

vantages that would accrue from encouraging that country to evolve to a system that, as you say, would encourage consumer products, automobiles and so forth, would not be applicable if the economy were already strong. The argument that you have given is an interesting one, and has some merit, but it would not apply to a country that already had a strong economy, and where there was already emphasis on consumer products, according to your definition. Is that correct?

Mr. PECCEI. Yes, sir. But I don't know of any Eastern European economy which is strong.

Mr. RUMSFELD. I am just trying to pin down the argument.

Mr. PECCEI. And it would take a very long time before they became stronger than they are now.

Mr. RUMSFELD. Thank you very much.

Chairman BOGGS. Thank you very much.

Senator MILLER?

Senator MILLER. Thank you, Mr. Chairman. I have just a couple of questions.

Mr. Younger, you referred to a narrowing strategic goods policy. Would you elaborate on that?

Mr. YOUNGER. Mr. Chairman, I think it is probably fair to say that the importance of this particular issue, the strategic list as it used to be called, has already diminished a good deal; that is to say, the range of goods covered by the strategic list is already substantially less than it once was. But I think that it would not be felt in Europe that it is yet as narrow as it really should be. At the back of this dispute lies a question almost of philosophy, which I tried to raise at the end of my remarks, as to whether it is still part of the background to our policy that we are aiming to weaken Communist countries wherever we can, as opposed to merely seeking to deprive them of direct strategic material and weapons.

I have no doubt at all that there was a time when the doctrine went much beyond the strictest strategic argument, and where it was felt in some Western circles that to hold up economic development, and to make things difficult for the Communist countries, was in itself a legitimate objective of Western policy.

What I am saying is that in Europe, at any rate, I feel sure that this is no longer the case.

I think the trivial example that I gave of my own institute shows that the American list—which is, I think, still considerably wider than the list applied by other countries to their own trade—must be quite wide. This instrument that I was referring to was a rather ordinary office calculating machine. Of course, you can argue that it can be used like anything else, as part of a war effort. But to include it in a list of strategic goods is stretching the term strategic very wide indeed. This is the sort of thing I had in mind. I am afraid I don't know in detail what are the particular items to which objection would now be taken on the American list, but I do know that there are items which are considered to fall within altogether too wide a definition.

Senator MILLER. Do you think the European attitude on this has altered at all in the light of the Middle East situation, and especially if it is true that the Soviet Union and the bloc nations are resupplying the Arab States with fighter aircraft and war armaments?