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U. S. ECONOMIC POLICY TOWARDS DEFEATED COUNTRIES  
15 April 1946.

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GENERAL ARMSTRONG:

Gentlemen, it seems that the speaker this morning and I learned the principles of economics in the same school, that is, Columbia University. I was there in the Halcyon Age (practically the dawn of history) and he was there a good many years later. So he will probably bring you a more modern brand of economic thinking.

But, in all events, he has had a very distinguished career as an economist. He was in the Federal Reserve Bank and when my classmate, Leon Frazer, who was the head of that Bank, wanted someone to come over to the Bank of International Settlements in Switzerland, Mr. Kindleberger was designated for that particular assignment.

I am not going into the details of his career except to tell you that he is now in the Department of State, and has been there since 1945. He was in O.S.S. during the war. Mr. Kindleberger was the adviser on reparations in the Division of Financial Affairs. Later on he was made Chief of the Division of German and Austrian Economic Affairs.

He is the author of "International Short-term Capital Movements", published in New York in 1937.

The subject of his discussion this morning, gentlemen, is "United States Economic Policy Toward Defeated Countries". Gentlemen, Mr. Kindleberger.

MR. KINDLEBERGER:

Given the nature of my daily work, I hope you will bear with me if I discuss United States economic policy toward defeated enemy countries almost exclusively with relation to Germany. I know that the State Department, Civil Affairs Division, Joint Chiefs of Staff, and the Supreme Commander in the Pacific are all very much concerned with, and interested in, what is going on with our policy in Japan. I am afraid I have not been able to follow that very closely, although I may be able to make one or two references to it.

The United States policy with respect to Germany, is laid down in Joint Chiefs of Staff Directive 1067. It is laid down on an agreed tri-partite basis, with the U.S.S.R. and Great Britain, in the Potsdam Agreement, signed August 2, 1945. The Department of State has put out an interpretation of the Potsdam Agreement, as of December 10, 1945, which I believe you were given an opportunity to read.

American policy, on the economic side, is motivated primarily by considerations of economic security. I think it is worth pointing out that the Potsdam Agreement brought together the resources of Germany and the

needs of Russia, which had been very badly devastated. It is hard to see how it was appropriate for the defeated enemy country to retain its factories, its machines and equipment, when the USSR, a victor nation, had lost its factories and equipment in the Ukraine, in southern Russia, and on the outskirts of Leningrad.

The economic disarmament of Germany started out, in the American concept, to insure that Germany was not self-sufficient in materials that could be put to war purposes. A good many synthetic industries in Germany, which made Germany able to get along without primary dependence on imports, were placed on a prescribed list. The prescribed list, as it now stands, includes shipbuilding, aviation (airplanes and aircraft engines), tanks and guns, and a series of synthetic products, including oil and rubber, as well as nitrogen from the ammonia process which is, of course, the essential ingredient of gun cotton.

I think it is appropriate to notice, however, that the Potsdam Agreement was made on August 2 and its consideration in the minds of the public--at least in the eyes of the public--took place four days before August 6, when the Atomic Age was ushered in. Emphasis on gun cotton and gun powder now, for example, seems a little archaic already. The emphasis on airplanes is by no means as archaic; but I think it is appropriate to notice that the economic disarmament plan for Germany smacks a little bit of the pre-Atomic Age. I do not think that was a major criticism, as I will suggest a little later.

What is actually desired in all this is to get Germany very far behind any other country. I do not think anybody would suggest that Germany should never build a seagoing ship again for all time. To embark on such a program would mean that the program would one day break down. But to eliminate the shipbuilding industry and to say the machinery in those yards is available for reparations puts Germany very far behind. We will later discuss just what industries are going to be prohibited entirely in Germany for all time. Removing the aircraft industry, making sure that all scientific equipment in the way of tunnels, experimental stations, and the whole aircraft industry goes out as reparations, means that Germany will be very far behind technologically.

The disarmament program goes on beyond that. It called for reduction in German capacity in certain industries. What the reduction in that capacity would be was provided in the Potsdam Agreement: negotiation would take place, and the Allied Control Council in Germany could say what level of German industry should be permitted for their peacetime economy. It was agreed that that decision should be made six months from August 2. The agreement was not made six months from August 2, but it was reached three weeks ago. (Last week of March, 1946).

There are certain factors determining what the peacetime economy of Germany shall be. In the first place, there is the resolve of the United States and Russia--a resolve which is accepted also by Britain, although Britain does not really subscribe to it as wholeheartedly as the other two--that Germany shall be weakened. For this purpose as much equipment shall be taken out of Germany as possible--or rather as little shall be left

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in Germany as possible. On the other hand, Germany has to be left enough equipment to be able to live on some level of subsistence. The Potsdam Agreement said Germany could be permitted to have a standard of living equal to the European average, exclusive of the U.S.S.R. and the United Kingdom. I take it there is no particular significance to the exclusion of the United Kingdom and the U. S. S. R., but simply defining the standard of living as that of Continental Europe. This means, according to the economists and statisticians who have studied the figures, that the economy has to be brought down to the point where the standard of living in post-war Germany shall be about 30 percent below the standard of living in pre-war Germany. This 30 percent, mostly, is in food, owing to the loss of territory in the East; but reduction takes place in other types of goods as well.

Speaking of the level of industry, figures indicate that the production of steel will be brought down from about 23 million tons to 5.8 million tons. Heavy machinery will be limited to 30 percent of that existing prior to the war; light machinery to 50 percent. Heavy basic chemicals will be limited to 40 percent; all other chemicals to 70 percent of pre-war production. Textile, leather-working items, pulp and paper and peacetime industries of that character are also fixed as to what they should be, but the United States' reservation is that there shall be no limit placed on Germany's ability to produce peacetime goods.

Further than that this level-of-industry plan provides that German exports shall be to the amount of three billion Reichmarks a year. This is to enable Germany to buy the imports she needs so that those imports will not have to be provided for all time, as they are now, by what might be called "the relief operation", financed by the United States.

As a further element in economic security, the United States has resolved, and it was agreed at Potsdam, to eliminate German economic spearheads abroad. German firms in the United States, whose activities have strengthened Germany and weakened all the other countries, have been taken under control by the Alien Property Custodian. The Alien Property Custodian has title to General Aniline & Film. The United States, Russian, British, and French people propose to eliminate German spearhead firms throughout the world.

Finally, as a measure of economic security, the United States is resolved to break up German economic institutions which have had an undesirable effect on German political activity and on German economic life abroad. I have particular reference to the cartels. Those of you who are students of German political life are aware that Bismarck made the infamous deal back in the Nineteenth Century, when the Junkers with their wheat interests banded together with the iron and steel industrialists of Russia to launch Germany on its first round of aggression. It is this type of economic institution which reached its full power in the cartel, the German cartel. The German cartel has had a pernicious influence on German economic life. The bankers who deal in stock securities, and who are tempted toward expansion, have helped conduct German economic policy in Southeastern Europe in a particularly vicious way. All of these institutions we would

like to change in Germany in order to make sure that the economic influence, in its impact on the political life, is not nearly so great.

The same type of activity is going forward in Japan where the object of particular attention is to make sure that the leading industrial families of Japan have their influence on Japanese life reduced.

Now in taking equipment out of Germany, we propose to deliver it to other countries as reparations. Also, the German external assets are to be given to other countries as reparations. After all, countries of Europe, in particular, and countries all over the world have suffered very severely at the hands of Germany. It is appropriate that what Germany loses in penalty for its sins, is, in fact, given out, distributed, and put to the best possible use to build for the future. In addition to that there is the very difficult and awkward problem of restoring to the other countries what Germany stole from them during the war in the form of looted art, industrial equipment, and all other items.

This does not constitute reparations in the old sense, for reparations in the old sense meant that the country, for instance, which had the Port of Le Havre destroyed by war with Germany could have German labor and materials come in and restore this Port. In the new sense, instead of having the Port of Le Havre restored by Germany, it is more likely that the very antiquated steel industry in Lorraine will be improved by the removal from Germany of some plants, model steel plants, in compensation for the destruction of the Port of Le Havre.

Similarly, the United States, which has lost lots of ships, will get General Aniline & Film. This is not reparations in a strict, narrow sense, but it is some type of compensation for the damage done in the war. After all, what is intended is that the industrial equipment of Germany, which is surplus to the German main economy, shall be moved and set up and put into operation, on a peacetime basis, somewhere else.

Now the basis of the philosophy here is that Germany has been a point of concentration of economic and industrial power. On the ground that concentration is dangerous, that concentration must be spread around. If one is to take the steel industry on the Ruhr--and there are very grave doubts as to whether that can be done effectively--and move portions of it to Britain, France, Holland, Belgium, or Norway, there will be much less loss in the productive equipment of Europe as a whole, and there will be a better distribution of industrial resources.

The question arises as to whether there will be as good distribution in terms of economic reality. It is very clear that it is impossible to set up a steel industry in Switzerland, say, assuming she was a reparation claimant, because of the lack of coal and iron ore there. But it must be remembered that Europe has a good waterways system. A good deal of German industrial equipment in the steel industry was based on cheap water transportation. It is possible, at least with the technological improvements of the last 20 or 30 years, to set up steel factories where one moves coal to iron ore instead of iron ore to the coal, which is the traditional way of localizing an industry. We have in this country, of course, the Geneva

plant in Utah, the Sparrow's Point plant in Baltimore, where both coal and iron ore were moved in. In Germany you have several plants where coal and iron ore were both transported. Such plants could be moved to Holland, for instance.

I think it is appropriate to say there is a positive point to this reparations program and economic security. That positive point is to try to redistribute the resources of Europe in such a way as to produce a better balance, strengthen the powers which will naturally have to build up resistance to German aggression.

There is another way in which the United Nations and the peaceful nations of the world are going to profit greatly at the expense of Germany, and that is the fact that we propose to set Germany behind, a considerable distance, by taking over all German technology, both pre-war and that devised during the war. Some of you may ask what can be done in this connection. Well, for one thing, you can take the German patent office and issue prints and drawings and make them available to anybody simply for the cost of reproduction. All of those German inventions during the war and the German pre-war inventions will be open and available to all countries. German technology, therefore, will benefit all countries. There were about 30 thousand German patents in the United States prior to the war; some 33 thousand in Britain; 80 thousand in France, where Germany continued to make patent registrations during the period of occupation.

The industrial disarmament program in Germany enables the whole world to get ahead. It is a set up which enables the whole world to catch up with German technology. Those who work in this field, I think, are inclined to admit that it will benefit not only the backward countries, but will also be useful in the United States.

It may be asked why we do not get the German economy operating at full steam and then take portions of that economy and make it available to various countries as reparations. Well, most of the critics of the Potsdam Agreement--and there are a great many critics--say we are going about this in exactly the wrong way; that by pulling down German industrial power before one can build up industrial power elsewhere on the Continent, we are impoverishing not only Germany but also Europe. They feel the appropriate way to go about this whole problem would be to get the Germans to work, get their iron and steel industries going, get their coal going, get their textiles going--get as much German industry going as possible--then ship produce abroad free to reparation claimants.

Well, this is all prohibited by the terms of the Potsdam Agreement. The Potsdam Agreement states that proceeds of exports shall be used, in the first instance, to pay for imports. The United States has very much in its mind, as I think all others did, the way reparations in the last war were to be paid in money. Loans were made to Germany. Germany transferred the proceeds of these loans to other countries, reparations countries, and Germany ended by paying off reparations but having contracted a large amount of debt.

This time the United States has the job of fighting Germany in its own zone and of preventing any decisions being taken until such time as the German economy can be put on its own feet, providing for its own necessary imports. We have already spent about 200 million dollars on German imports; we will spend at the rate of about 100 to 150 million on wheat alone (at the present rate) until Germany can recover.

So you can all see if we would allow exports to go abroad free we would be financing German reparations to other countries. All German exports from current production have to be sold. They have to be sold in order to pay off the United States, Britain, and other suppliers of Germany. For that reason reparations through the output of current production, through the exporting of goods currently produced, is forbidden at Potsdam. It is forbidden in order to make sure that the United States does not finance reparations to other countries through the medium of relief to Germany.

The current problems in Germany are numerous. We have just reached an agreement on the level of industry, but there is still no agreement on how to work out the problem of foreign trade. There is no agreement on the setting up of administrative agencies for Germany, and those are necessary in order to get foreign trade.

The central administrative agencies, called for at Potsdam, as you know, were blocked by French insistence that there shall not be central administrative agencies until the question of the Western Frontier and the Ruhr and the Rhineland is settled. This particular impasse is creating very great difficulty in the recovery of foreign trade, which is blocked through our inability to set up central administrative agencies.

The food problem in Germany is caused not so much by dealing on a pre-war basis in Germany as it is by the shortage of food in the world. You have heard it said, no doubt, that the occupied areas shall be fed the worst. Let me say in this connection there is no hope on anybody's part that they shall be starved, or that we should in any way concentrate starvation and make sure it falls on all the Japanese people. Nevertheless, the shortage of food in the world is so acute at the moment that an attempt to provide liberated areas with food so as to enable them to survive may very well lead to starvation in Germany and in Japan. At the moment we are providing 200 thousand tons of wheat, for the next three months, to Japan in an effort to build up the caloric intake in Japan to something on the order of 900 calories. We are trying very hard to find 50 thousand more tons of wheat a month to send to the American Zone in Germany to provide 1200 calories a day for the normal consumer. In the British Zone, the caloric intake has fallen to 1,000 or 1,024; in the French Zone it is considerably less than that. In the final analysis, all of this means that any recovery in the German economy is necessarily delayed by the fact that the German worker does not have enough food to enable him to produce effectively.

The other important basic item to industrial recovery is coal. Coal is the life-blood of Europe, in particular. The fact that labor has left the British coal mines and she is no longer able to provide for exports;

the fact that the French previously depended upon exports from Britain, and still do not have enough coal despite the fact that they have raised their coal production, locally, up to 100 percent of 1938--means we have an extremely difficult problem in allocating coal produced by Germany. The tendency on the part of the people there is to think that if they had so much coal they could do so much better with housing, public utilities, and so on, and they could get on with the problem of providing fertilizer.

The President's directive of July 1945 said that coal used in Germany was to be limited to the bare minimum, and that all coal possible should be exported to the liberated areas; that there should be 25 million tons exported to the liberated areas from July to April 1, 1946. That target was by no means met. They did not even come close to it.

The French are very much excited about this problem because they know that their industrial recovery is impossible unless they get coal from somewhere. If they do not get their coal supply from the Ruhr, they will not get it anywhere. They are talking in terms, eventually, of 26 million tons a year. Now it is in the order of six million tons a year. This matter of coal is at the very heart of the present recovery. There are fights still going on as between the liberated areas and Germany itself.

Over the long period, what is the hope for the German economy? What is the possibility of its getting back into the family of nations and producing a standard of living which is sufficient to make it inclined to go along with the democratic ways of life in the family of nations?

The Potsdam Agreement, I think it is appropriate to say, was made at a time when great historical forces were reaching a climax. The Potsdam Agreement, for example, says, in effect, that shipbuilding in Germany shall be prevented; that there shall be no aviation industry in Germany. But let me also point out to you that the Potsdam Agreement did not say "for all time". It simply says there shall be none. This raises, I think, a very important question: Should the Potsdam Agreement be interpreted as meaning that for all time there shall be no shipbuilding of seagoing ships and no production of aircraft?

My own inclination, and I think also the inclination of a number of people in the State Department, is to say that the reparations program and the economic security program involve a sharp, deep cut in German industrial power in an attempt to set Germany well behind any liberated country, or other countries, in getting back on her feet after the war.

This setback, I would say, in something like aviation, should be in the order of 20 years. The Germans were well ahead of a great many other countries with their jet aircraft, rocket-flight, and other types of aviation. It would be impossible to say in the modern world, in the world of flight, that the Germans shall for all time not be allowed to own an airplane, build an airplane, or look at an airplane. That would seem to me to involve saying, "we are going to have to occupy Germany for all time."

It would be appropriate to say Germany shall have no aircraft industry at all as of the next few years. At the end of 5 or 10 years, when occupation is over, we might say--I would be interested to have your views on this--Germany shall produce aircraft of not more than a thousand horsepower after this, for the next 10 years. At that point I should think the economic disarmament aspect of our program would be satisfied. It would be satisfied by giving everybody a head start on Germany; that is, everybody who was ever going to get into the aircraft industry. Then it would be appropriate to let Germany enter into the family of nations, to resume its normal economic life and regain its economic sovereignty.

There are a great many fields where German economic sovereignty will never go back to her. I think some people hope that economic sovereignty in these particular fields will be given up by other countries. I have in mind, particularly, research in radioactive materials, atomic fission, and so on. It is also very likely it would be necessary in certain branches of the German chemical industry to retain at least a modicum of inspection to see that activities are conducted along peaceful lines. But it strikes me that to attempt in the long run--whatever our views are now on economic disarmament and reparations,--to maintain these, lays us open to the sense of uncertainty and we may feel that we might fall out with our Allies over our ability to maintain these controls as we fell out with them the last time. I am wondering, in terms of economic warfare and the concept you are studying, whether this 20-year advantage, or maybe it ought to be a 50-year advantage, would be sufficient, from an economic warfare standpoint, to carry us through.

General Armstrong, that is about all I want to say. I understand from Colonel Taylor it is appropriate that some questions be asked.

GENERAL ARMSTRONG:

Any questions, gentlemen?

A STUDENT:

We had about a 200-year head start on the Japanese and yet they caught up to us in certain respects. How can you explain that situation?

MR. KINDELBERGER:

Well, Perry opened it up in 1850-something, and by 1945 they were up to us in a great many lines.

There is a grave question in the minds of a number of economists--this is an important point to study, from the viewpoint of economic warfare--as to the extent, the distance, which the economic resources should be rated to each other. Now if Japan were located in Latin America, with its 11 million tons of steel, and its shipbuilding industry and its aircraft industry, there would not be any problem at all. The economic resources of Japan were essentially a problem because they existed at the end of a 7 thousand mile-long pipeline. They had to be licked at that distance. It has been said that the economic resources of Japan caught up

in 100 years. I do not think they caught up in the real terms of their ability to produce, if you will. But, at the same time, they had the advantage of being at that great distance.

I would say that what we could do is to rebuild China and the Philippines, industrialize and strengthen China and the Philippines, plus Manchuria, and let those countries industrialize and build up on the basis of Japanese reparations to the point where the forces in those areas are approximately equal and Japan does not stand out like a sore thumb as the only industrial power in that area.

If we propose to keep Japan guarded for all time, we have a long problem. We have got to be prepared to take care of situations that would arise, which would mean reliance would have to be on a decent order of forces, a more appropriate order of economic forces in those areas.

GENERAL ARMSTRONG:

Isn't the important thing with reference to the future of Germany the position she takes relative to the nations of the world--whether she becomes pro-Russian or anti-Russian? Evidently Great Britain hopes she will become anti-Russian and would like to keep a strong Germany in that case.

MR. KINDLEBERGER:

Yes, sir. I am not sure that Britain even thinks any longer of Germany in terms of a united Germany. The principal case for the Ruhr-Rhineland separation, if you like, is the case that Germany will go communistic. Prussia, with its center at Berlin, has always been the aggressive influence in Germany.

I think the important thing is, assuming the anti-technical nature of Eastern and Western Europe, and the fact that they have a hard time getting along, have a hard time understanding each other, whether it is desirable to split Europe in the middle. Does not splitting Europe down the middle make it too easy for Eastern Europe to carry forward its communistic ideas? Can we protect ourselves? Do we have any basic security in a situation where you have, what Walter Lippmann refers to as two church schools--you go to your church and we'll go to ours--or the so-called "iron curtain" of Russia, which is like these stone windows, you can't look in but they can look out.

I would say further that the people who talk about breaking Germany up into very little countries--Bavaria, Saxony, Pomerania--are not talking really any differently from when they talk about splitting Germany because, these little pieces, as with magnetic attraction, would fly to one pole or the other.

A STUDENT:

You talked about the "iron curtain" of Russia. Isn't there also a considerable amount of censorship in China?

You also talked about making China strong. Does the Department of State have any real hopes of a strong, centralized government in China in the near future that would govern the whole country? We continue to hear reports of Chinese soldiers looting in Korea the same as the Japanese did. The Communists claim this present fighting which has broken out in Manchuria has been due to the Chinese soldiers doing the same things as the Japanese. As soon as General Marshall left, the lid blew off. Can you tell us what hope the Department of State has for a United China?

MR. KINDLEBERGER:

I'm afraid I can't answer that. I really do not follow the Chinese situation even to the extent of the normal reader because I am kept pretty busy with affairs in Europe. I do well in following what is going on in Poland, next to Germany. But I do know a strong China is an important item in United States foreign policy.

A STUDENT:

From reading the newspapers it would appear that the American public is pretty much convinced that the Allied powers have made a mess out of things over there, economically, when viewed in the light of what has been done individually by one single power in Japan.

Now it has been said if you take all the money in the United States and divided it so that everyone got his share, the Fords within ten years would have all theirs back, the Rockefellers would have all their back, and so on. This industrial and scientific know-how of Germany, which is spread out amongst the Poles, Czechs, and everyone else in Europe, seems to me to be an analogy in point.

In addition, we have the situation in which Germany is the hub of all Continental Europe. Its transportation, scientific know-how, commercial life, and the entire standard of living in Europe is, more or less, gauged by the highest level in Europe, leaving out, of course, the British Isles--

MR. KINDLEBERGER (interposing):

Switzerland and Sweden.

A STUDENT:

Yes.

Now, sir, my question is this: If we, shall we say, "deactivate" Germany for a number of years, such as you propose, we are, by that action, retarding and delaying the economic recovery of the occupied countries. We are imposing a very serious and acute problem on the world in general and, I am afraid, on the American taxpayer in particular.

Would you care to comment on how long you think it will take Europe to recover, economically, if we perform this major operation on the German economy?

MR. KINDLEBERGER:

Well, I think it would be a long time. I think it would be longer than if we went about it the other way, than if we started priming the pump by getting the Germans going first. If we said of Germany, as a lot of people have said--you can put these questions in these basic terms--if Germany did not have to burn a ton of coal for the next six months, at the end of that time she could export a lot more coal than she could do now; she would get more railway cars made; she could get more bridges built with steel. But the liberated countries come along and say, "That's all very well; but where's the coal now? Today?"

If one were to go about to repair Europe through Germany, we could put in a half billion dollars and get things coming along pretty well. We have a lot of problems. One of them is when you pull out 7 million workers, displaced persons, and send them back to their own countries. Of course you would have to send the prisoners of war back first and get them set up in their own countries before these countries could demobilize their own armies. The French are quite reluctant to let the prisoners go. The Russians, in my opinion, would be similarly reluctant. German manpower is going to take a long time to build back.

Germany has the most enormous problem of her own, that of rebuilding her housing and of providing housing accommodations. If you wanted to make sure Germany got to work to produce for the liberated areas, you would have to put in plenty of controls to make certain she did not start to produce for her own needs, which are indeed drastic and serious. They talk in terms of 1949 as the time at which the level of the level-of-industry plan will be met. I think it will be met by 1949.

GENERAL ARMSTRONG:

We want to thank you very much, Mr. Kindleberger, for this discussion.

I would like to make a few comments from my own experience. I must say, first of all, that I cannot help but be a little bit cynical about the whole question. I recall in 1919 I was going up to Helgoland to make a study of the fortifications there. On the way I went through Berlin. Along with the Military Attache at the Embassy I went out to Spandau. I saw there what the Germans said was all their field artillery, in one pile.

Well, you do not have to be much of a prophet, because I made the remark at that time, that Germany would rearm some day and that this "destruction" of German artillery weapons would be, as it turned out to be, a tremendous advantage; that every other nation in the world would retain its wartime equipment and Germany would scrap everything and start out afresh, which she did.

I then went up to Helgoland where I saw these big 305-mm. guns being cut up with oxyacetylene flames into small sections. I do not have to tell you that when the war broke out that place was completely fortified anew. Now Germany was not allowed to have any ordnance industry, to speak of. So, what did she do? She started making guns at Bofors in Sweden, and developed the fine weapons with which Germany started the war.

So, gentlemen, I wonder whether or not we are not enabling Germany, by scrapping all of her present technology, to get ready for the Atomic Age more effectively than any other nation in the world. That is just a thought I would like to leave with you because I think, judging from past experience, we can anticipate that Germany is pretty shrewd and that we have something to watch there very carefully. Certainly the controls that are there now won't be there in a few years.

No matter what Germany becomes--and we do not even include her in any of our estimates of the hostile powers today--you can be absolutely certain that in a matter of a few decades Germany will be back, either with us or against us, in the European concert of powers. So I think it is a very difficult situation. What Mr. Kindleberger has given us so lucidly this morning is a tremendously important help.

Gentlemen, always remember we are shifting from one thing to another. The question I keep asking myself is, Does this Class think enough about the Atomic Age we are not coming into, or are we still thinking about the iron and steel technology in an age that is coming to an end? We ought to think more about that, gentlemen.

Thank you very much, Mr. Kindleberger. That was a very good talk.

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