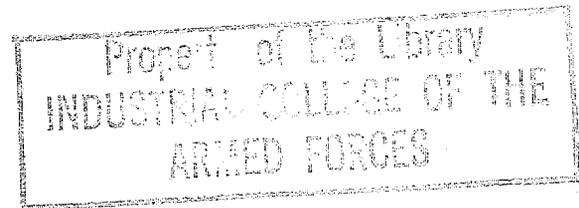




THE AMERICAN SCENE TODAY

Mr. Leo Cherne

NOTICE



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Reviewed by Col R. W. Bergamyer, USAF on 23 March 1964.

INDUSTRIAL COLLEGE OF THE ARMED FORCES

WASHINGTON, D. C.

1963 - 1964

THE AMERICAN SCENE TODAY

19 August 1963

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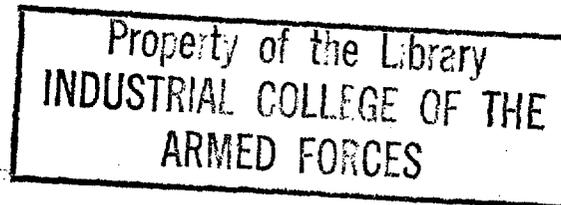
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Reviewed by: Col R. W. Bergamyer, USAF Date: 23 March 1964

Reporter--Grace R. O'Toole



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ADMIRAL ROSE: Gentlemen:

We come now to the first of the ICAF lectures of the year, having had, I think, a very good start with the joint lecture by Mr. Ball this morning.

I think that any course as comprehensive as the one that you are about to start on can have no more appropriate beginning than one which analyzes the various strengths and weaknesses of the United States and relates them to our position in the world today.

Our speaker this afternoon has been a student of both domestic and international affairs for many years. As the Executive Director of the Research Institute of America, he is in a position to critically observe and study world events as they occur. He has appeared on many televised panels of distinguished experts to discuss national and international problems, and I am sure that many of you have seen him.

He is well known for his writing and lectures and is particularly well qualified to speak to us today on the American scene. He has also been a friend of this school for many years and has made many talks here to the student bodies.

It is a great pleasure to welcome back to this school and to present to you Mr. Leo Cherne.

Mr. Cherne.

MR. CHERNE: I approach this lecture with a feeling of responsibility and a sense of depression greater than has been characteristic of other occasions in the past.

My first exposure to the Industrial College was in late 1938. The reason for that exposure was a fairly simple one. European fascism under the impetus of

Adolph Hitler had by late 1938 revealed to most serious observers its true intentions for Austria, the Rhineland, and in 1938 Czechoslovakia. There was little room for debate about what the real purposes were, and in the War Department, under an isolationist Secretary of War in 1938, a debate was in process. The Assistant Secretary of War then, Louis Johnson, carried the responsibility under the National Defense Act of 1920, as I recall, for industrial mobilization in the event of war. The Secretary of War, Woodrich, was totally opposed to such preparation, as he was to the possibility or prospect of the United States being involved in war--a division which was a serious one and with which you are amply familiar.

Nineteen-thirty-eight was the year of Munich. This is 1963. The New York Times Book Section yesterday contained the reviews of three books which deal with the Munich period. I think this is only partial accident, if it is accident at all. I think it's essential that some of us who are concerned with this interval address ourselves to this interval by the process of reexamining what it is that actually took place, how, and why, during those awesome months 25 years ago--the serious reasons for doing so.

The complicated thing is to state those reasons. There is an understandable tendency to look at our national distress, to the extent that we have experienced national distress, and to identify distress as the result of conspiracy. In my view this is both misleading and misdirected. If the West is ever again to go through a period of history comparable to Munich, it is important that there be a larger understanding of why it is likely or why it is possible that we may once again go through such a period, and what in fact is the nature of such a period.

It has been fashionable, for example, to look back at the essentially tragic figure, Neville Chamberlain, and to view him either as a fool or as a devil, when in fact he was a profoundly honorable man who mirrored the deepseated, almost

unanimous wish for peace of his people. He was not an eccentric; he was a mirror. He was a continuation of Stanley Baldwin. He was the apotheosis of a peaceful people wishing to continue to enjoy peace. Had in fact Hitler not violated that peace, I suspect, had Chamberlin ended his term in peace, he would have earned a permanent place in all of British history as one of England's great statesmen.

In fact, of all of those who participated in the Munich agreement, only one man even had enough insight to know that he was participating in something that might not be regarded as altogether decent--Deladier. Where Neville Chamberlin, on arriving back in England, rushed from his plane and rushed into the welcoming arms of press and people hailing him on his achievement, Deladier was the only participant in that conference who hesitated to leave his plane, and in fact at first refused to, because he expected to be mobbed. He expected to be condemned, and was startled and pleasantly surprised to find that he was received by the French people with as much warmth and total acclaim as was Neville Chamberlin.

I am not merely reviewing history. If a Munich were again to occur, I assert by definition that you can be certain that it would be introduced by men who are genuinely patriotic, men who are genuinely decent, men who run the spectrum of capability from poor to excellent, and men who mirror their people's wish for peace, for family, for continuity, and for survival.

Now to 1963. What position has the United States arrived at? What are the attitudes of the American people toward domestic and foreign situations? What are our national strengths and weaknesses? I must cover this within a brief period of time which I have already seriously abused.

It is impossible for us to even begin to understand the position at which we have arrived without at least a quick initial pass at the position at which the Soviet Union and Soviet world have arrived. On some levels a measure of our strengths and weaknesses, of our purpose and direction, can be taken without

reference to anything else or anyone else. But, in the areas with which you are particularly concerned, the areas loosely circumscribed by the words, "contest on the many levels of confrontation," there is no assessment of our strengths and weaknesses without at least some view of the Soviet world.

First--and forgive me if in the quick, almost impressionistic pass at this I make a succession of overwhelmingly large and unprovable statements (even the logical demonstration, let alone proof, of any of these will occupy subsequent lecturers, if in fact they can do it during the periods of their entire lectures)--the USSR and Red China. It is my view that a break has occurred between the two which is fundamental, which is not tactical, which is not reparable. It is my judgment that this break cannot and will not be altered by Khrushchev's replacement or Mao's replacement--though, if either of the two were to effect a change I will quickly say that a change in Russian face would have far less meaning toward affecting or cementing that break than a change in Chinese face would have. It is my view that at present there is a cold war between the USSR and Red China which in intensity matches certainly the cold war between the USSR and the United States. It is my view that this has affected the Soviet Union and its relationship with the Communist Parties of the world. It is also my view that this has affected the Soviet Union and its relationship with us. I haven't said anything about any of these being favorable affected--I said affected. There has been a complicated series of effects.

It is my view that among the beneficial effects for the Soviet Union of this break is that it has served to make the Soviet Union an infinitely more attractive member of Western society and a significantly less suspected member in diplomatic relationships--suspected by their adversaries, including us. I do believe that for the Soviet Union there is very real distress involved as a result of the conflict

between Red China and themselves, but that there is no significant distress for the Soviet Union flowing from this difference in their relationship with us. On the contrary, I do believe that the split with Red China, while not desired by the Soviet Union, is extremely welcome on the level of their relationships with the West. In fact, it is one of the reasons why Nikita Khrushchev, for example, was eager to share with Konrad Adenauer and other foreign visitors as long ago as 1955 and 1956 his expectation that the break would occur, because, even before the break, even in the event of the possibility of there being no break, he knew that there were very few things quite so inducive to a reduction of Western suspicion as the two of us enjoying the appearance of having the same enemy. Don't be misled by the word "appearance." We do have the same enemy, but we are not therefore friends. We share enemies. We and Red China have the same enemy, too.

In fact a new element is introduced into the picture. There is some reason to be concerned. I am not terribly affected by this at the moment, but there is some reason to be concerned that neither Red China nor the USSR would be very unhappy to see us involved in an extended military venture with the other. I am not concerned because I don't visualize us becoming involved with either.

Next, on Soviet position--the Soviet Union is within dreaming distance, at least, of its first European victory by parliamentary process, or at least the best chance they have had since before the Marshall Plan, since 1947. The nation I am referring to is Italy. As far as the Soviet Union is concerned, it is enormously heartened, and has every reason to be, during a period of intense division within its own world, by the achievement of a major objective of Soviet policy, and that is serious division in the West. I know that Under Secretary Ball discussed this at far greater length this morning than I did and may, in fact, have reached an altogether different conclusion. I had no way of knowing, since I wasn't here.

But I find nothing in the present environment that suggests that the West has been drawn together ~~within~~ recent months or has any prospect within the coming months of remaining even as close as it is today. I see no such prospect whatever.

The Soviet Union has for itself both in Cuba and in Latin America intense and undisciplined Communist parties. They are specially valuable, not as leverage for further Communist penetration--and I am not suggesting that the Soviet is indifferent to it--but as leverage for further negotiation with the United States. Cuba and Soviet forces in Cuba, in my judgment, are an important chip on the table of Soviet negotiations. I have not said that communism in Cuba is an important chip on the table of Soviet negotiations. The only reason I don't is because I don't think that the Soviet Union has the ability to negotiate communism in Cuba. It merely has the ability to negotiate its troops and its position and its attitude toward communism in Cuba. It has the ability to dispose of Fidel Castro, but, if it exercises that ability to dispose of Fidel Castro, it had better do so after its own troops have left--and may in fact be thinking of doing so, after its own troops have left, because it is my hypothesis that Soviet troops will leave Cuba, as part of a process of "accommodation" or their talks with the West.

The Soviet Union can look forward to a period of nothing but benefit for herself in Latin America and virtually no benefit for herself in Africa. The reasons are complicated and they surprise the Soviet Union every bit as much as they do us. They are highly oversimplified reasons. The new nationalism of the nations of Africa provides an immunity of sorts at this stage of their development to Soviet penetration. The nationalism is an old and unvigorous force in Latin America, except that it is one manifestation anti Yankee imperialism.

The Soviet Union internally is in fair shape, better on most measurements, if the measurements are their own--and I am not suggesting that they are false.

I mean, when measured against its own past, the Soviet Union by and large is doing better than it had. Its annual rate of growth remains significantly in excess of ours. More importantly, if its annual rate of growth is not much more than ours, its rate of growth is much more in the areas that make power. The Soviet Union is concerned with power primarily, not comfort, not writers, not poets, not painting. As involved as they have had to be with each of these, they are nevertheless concerned with the attributes of growth which are directly related to power.

The Soviet Union has had a total failure in the UN. This is one of the utter miscalculations of Nikita Khrushchev, from the moment of his shoe pounding to the advancement of the Troika, or vice versa, but it would be a mistake to assume that the Soviet failure has been our victory. It has been a Soviet failure and it has not been an American victory or loss, for that matter. It has been increasing direction of an international agency which is less and less useful to either.

Now the United States. First a very quick look abroad. We are infinitely better off than we have been in India, but not at Soviet disadvantage. If there is one point in the world at which US and USSR interests largely merge, that place is India. The reasons are simple. One, it's the point at which our separate interests and those of Red China are most opposed and in which there are US and USSR interests worth protecting. I make the latter point to distinguish India from Laos. The USSR has no interests in Laos worth protecting. The fact that momentarily they may have been in agreement with us is quite academic. They have no interests of their own worth protecting, and their association with us gives us just about that much additional leverage. In India there are interests of the USSR and significant ones, worth protecting, as there are of ours. At the moment, at least, we carry Nehru jointly on our shoulders.

Viet Nam: If I had the time I suspect that I could say more about Viet Nam

and with greater authority and with more knowledge, and I could perhaps add more to your fund of information on the subject of Viet Nam than on the sum total of everything else I have to talk about. Lest what I have to say about Viet Nam is misunderstood, may I say that the following is not by way of self-approval. I enjoy the highest honor that Viet Nam has bestowed on a foreigner. It was given by President Ngo dinh Diem, in fact, to only two foreigners--to then President Syngman Rhee and to me. I say this lest you find that certain of the observations I make on some levels, at least, too similar to those which were made by some mush-headed or fellow-traveling critics of the Vietnamese government.

It is my strong judgment that the United States cannot possibly prevail or the Vietnamese people cannot possibly prevail in Viet Nam with the present government of Viet Nam. I cannot describe how painful it is to me to make that statement. I have the deepest affection and regard for its President. I regret among all else that he is not the President of Viet Nam, that he is a prisoner in the Palace. Unfortunately, he is responsible for that unhappy state of affairs. It was he who installed his brother, Ngo dinh Nhu, in the Palace, with his wife, Madame Nhu, at first as advisers, and in recent months as jail keepers. The American press has seriously distorted the picture by an overemphasis on the infamous Madame Nhu. Madame Nhu is a person of remarkable attractiveness and considerable ability, who would not enjoy five minutes' power were it not for the presence and power of her husband, the brother of the President, Ngo dinh Nhu.

There is no religious conflict or problem in Viet Nam whatsoever. There is a political problem. There is a serious and totally valid complaint on the part of the Vietnamese people--Buddhists, Taoists, Annamists, and Catholics--against an unpopular government and against separation of the government from the people of Viet Nam. This could not and would not have lasted had it not been for for US aid, and will

come to an end, very likely, in the very near future, either as a result of the Vietnamese bringing it to an end themselves or the United States new representative in Viet Nam participating more actively to see that it comes to an end.

The most desirable solution of all would be for the present President of Viet Nam to remain as a President with no governmental power, with a Premier truly representing the national effort carrying the power of government. If this is not effective it would be tragic indeed to have the blood bath which will destroy all of the members of the family of the President and in the wake leave anarchy and chaos such as can only benefit the Communists.

It is ironic and extraordinary and part of the inconsistency of American effort that, if anything, we become more and more deeply involved in Viet Nam while we detach ^{ourselves} more and more from the heart of the struggle. It is here, I am sure, that I find myself in complete agreement with the Under Secretary of State, because, at the moment that our struggle against communism is at its most intense point in Viet Nam it has become less, and less, and less intense in Central Europe.

It is clear that the United States is ready to enter into what, for want of other words, are called non-aggression arrangements, which really have nothing to do with aggression on either side but are means of assuring the Soviet Union that we do not mean to upset the status quo in Central Europe, or more affirmately that the Warsaw Pact powers and the NATO Pact powers will recognize each other. The only hitch is that we can't do this and include East Germany. So, when it is done--and I suspect it will be done--it will be done by a formula which appears not to include East Germany--as, for example, on the test-ban treaty. You know that this was the reason that West Germany could not sign the treaty until assured that there

wasn't by implication any recognition of the government of Pan-Ku. However, the treaty does say that one-third of the signatories can call a conference to amend the treaty and East Germany is a signatory, and East Germany and other states, totalling one-third, can call a conference which all of the other powers are then obligated to attend for the purpose of discussing, if only to vote down, amendments to the treaty. So a nation which has not been recognized can, nevertheless, participate in a conference and may even call it, if for no other purpose than to make sure that other states which do not recognize it sit down and confer with it.

I point to this not because it has any great substantive importance but because it throws a tiny pinpoint of light on the absurdity of some of the political positions which involve both sides of a deadly controversy.

On previous occasions here at the Industrial College I have said, and can only now summarize, that for the West to give up the leverage which it enjoys in Central Europe is for the West to make peace with the Soviet Union at the only point in the entire world at which the Soviet Union is vulnerable. I repeat, for the United States to give final assurance guaranteeing peace to the Soviet Union in Central Europe is to reassure the Soviet Union at the only point in the world at which it is vulnerable, with one modification that's new which we can effect. Of course there is another point at which it is exceedingly vulnerable, but I am afraid that the effect is in Peiping and at their disposal, not ours.

I can understand the urgency of the Soviet Union wishing to end vulnerability on at least one of its two frontiers. I am not sure I can altogether understand our eagerness to provide that reassurance, because, in addition to providing reassurance desperately needed by the Soviet Union, we do something else. It is, of course, commonplace for us to understand that the Soviet Union requires either the presence or the invention of danger to consolidate its own control internally and within the

that bloc, /if the Soviet Union is not threatened it must invent danger. But this is not uniquely true of the Soviet Union. The Atlantic Alliance is a product of a sense of danger, and tends to disintegrate instantly when danger subsides. For us to relieve the Soviet Union on the subject of Central Europe has a double undesirable effect from the point of view of my pronounced prejudice. It strengthens the Soviet Union and at the same time sows the inescapable seed of division, suspicion, and competitive interest in Western Europe. I have been under no illusion, and I suspect that few of you have, that the arrangements in which there has been mutual participation by England, France, Germany, Italy, and the United States have been products other than of a momentary sense of fleeting danger. This, too, I am afraid, provides further impetus for difficulties which have already reared their ugly heads in the relationship between the United States and the Common Market, between our products and those of the Common Market, between our our tariffs and those of the Common Market, between our need to reduce our expenditure further in Europe and increase our income out of Europe versus the Common Market's desire, if at all attainable, to procure precisely the opposite of those two objectives.

What are our strengths and weaknesses; since little that I have described is other than a picture of a backdrop against which now strengths and weaknesses can be measured?

First, quite properly, in your outline emphasis is placed on the attitudes of our people. I either have deprecated or criticized certain arrangements and tendencies or I have failed to by oversight. Let me be clear. Whatever it is I have criticized has its base in popular desire. The Washington Post this morning conveys the latest Paris poll for support or disapproval on certain policies of the present Administration. You will find a notable support for the policies of this Administration as they apply to virtually all overseas undertakings. Where there

is dissent, the dissent deals with domestic questions, fundamental questions, of course. If I have described the process of strengthening our position in Berlin, I have misstated myself. But you will find overwhelming public approval for the strong stand by the President of the United States on Berlin.

Now, as a curious dual view in the public, a view on the one hand which says our position is a strong one and on the other hand applauds it for having not jeopardized peace, there is an overwhelming, urgent desire on the part of the American community, echoed by communities elsewhere in the West for peace, family, continuity, and survival. It is this mood which I find strikingly similar to that which prevailed in 1938. The mood I describe is a mood among honorable men, decent human beings, not participants in a conspiracy or defect in the virtues of patriotism. I am describing in fact the very mainspring in the patriotic motivations of an overwhelming percentage of the American people--the desire for continuity and survival.

The test-ban treaty forces have been described as the smiling steamroller. If this steamroller smiles it is for two reasons: It need not do otherwise because opposition is all but unavailable. The reason for that is there is overwhelming public support--understandable--fallout, the notion in most minds that this treaty will be followed by other arrangements which increase peace, that outlawing of nuclear tests is only a precursor to durable arrangements reducing weapons, that outlawing nuclear tests lessens the arms race and will reduce expenditures, that outlawing nuclear tests will reduce tension, and if there is no tension, or less tension, there is a greater chance of peace.

I am of the view that almost the opposite on each of these assertions is probably true. But my view is of supreme unimportance, because very few people share it. It really is very academic as to whether I am right. In this society the popular view does in fact prevail, and the popular view today is not only

popular but it is bipartisan and will be reflected in a bipartisan vote for the test-ban treaty. You will understand, therefore, that it is a highly prejudiced assertion which says that the most serious weakness of this society is the indiscriminating wish of the American people for peace and the impact of that wish upon its Government. I must add that latter, because there is no question in my mind that the wish for peace in the Soviet Union among the people in the Soviet Union is as large as or probably much larger than that which prevails in the United States, and I am not suggesting that it is without effect on its government; but the effect is marginal in contrast to that which prevails in this kind of society.

The American people do not shrink back in horror at the sight of the wall in Berlin nor clamor for action to alter it. The American people, if they feel sensitive upon one subject feel sensitive on the subject of Cuban communism. I must say that even I was startled to find so high a measure of support for the President on the effectiveness of his Cuban position, as reflected in the poll published this morning--surprised, not startled, because there is also no question in my mind that there is virtually no American eager to overthrow Castro at the risk of involvement in war.

Strengths and weaknesses--you will examine the economy at great length, and our economy, of course, is of almost unmeasurable greatness, flexibility, incomparable in strength to that of the Soviet Union, let alone the economies of the West combined versus ~~those~~ of the Soviet Union and the bloc combined. However, there are problems. By and large the Soviet Union and the bloc are combined, and increasingly the United States and Western Europe are, at least in economic terms on certain levels, not combined. I don't want to overemphasize this.

Secondly, the rate of growth of the United States has been disturbingly low in contrast to that of the Soviet Union. It has been better within the last couple

years, but still it is disturbingly low. If I could end at this point on the economy, I would still have to paint a picture of unmatched superiority, but I can't end at this point. I must concentrate for just a very few minutes, as I close, on the one unresolved and in some ways unsolvable problem, thus far, at least, for the United States as it affects the economy.

About 1958-1959 we began to enter a long-term crisis of employment. There are those who say the war boom came to an end in 1958. There are others who say that certain fundamental changes took place in the economy which began to have or introduce radical changes in 1958-59. Interpretation is still very vague and uncertain. The facts are not. It is clear that starting in 1958-59, come boom or recession, the United States increasingly was experiencing a problem of indissoluble unemployment. It is true, with certain changes in the nature of the economy, with that most remarkable transition of them all, that within the last 10 years, for the first time in the history of any industrial society, the majority of our non-farm workers are not in industry; they are in services. There is no other industrial society anywhere in the world in which the majority of non-agricultural employment is not in the making of goods. The making of goods now involves less and less employment as a percentage of the national work force.

That contains serious implications. Among the implications, it is extremely difficult, in contrast to goods, to export services, which means increased exports of goods are not producing an adequate increase in employment.

No. 2, and more serious, is the heart of the problem, that changes have been occurring in the technology of industry, mistakenly identified with the word, automation--automation is part of it. But a wide variety of technological changes, many of which have nothing to do with the specific thing that is automation, have produced significant reductions in the use of manpower, unfortunately at a time of

remarkable population growth for the United States. Until two years ago the population explosion was something for us to worry about for India, for Latin America, even for Europe and Japan. The fact is that the American Assembly Conference devoted to population explosions just six months ago spent as much time on the serious effects on the United States and the American economy of our population boom as upon less developed societies elsewhere.

Among the difficulties, don't be confused by the meaningless percentage of unemployed that is the national figure--presently under but pushing 6%. That's a meaningless figure. The real concern is what percentage of certain age groups are unemployed. The explosive potential is contained in the age groups, and we have been in, are in now, and will more seriously face in the immediate future a problem of the unemployment of the young--those newly entering the labor market. There between 15 and 25 percent of communities of the young will be unemployed--and add to this number if they are colored.

In fact, here is the reason for some of the explosive aspects of the crisis of color, because it is within the context of this problem that there is the almost certain conclusion that the crisis of color will not be dissolved by legislation or otherwise, because the only thing which can fundamentally dissolve it is employment, and the employment is not available.

Now, as a measure of the crisis and its growth, let me just point to the fact that the hollow generation of the 1930's has been followed by the war boom, the population boom of the war babies, and that the age group 21 to 24 is the group that does most of the marrying, family forming, home furnishing, or is unemployed. That 21-to-24 age group was growing at the rate of 1.5 percent in 1960-61, growing at the rate of 2.5 percent in 1962, and growing at the rate of 3 percent this year. It will grow at the rate of 6.5 percent next year and will

grow at the rate of 8 percent in 1968. This is one of the projections an economist can make with safety, because all he is doing is adding up the population which is already here. The crisis of employment will reach explosive attributes within the next 5 years. Incidentally, it will reach its peak in 1968 and will begin then to modestly decline in this particular generation.

The President has said that the main deterrent to investment today is inadequate markets. There is no question. To fully utilize the strength of which this Nation is capable, to fully generate the growth of which this Nation is capable and which it requires to absorb substantially, not fully, the population which this Nation grinds out, we need markets to absorb unused plant, we need investment to expand and modernize, to innovate, and to grow, we need jobs to add over 1-1/2 million new jobs a year, we need education to upgrade skills and absorb the war-baby bulge.

It would be a mistake to conclude that the economic problems which I have advanced place our economy in jeopardy. They do not. But they do place certain aspects of our political society in serious jeopardy. If there is still any disposition to believe that the present crisis of color is a summer thing or a one-time thing, or a passing fancy, I would be disposed to debate that optimism or that view, with all my capability.

I believe, in fact, that we are likely to become so preoccupied with certain of our own internal revolutionary developments as to devote and require and divert substantial energy and thought from problems abroad. I do believe there is a reason why this Administration or any other would at this juncture welcome an interval of peace with the Soviet Union, quite apart from any other. And it is the identical one the Soviet Union has. The Soviet Union has an awful lot on its hands at home and with China and in the bloc at this moment and would love, therefore,

to tranquilize us. But so, too, we have an awful lot involved at home and with our allies and below our borders, and would love not to worry about the Soviet Union for just a little while.

We are in the process in some respects. Both parties are enjoying the same tranquilizer. I regret that it is apt to have a little more effect on us, in my view, than on them.

Thank you.

CAPTAIN MOOTE: Gentlemen, before we start the questions, I would like to remind you to announce your name and your service or agency. Mr. Cherne is now ready for your questions.

QUESTION: The views that you expressed today on the U.S. position, views they have in Europe, seem to prevail in what I consider an informed society. I wonder, from where the polls that were printed in the Washington Post and other places were taken, ~~where~~ this is apparent.

MR. CHERNE: I have a feeling that you indulge in a self-flattering image, which I value, by describing the society in which you and I move as an informed, intelligent society. I have no reason whatever to doubt the validity of the poll as representing the true spectrum of public view--no reason whatever to doubt it. I do not find that the views I have been reflecting are in fact either popular or prevailing even within the circles in which I move. If I may just go one step further--I was requested on Friday--and I just briefly before said a little about this to some members of your faculty and the Commandant of the College--to assemble a group of highly informed people, a small group, for a confidential discussion with Edward Teller yesterday. There were ten of us who assembled, including several very distinguished Sovietologists, among the best known and very competent. They

head very portant activities involving the US and the USSR. Not one in that group was opposed to the test ban before the meeting, not one in that group. I include myself. I was prepared to find that this time Dr. Teller was wrong. As a matter of fact--and I told this to Teller---I was prepared to find that very possibly the tension of this continuing debate had had its effect on his rationality. I am describing a unanimous view in a circle of really informed people, all, incidentally, with a deep anti-Communist bias, in this particular circle. Every one of us approved of the test-ban treaty. I think only one of us in the group was not badly shaken at the end of six hours of discussion. I see no reason to doubt that the poll is a proper reflection of a reasonably well informed community.

QUESTION: Mr. Cherne, the picture that you painted is rather black. I wonder if you can offer any rays of hope for a solution of this population expansion, or the unemployment problem in, say, 5 or 10 years. In other words, will you amplify your remarks about opening up new markets?

MR. CHERNE: Very honestly, I can offer almost no hope, first of all, on population expansion. I don't know anyone who has any very serious hope on population expansion or even the problem in the less developed countries, where it very properly is called population explosion. The results of certain extensive studies in places like Puerto Rico even lead now, belatedly, to a depressing conclusion that industrialization has very little effect on population growth, that, in fact, Puerto Rico has solved a good part of its problem not by industrialization but by the exporting of unemployment, that the industrialization itself has had depressingly little effect on its own population equations.

Whatever encouragement I can find in that direction flows from the fact that for the first time governments are seriously concerned with population. Now, that's new, and to the extent that that's so you can draw encouragement from it.

Secondly, there is very real evidence that the Catholic Church, important in this area in particular, is desperately searching ways of reexamining its dogma in the light of the problem. This, too, is by definition encouraging.

I am afraid I have exhausted the catalog of encouragement. I don't know of anything else which offers very much prospect at this point. I know of no action taken in any country, including India, which has had any significant effect on population growth, on population tendencies.

Now, the problem uniquely ours--and it is uniquely ours; it is not a problem in any Western European society yet, but I suspect will be in time--is: How do we continue to expand? How do we continue to stimulate the growth of industry? How do we continue to spur increased efficiency and the continuous search for lower costs? How do we thereby, because it is an inescapable process, thereby disemploy people? And, what do we find that provides fruitful employment to absorb these changes?

I honestly must say that I know of no one who has an answer to those questions. Again, if there is any encouragement that can be taken, it must be drawn from the fact that for the first time there now is serious thought being given, and a Presidential commission, I believe, is soon to be appointed for the purpose of reexamining a number of our economic conceptions, because it is clear that old economic conceptions have not explained this new phenomenon--just have not. To the extent that they are sought, and to the extent that the problem now is really a pressing and growing one and cannot be ducked, there is encouragement.

What do I envision as a probability? I'd have to say within the range of the clumsy expedients that are at our disposal I see the probability of two finally emerging: Massive capital inducement by way of tax cuts, more extensive than are now being discussed. Incidentally, this is one of the reasons the reform

part of the program went by the board and the tax cut remained, because, no matter what else you call a reform part of the program--and it was essential--it was a way of reducing some of the character of the tax cut, some of the dollar effect of the tax cut, and a decision was made that we had better get as much of that tax cut as we could, and certainly not jeopardize it. That's No. 1.

Secondly, there is the probability of public works, a massive introduction called by new names--a heavy investment of Federal capital into investment in the public sector. It used to be called public works. I don't know of any other.

Simultaneously there will have to be a sharply stepped-up program of adequate training to make even marginally employable the mass of the young and particularly the Negro and Puerto Rican young, teen age and early adults, because there is just less and less room in our society for unskilled labor of any kind. That is part of the new revolution. It puts at a terrible disadvantage the unskilled. That is part of the new, highly sophisticated society we have suddenly found ourselves in.

QUESTION: There is an imbalance in population pressure per unit of arable land in Eastern Siberia and China. Would you assess for us what effect this might possibly have on future Sino-Soviet relations?

MR. CHERNE: If I understand your question, but even more importantly, if what I know about the area is at all accurate, and I approach it with great diffidence, what I know leads me to anticipate, or even know with certainty, that Red China, or Purple China, or Orange China--but above all Red China--would have to move in that direction, that the phenomenon is only very modestly explained by aggressive Chinese communism, that it is more effectly explained by Chinese nationalism and Chinese population needs. If I understand your question and understand the data, I am saying that I find in this area one reason for believing that the

present Sino-Soviet split is curiously nonpolitical or curious irremediable. The geopolitical factor or the geographic and population factor provides the pressure that neither the Kremlin nor Peiping can significantly alter.

QUESTION: I wonder if you meant to infer that there was a rational embracing of the situation in which we find the Soviets, that we would like to have the cold war thawed so that we can pay attention to our domestic problems of unemployment and color. In fact, do we not have massive problems directed toward us by reason of the fact that a thaw in the cold war will produce unemployment even greater than ^{that} which we are dealing with right now?

MR. CHERNE: I think it depends on whether you are looking at this from the point of view of Norman Cousins, the Saturday Review, or Seymour Mehlman, or whether you are looking at it from the point of view of the Kennedy brothers and McNamara. I do know that the very moment the test-ban treaty was even initiated, Norman Cousins, the Saturday Review, and Seymour Mehlman were already counting the billions of dollars about to be saved in defense expenditures and assuring us that this need not result in any unemployment--that's Mehlman's thesis. That is inarguable. It certainly need not. It will, but it need not. However, those a little closer to the problem on close examination may well conclude, and have very good reason to, that the test-ban treaty is likely to result in an increased expenditure. Incidentally, I am of that view. My organization, The Research Institute, momentarily, at least, is not, but I am. I hope to persuade my colleagues. And I am only lately of that view, which is why the Research Institute isn't yet. I'll tell you how late--as of yesterday.

Among the things which emerged from the conversation with Dr. Teller was that the test-ban treaty would be followed, after a brief interval of time, not by a reduction of military anxiety but an increase, that it would place in

jeopardy, more extensive jeopardy, the adequacy or reliability of our second-strike capability--not our first-strike capability. Now, we do have an overwhelming first-strike capability, called overkill, but our first-strike capability has never given us any particular sense of safety, for a very good reason. Something you really know you are never going to use doesn't give you a sense of safety. What gives you a sense of safety is what you can rely on in the event you are required to use it, and that's the second-strike capability.

The end of the search for knowledge, temporary or permanent, is what the test ban is. By simple means it introduces a contest for the amplification of knowledge by complex means. It doesn't mean an end for the search of knowledge. I am dealing with extremely complex matters technologically, very quickly, very briefly. I must confess that on this level at least it is a very simple mind dealing with them. You have a pale shadow of a dim recollection of what Edward Teller said yesterday. You are lucky I am not saying this a week later, or I'd have forgotten even the little I know recall.

But I am seriously persuaded that, after an interval of time, a test-ban treaty unaccompanied by or not followed by genuine, substantive, reliable, fundamental alterations of tension will almost certainly result in increased levels of expenditure for intelligence, for military-technology knowledge, and for a proliferation of weapons.

One of the non sequiturs, in my judgment, is that the test-ban treaty will stop the arms race. I say this is nonsense. It will hasten some aspects of the arms race, not stop it. My one fundamental reason for changing my mind on the test ban--and I give you a summary rather than the argumentation--is because I do believe the test-ban treaty results in an increase in the possibility of war rather than a diminution of the possibility of war.

I have suggested, and I hope that in fact there may be the possibility that, rather than listen to me at second hand outline something that is not really my business, a great effort ought to be made on your behalf to see whether you can't persuade Dr. Edward Teller to address you, because, right or wrong, I cannot possibly exaggerate the magnitude and brilliance of his mind. But, failing that, he will be testifying before the Senate tomorrow, and I commend that testimony to you. He will be addressing the National Press Club here in Washington on Wednesday, and I would urge you to get the full transcript of that, because on every level you can be sure it will be far more satisfying than this truncated, second-hand version which I am peddling to you now.

QUESTION: What do you see is the implication for the United States policy toward China of the break between the Soviet Union and China?

MR. CHERNE: I am going to take a long leap forward, a long leap, not a great leap. I just have a feeling that, skipping the short term--and I don't know that I can see any change whatever short-term--I think in the middle or longer term the new developments will press the United States to feel out some more normal relationship with Red China for the purpose of multiplying the pressure or increasing the leverage upon the Soviet Union. That's my guess--and it's a guess.

QUESTION: Would you explain a little bit more the primary basis for the power being exercised by the brother of the Chief of State of Viet Nam?

MR. CHERNE: The base was very simple. It altered in character over a period of years. President Ngo dinh Diem, among other attributes--and from the very first he has had these attributes--is an extremely shy person. He has none of the popular capabilities which I think we sometimes mislabel as demagogic, but they are involved in and in some cases are essential to public leadership. He

is a shy, intellectual bachelor. He led a monastic life. In fact, he lived among Catholic monks during part of his exile from Indo China. Indo China was ridden with intrigue, so that a shy and suspicious turn of mind, which he had in any event, understandably, in that climate became an excessively suspicious turn of mind--understandable in the climate which was, and in some respects still is, Saigon-Cho Lon Indo China. There were the intrigues of the sects, the intrigues of the Emperor Bao Dai, the intrigues of the military in the initial phase, to unseat Ngo dinh Diem, and the intrigues of the Americans and the French to unload him in the first 90 days--a variety of things.

He felt that he couldn't trust anybody except his family. There was an intense family loyalty and family dependency. His younger brother, extremely shrewd, filled that vacuum, brother Ngo dinh Nhu. In fact, because of the unreliability of all instruments, the brother began to serve an important function by representing to President Ngo dinh Diem that he would always protect the presidency by organizing a secret youth movement numbering more than a reputed million members. The brother's wife organized a women's solidarity movement, numbering 1,200,000 members. These are movements to protect the presidency. Brother Ngo dinh Nhu, as adviser to the President, with no other official position, living in the Palace, little by little began to be the President's intermediary between himself and his own cabinet officers, the maker of presidential decisions, the appointer to office, the dispenser of public funds. The basis of his power today is that, by straight progression, each of the functions rendered placed governmental authority virtually totally in his hands. That's the situation at this moment.

The President may have discovered within the last couple weeks that the family members and their secret instruments designed to protect the presidency (1) were not designed to protect the presidency and (2) are largely exaggerated, that

the secret instruments have not been available even to the brother. In any event, within the last couple weeks it is clear that the brother's interest and that of Ngo dinh Diem are not identical. Ngo dinh Nhu did say in one interview that he was prepared to join a group of ^{Army} officers, if necessary, in a coup to replace his brother. Well, for one with a suspicious turn of mind, if this statement came to the attention of the President, I should think he would, for the first time, be a little suspicious about his brother. This may be a great assist to our new Ambassador, Henry Cabot Lodge.

QUESTION: What do you foresee are the implications of the greatest tranquilizing effect that we will suffer compared to the Soviet society, if both sides are left free to preoccupy themselves with their problems?

MR. CHERNE: If the United States and the Soviet Union were both status quo powers, I should say that the super dose of mill ~~town~~ would have the identical effect on both--no more ^{nor} less--that it really wouldn't matter very much and that by and large it would be very helpful. My definition says that the Soviet Union is not, is not about to become, and cannot in fact be a status quo power and that, while the tranquilizer does have an effect even upon the dynamic party, even though in certain respects it does reduce some aspects of the dynamism, the asymmetry is so great as to provide far more of an advantage than the disparity between the two which existed during a period of recognized tension.

I am not suggesting that this is without its impediment to the Soviet Union. There is no question that the Soviet Union is now going through an exaggerated period of reassuring the party members that they are not disabled. Gus Hall has stated with unusual clarity to the party members of the American Communist Party, for example, that this provides new opportunities. Now, it is very clear that he has done it because there is some disorder in the party that flows from the

atmosphere of detente. However, they will recapture their equilibrium and momentum. Incidentally, in some respects, some of this dynamism is even outside their control and will proceed thus, for example.

It is my view that there isn't a thing Khrushchev can do to keep Fidel Castro from muddying Latin waters, that there isn't a thing Khrushchev can do to affect Cheddi Jagan to make him a reliable or desirable partner in Western societies, that there is a Communist dynamism of its own in South America which owes as much or more to Stalinism and the young forces of communism--which means China--than it does to the Kremlin. Therefore I view the tranquilizer as one, in summary, assisting Communist parties throughout the world, disabling in part the Kremlin, but not stopping them, but truly tranquilizing us, largely, though not entirely.

QUESTION: Mr. Cherne, would you mind discussing further the effects you foresee on the United States and the Western alliance of a possible Communist government in Italy?

MR. CHERNE: Well, assuming a Communist or or substantially Communist-influenced government in Italy--and if it occurs in Italy it will be in that latter category, a Nenni government, or a coalition with very heavy obligations to the Communist party--I visualize several things. I visualize, first of all, a disastrously disrupting and disconcerting effect inside NATO. NATO is just not equipped to have within it a Communist government or a Communist-influenced government. Second, it will place further disadvantageous on us. The problems are already large for us within the Common Market. Incidentally, let me say that I think it will have a disrupting influence on the Common Market itself. Some aspects of that are not necessarily disadvantageous to us. They are disadvantageous to European unity. I visualize most importantly the combination of a

popular-front type of government in Italy, combined with the new type of detente-minded government which I foresee in Germany, in England, and which exists in Austria today, ^{which} will speed European neutralism.

Here is where I think the addition to this mixture already probable of Italian popular-frontism is a disastrous addition to a move toward detenteism and neutralism already in motion in Europe.

QUESTION: Mr. Cherne, you stated that you consider the rift between the USSR and Red China as being fundamental and irreparable now or later. I wonder, sir, if you will comment further on that, in light of the Soviet or Communist stated policy of world domination.

MR. CHERNE: It has been my view for quite a while that Leninist dogma is at one and the same time a corset on Soviet policy and an instrument or lever by which to accomplish Soviet policy. It is my view that it has been more useful as a lever than effective as a corset. It is my view that world communism has, since the exile of Leon Trotsky, the last internationalist in Soviet ranks, been exactly what the phrase means, Soviet communism, Soviet Union communism--the curious mixture of Russian interests, Russian nationalism, a belated entry of Russian imperialism. Just as Russia belatedly entered the industrial age, it belatedly entered the imperial age. Communism was an extremely useful, dogmatic instrument throughout the world to serve these Soviet purposes. World domination was at one and the same time a means of advancing Soviet interests and a means of protecting Soviet interests. It was genuinely believed in the Soviet Union that there never would be a point at which there would be contradictions of communism as there are of capitalism. Contradictions of capitalism emerge from the fact that by definition the imperialists must compete with each other and fall out and even seek to destroy each other--but not Communists. But that view was in itself also a reflection of

the certainty that the Soviets would remain the masters of international communism, and so long as one imperial center were indeed to remain the center of world communism that would be true. There would be no contradictions. There would be no competition, no conflict.

But multi-centered communism did begin to emerge. It was in fact not even introduced by the Chinese. The Chinese were among the latest to latch on. This is somewhat an oversimplification. The events in Berlin in 1953, the events in Poland and in Hungary, in 1956, the Yugoslav schism, in the late forties, all of these were deviations from the single center of communism, and nothing the Soviet Union has been able to do has been able to bring it all back into line. None of this has mattered too much until a major power--major for reasons of population and geographic position--entered that struggle, reflecting its own wish to control the international Communist movement.

From that moment on each now advances its own dogma of world domination, each to serve its own purposes, each in the hope that it will emerge the solitary, victorious center of Communist power. But each must finally, one way or another, subdue the other to remain the master of that dynamic force, and each is itself nationalist, imperialist, as well as Communist.

We have tended to depreciate the nationalist aspect in communism. We have bought their own dogma. They don't make the mistake, incidentally, since we are Christian societies, of reading our religious documents to determine the nature and character of our actions. They would be misled. We have tended to read their dogma as a reliable guide to their actions and have been misled. Dogma is an instrument. While truly believed, it is an instrument which bends and yields and is modified and is more a lever than it is a corset.

QUESTION: Mr. Cherne, you mentioned that in India both the US and the USSR share interests in common. I wonder if you will elaborate on these interests that they share. Also, how are we making out?

MR. CHERNE: The one interest we share in common is to keep India independent of China. That's of urgent importance to the Soviet Union. I suspect it is of less urgent importance to us. I don't want to indicate that there is any reason to be unconcerned. This is a point of common interest, and virtually the only point of common interest--not only to keep India from being absorbed by Communist China, but also, I am sure, both the Soviet Union and the United States do not want a war between China and India.

Thus far we have been successful in both, not because we have been working together. Each has worked quite separately, under the umbrella of the mutual interests, and, incidentally, we have our sharply diverging interests. USSR is interested in an India which is closely linked to the Soviet Union, and we are interested in an India which is closely linked to the parliamentary, democratic societies of the West.

On the first one, thus far, at least--the common interest against China--we have done quite well. As a matter of fact, I think China helped more in this respect than anybody else has, by twice surprising India, and us. On the second one, how are we doing? Well, India is a little more friendly to the United States today than she has been. Krishna Menon is in retirement. Nehru, I think, today tends not to regard every last word in The New Statesman as totally descriptive of the West. But I should think that we would have to consider India by and large a truly independent country that is not part of the Western society and is not likely to be. The odds overwhelmingly favor the Soviet Union where Indian cultural, economic, political identifications are involved.

Therefore, the realistic target for the United States is essentially an India

essentially or truly neutral in whatever contest exists between the United States and the USSR. On this we are doing pretty well. I suspect we will continue to. I hesitate to venture any guess beyond that.

QUESTION: Mr. Cherne, you mentioned that Soviet communism was making little progress in newly nationalist Africa, but that it had excellent prospects in Latin America. Would you care to expand and to evaluate such countermeasures as the Alliance of Progress?

MR. CHERNE: Let's first expand on why that is so, if indeed it is so. It is my view, as I said, that the nature of urgent, new, brand new, highly polished nationalism, which is the character of every new state--and every African state is by definition a new state--makes it extremely awkward for anyone who wants to take over--it doesn't make any difference whether it is the Soviet Union, the United States, or anyone else. I think we have been surprised at least as much as the Soviet Union that the kind of half-anarchy which exists has not better served the Soviet purposes than it has. It has been a remarkable failure, almost total but not total, for the Soviet Union.

The Soviet Union does have an attraction for that distinguished, democratic statesman, Nkrumah. That is a substantial advance, though even the State of Ghana is from being a very far/reliable member of the Soviet bloc. It's not a member of the Soviet bloc. But Nkrumah is a significant fellow for the Soviets to attract. Let me say that at the same time he has lost leverage in the rest of Africa as a result of being too openly attracted.

Now, Latin America. Cuba is the only really new nationalism--a very skillful invention, understandably, Cuban history started in 1959, is the way it's being taught. Until then Cuba was an American colony is the way it is being taught. But it's quite clear that Castro did unleash a substantial burst of new nationalism in

Cuba. It is also probable that the awkwardness of certain things the United States did--and there is nothing more awkward than failure--were unfortunate. It has always been my view that the worst thing about the Bay of Pigs was that it failed, and that if it was going to fail it ought not to have been done. That's a curious test to apply to a military engagement. Nevertheless I think it is a valid one. The failure of it did give substantial impetus to a sense of nationalism in Cuba.

Elsewhere in Latin America, Brazilian nationalism, Venezuelan nationalism, and Guianan nationalism are not very viable, not very exciting. The thing which does prevail, which has momentum, is the envy of, the hatred of, the misunderstanding of or frenzy that can be directed at the great colossus, Uncle Sam. Everything that is wrong in Latin America is Uncle Sam.

Now the Alliance for Progress. My only comments are these: I wouldn't know anything else to do. That doesn't mean that everything that's done is wise or that doing everything wise is possible, but, within the context of its undertaking, I believe it to be an extraordinarily ambitious and wholly desirable undertaking. I would guess that the prospects are discouraging. It is at best an undertaking as large as it is nevertheless of limited magnitude in contrast to the absolute desperation and size of the problem.

There is no way that the United States or the Latin nations in concert with each other at the present stage of their economic and political development, in my judgment, can cooperate adequately as a substitute for what each nation must by and large do by and for itself with help.

The problem of population growth alone is one to discourage anyone from doing anything to assist any single Latin country, because it is improbable that growth will in fact keep up with population, which means slippage--not real growth but a net loss. I wouldn't know what else to do. I don't know many others who do know

what else to do.

I worry most about the transition which will take place later this year, I believe, when Romulo Betancourt must retire from the Presidency. I believe that is the tinder point and the time at which the next most serious occurrence could occur. I believe Venezuela is No. 1 on the objectives of those who would advance communism and enlarge distress and anarchy in Latin America.

Here too, I am not quite clear what else it is I would do if I were responsible for policy in relation to Venezuela. One of the great problems of being a great power is the realization of how little you can do about some of the most critical problems which confront you.

However, for peace of mind, there should also be the companion awareness, more and more, that this is also true for the Soviet Union, thank God.

CAPTAIN FOOTE: Mr. Cherne, you have been very generous to give us this extended question period. On behalf of all of us here, I thank you for a very interesting and informative lecture.

MR. CHERNE: Thank you, Captain Foote.