.

Economic defense against the fierce commercial pressures applied by the trading monopolies of the Soviet bloc cannot be pursued by any country in isolation. Each nation, if it wants to, can achieve a certain moral satisfaction by ordering its trade with the Soviet bloc according to the dictates of its own conscience. It can indeed decide for itself what to sell to, and what to withhold from, the Communist trade monopolies. By following a withholding policy, however, very little is accomplished: the manufacturers and traders of a country may be deprived of a chance to export a particular product to the Soviet