

Systematic attempts were made and often thwarted—to ship strategic and short supply items from Western Europe to the Soviet and satellite economies. As a consequence, the press was liberally festooned with disclosures of allegedly enormous illegal trade in precision instruments, ball bearings, critical and precious metals, prototype and production machine tools, and other items deemed strategic in nature.

In countermeasure, West-East trade control programs were formulated—initially by individual countries, and later by the soon-to-be-designated NATO countries in the Coordinating Committee (COCOM). First—to place embargoes and quantitative controls on items deemed strategic, and then to strengthen defense against illicit trade in the form of transshipping, mislabeling, smuggling, false invoicing, and other devices.

As these Western trade control programs evolved, they became increasingly militant and far reaching. The proposal and adoption of restrictive measures were virtually unanimous among the Western allies and Japan. It was in the spirit of the times—the NATO buildup, the Greek Communist insurgency, the Berlin blockade, the Italian and French Communist election crises. East-West restrictive trade policy developed as a measure of resistance to Stalinist aggression and the strategic control program evolved to become an active element of the containment strategy.

In these circumstances, the definition of strategic materials did not constitute a difficult task; there was a presumption that most industrial items for which there was demonstrated demand by the Soviets were ipso facto of some strategic importance. Similarly, any large quantities of metals, minerals, or scarce commodities were considered to be of value to a war machine poised for potential aggression. And finally, even so-called peaceful goods such as textiles or consumer goods or agricultural products which might conceivably free up manpower for the military, or permit reallocation of key resources elsewhere were popularly viewed as contributing to the warmaking capability of a potential enemy—the so-called fungibility principle.

It is of major relevance that this combined selective and complete embargo policy was compatible with other strategic circumstances of the times as well: East-West trade was being conscientiously throttled by a Stalinist drive for European Communist bloc political and economic hegemony, and Western Europe was going through a tremendous effort at economic reconstruction which served to place a comparable scarcity value on the so-called primary strategic industrial goods.

Thus, born of necessity and consonant with political policies and economic circumstances, controls on trade with Eastern Europe and Communist China were both a talisman and an instrument of Western unity in the face of Communist hostility and aggression.

THE BIRTH OF CONGRESSIONAL "OVERKILL"

There emerged in this initial period several other concepts, however, which achieved unwarranted currency in thought and action in the United States, and subsequently contributed to friction and disunity among the Western countries. One of these was the rather crude device embodied in U.S. legislation of indicating to Marshall plan and other U.S.-aid-recipient countries that if they didn't refrain from