

ness environment, Soviet commercial agents continue to employ some rather primitive tactics of the horse-trading era. It will undoubtedly take a lot of time and patience to convince them of the disutility of these and other crude business methods.

D. THE POSITION OF OUR WESTERN ALLIES

It became quite apparent from my discussions with representatives of the European nations that are now engaged in active trade with the Soviet bloc countries—government officials as well as businessmen—that they are acutely aware of a need to regularize the present welter of commercial practices in use between countries belonging to the two competing trading systems. They would like to see the air cleared of the cobwebs of malpractices that have grown up over the years. Their discontents, moreover, are real, and it is fair to say that they have become more rather than less conscious of the disparities in trade motivation and tactics as a result of the recently increased flow of trade between East and West.

Thus, for example, they report a rise in tension within the Western trading community that has resulted, in particular, from the deliberate efforts of the Soviet bloc to promote fierce competition for selling industrial equipment to the Communist market. For the most part, Western businessmen engaged in exporting to the bloc find it all but impossible to get in touch with the ultimate industrial consumer of their equipment, spending most of their time shuttling back and forth along the corridors of the various Ministries of Foreign Trade, stumbling upon their competitors in the capitals of Eastern Europe. In their experience, contract terms with the bloc countries seem never to remain stable; they are forever being pressed for another round of negotiations, for more favorable conditions in the matter of specifications, delivery schedules, and length of credit. These demands are pressed steadily upward on the alleged grounds that they are already "the order of the day," that some other sellers have already agreed to these terms.

The Western nations could only benefit by being able to face the Soviet bloc negotiators with a single, firm answer as to what constitutes a minimum commercial order, how to deal with export products covered by a patent, and under what conditions, and for what length of time, commercial firms could be expected to extend credits to cover exports to the Communist market.

There is good reason to believe that a common position taken by the industrial nations on these commercial terms would not result in a diminution of trade. But it would help in a practical way to weed out the unseemly, time-consuming, and disruptive practices pursued by the foreign trade monopolies in the Soviet bloc.

Another impression that emerged from our conversations with Western businessmen in Moscow was that they were quite convinced that the Soviet record of performance in keeping up with the rapid march of modern technology is more spotty than is generally realized in the outside world. They have visited some of the leading industrial plants in the bloc and inspected the latest products of their assembly lines. The more removed a Soviet industry is from the privileged defense sector, they have found, the more it suffers from the tendency toward technological stagnation. Hence, these businessmen feel that, pro-