



HOLLAND, EUROPE AND THE U.S.A.

Honorable Daniel J. von Balluseck

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Reviewed by Dr. M. S. Reichley on 9 December 1963.

INDUSTRIAL COLLEGE OF THE ARMED FORCES

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Holland, Europe and the U.S.A.

22 November 1963

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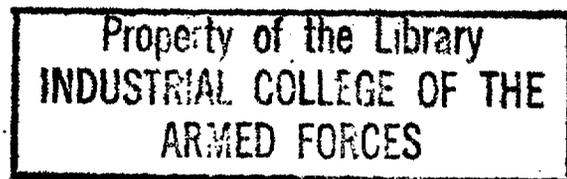
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Washington 25, D. C.

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GENERAL STOUGHTON: We are fortunate today in our Lecture of Opportunity Program to have a distinguished statesman from the Netherlands as our speaker, the Honorable Daniel J. von Balluseck. His long experience in European affairs in particular, and in the international field in general, lend great importance to his words to us this morning on the general subject of "Holland, Europe and the United States," with particular emphasis on the consequences of World War II.

I would also like to take this opportunity to acknowledge the assistance which Ambassador von Balluseck has always been to our student group that has visited the Netherlands each year in our international field program. We are very appreciative, Ambassador.

Now it's my pleasure to welcome and to present to this class the Ambassador von Balluseck.

AMBASSADOR von BALLUSECK: Gentlemen:

The subject of my talk is "Holland, Europe and the United States." There is a resemblance that dates back to the early days between Holland and the United States. We have the same outlook, I believe, on the value of the human individual and the national individual. This became clear when Holland was born and when the United States was born. There are 200 years between those two dates. We started somewhere in the 16th Century, cutting our ties with Spain and presenting a new doctrine to the world, in which we said that it was the duty of the king to serve his people, and that the people were not there to serve the king. Since

the Spanish kings did not serve us well, we cut our ties.

200 years later you did more or less the same thing, only in more sophisticated language. In the Declaration of Independence in 1776 you cut your allegiance to the British king and you presented the doctrine that all men are created equal, with certain inalienable rights, among which were life and liberty and the charming addition about the pursuit of happiness, which we appreciate, but we are not quite sure of what constitutes happiness in this world.

However, perhaps this is the real deep reason why today, facing the problems of our age and our world, we still think alike in some respects. In this respect I believe that no nation today, not even the strongest one, the United States of America, can go it alone. You need friends; you need allies, in order to be able to face the problems that are confronting you and us - and all of us; problems today of a diverse nature; the security problem, naturally, first and foremost; communism threatening what we hold dear in this world, with its Marxist-Leninist philosophy of leveling every nation and every human to the standards of Marxism-Leninism. And then, perhaps even the more complicated problem, the new states, the new world, the underdeveloped world; the newly-born nations which call themselves the "uncommitted ones."

These nations live under conditions that make them, if we don't do something about them, extremely vulnerable to very dangerous influences in this world.

I would like to quote the Commandant of this Institute, Admiral Rose, who, to my taste, made an excellent introduction to a book published,

on the nature of this college, and phrased it this way:

"Old empires and political alignments have vanished in the furnace of war and national aspirations. Western ideals, technology and gadgetry, and the heady wine of post-colonial freedom have generated in old and settled societies an insistent urge to modernize, which is dissolving traditional institutions and loyalties, and creating new political and social tensions."

Well, there you have it in a nutshell. These things exist. These tensions are there. They can be used and abused by hostile powers. We have to face this as one of our urgent problems that have to be solved more or less satisfactorily to all concerned within the very near future. Because, our statisticians tell us that if things go on as they are today, the world population which today is about three billion, will have doubled by the Year 2,000. That means that by that time we must feed six billion people. And if we don't, or if we let them remain in conditions of misery, things are bound to happen - explosions are bound to happen. We must take that into account when we draw up our plans for the future.

Now, for all these reasons you believe and we believe - and fortunately there are a few others who believe - that no nation can go it alone and therefore we must organize those who think more or less alike, and combine our forces, our means, or energies; our imagination, and our political ideals, at least as far as they concern international policy.

Since the First World War our world has been busily producing new nations. After the First World War, under the signature of the then President of the United States, Mr. Woodrow Wilson, we presented to the

world the Doctrine of Nationality. And each group of people who could claim with some reason that they were a nation, obtained their rights of existence. And so, we began to cut up existing empires such as the old Austro-Hungarian Empire, for instance, and the old Turkish Empire, and divided them up into component parts when then began a career as nations.

After the Second World War, when the Doctrine of Decolonialization began to be accelerated, this process still went on, only at a much quicker pace than after the First World War. And so, today when you look at the map of the world, or you look at the membership in the United Nations, you will find that since 1945 when we launched the United Nations with 51 founding members, this number has grown today to 111. That means that there is an addition of 60 members, which is a greater number than we had when we originally began.

Many of these nations - most of them, in fact - are underdeveloped, or, as we call them today, "developing nations," mostly uncommitted in the political field; in need of aid; in need of credit; of knowledge; of know-how; of administrative experience; being rather unsettled as far as they go; very keen to observe and maintain, of course, their independence, their new status as national sovereign nations. But, the problem is a world where two great forces are facing and fighting each other - the Free World which, also generally speaking, is a highly industrialized and developed Western World on the one hand, and the Communist World on the other hand.

Now, if the United Nations had been the successful organization that

we hoped it would be in 1945 when we launched it, there would be no need, perhaps, for regional alliances. But, we must admit that in the primordial task of the United Nations, the maintenance of international peace and security, the United Nations has failed - and had to fail - because the highest political organization which began and should have been able to take care of this, the Security Council, was frustrated by the fact that the five permanent members of the council, the great powers of 1945 - the United States, England, France and China; China was a great power in 1945; Nationalist China was; it is no longer so; and the Soviet Union - since these five had veto power, they could therefore frustrate any major decision of the Security Council.

For that reason, the Security Council has not been able to fulfill its task of organizing an international police force that would be stronger than any national force which could have withstood any aggression from any quarter. It hasn't been able to do that; it hasn't been able to organize this instrument of collective international power in the military field. And so, there is no instrument today, no collective international instrument that can take over the task of protecting the peace and the security of the world, and of each nation individually.

And so, we have been driven to regional organizations such as the North Atlantic Treaty Organization. And since 1945 you've seen an acceleration of the movement in this new world - this post-war world - to organize nations more or less along continental lines. You in America have already begun at a much earlier stage.

The old Pan-American Union existed long before the Second World War; it's now called "The Organization of American States." It comprises prac-

tically the whole New World - America, North and South - except Canada which is not a member. And you try, I believe, in that organization, to interpret a sort of Pan-American conscience, a Pan-American code of life. You want to protect America between yourselves in the first instance, before you appeal to higher authority. You haven't succeeded in every respect as yet. You may meet obstacles and you do very often. Yet, this is an interesting movement which in time to come might lead to a regional organization that might more or less replace the United Nations, which, in this task of guarding the peace, has failed.

I do not want to imply that I underestimate the value of the United Nations. They have done excellent work in other fields. They have done good work in limited fields, such as security in Palestine, in the Congo and elsewhere, where they do not withhold an aggressor so much, but where they place themselves between two hostile parties and prevent a local war from spreading. There they have done good work. But in the serious world clash that all of us fear, and where West and East might come to a headlong clash, in that field the United Nations are powerless and will have to be replaced with something else.

Now, America has given the lead, perhaps, by organizing this Pan-American organization. In the Communist World you will find the same phenomenon. In the Communist World today we have China, Russia, the satellite states in Europe, and one or two in Southeast Asia - one bloc, geographically speaking, no longer as monolithic as they would have it appear in the beginning, since we have the Chinese-Russian quarrel, but still united by one and the same philosophy and being steered from a

highly-organized central high command in Moscow.

Here is a sort of bi-continental organization you might say, because it spreads over Asia and Europe, and we must wait and see how far they will develop with a new structure. They have already reached a great deal of be it forced unity.

Now, in the rest of Asia and Africa you will find the same tendency, the same wish to be able to organize these nations most of which are ex-colonial countries, underdeveloped and non-white. Perhaps the last argument weighs more heavily every time. In 1954 all these nations got together at a place in Indonesia called Bandung and tried to lay the foundations of what one might perhaps call an "Afro-Asiatic Bloc." It didn't succeed because the common denominator that should have bound them together was a rather negative one, a common grudge against their former colonial masters. And, of course, a negative common denominator is not the best thing to choose when you want to build a positive organization that would have something to say in a positive manner.

So, we must admit that that has failed more or less. At the beginning of this year the Africans cut loose and tried to form an African organization of their own. They got together in Ethiopia, and today there is such a thing as an "Organization for African Unity." It has a Secretary General. It has an instrument for research, for study etc., and already they are trying to mediate in certain inter-African conflicts. The Emperor of Ethiopia is now trying to mediate in the conflict between Algeria and Morocco. And there are other possibilities where the Africans among themselves do not see eye-to-eye. Yet, this endeavor

has been launched. We must give it time. These things don't happen overnight. It's conceivable that before long some sort of a collective African voice will be heard and will place its weight on the scales of international policy.

Now, if America tries to combine along continental lines; if Africa follows suit; and if non-communist Asia tries to do the same thing - without much success thus far, but it's trying - and if the Communist World is organizing itself as a bloc, can what is left of Western Europe west of the Iron Curtain, afford to remain behind? I think, and many of us in Europe think, that the answer is no, obviously not. When you look at this map you realize the Iron Curtain goes something like this. And you realize what is left of Free Europe. This part is but a small part; it's merely the fringe of the Eurasian Continent. You might say it would be absurd and irresponsible if this little bit of Europe which has to fight for its life and maintenance were to try to continue to do so in the shape in which it is today.

17 or 18 separate small, or comparatively small nations, each trying to do his job individually instead of trying to combine and present the world with a more or less united Europe is the picture which evolves. Now, of course, the idea of European unification is not at all a new one. It has been tried throughout history many times. May I remind you of the Roman Empire that stretched as far as England and Scandinavia, and organized Europe to a certain extent, as a unit. After that, Charlemagne tried it. After that, the Spanish Hapsburg Kings tried it. After them, Louis the XIV of France tried it. Then Napoleon. Then the Emperor Wil-

liam the II of Germany. And then Hitler. They all failed, and today I am quite sure that Mr. Khrushchev in Moscow would love to organize Europe as a whole under the direction of himself for his purposes. All these nations that tried this before wanted to use Europe as a sort of extended field of their own power. That, of course, is not the sort of thing we have in mind today when we begin to think in terms of a United Europe. No, a United Europe must be something else.

We have tried. In 1948, with modest effort we created the Council of Europe, comprising 17 or 18 Free European States, with a Parliament in Strasbourg, France, and with a Council of Ministers, in which all these countries are represented. But they can't do very much. They can discuss matters; they can suggest things. The Parliament does that regularly. It exerts a certain amount of pressure on the governments. On the whole, one can say that the Parliament of Strasbourg is far more progressive than the governments of Europe. That is understandable. The governments are responsible. They have to think in concrete terms of things feasible and practical, whereas in the Parliament they can dream about a United Europe on the basis of European culture and things such as that.

They haven't achieved very much, but they have achieved one thing which is an important thing. They have achieved the Convention of European Human Rights, which is the replica, more or less, of the Declaration of Human Rights of the United Nations. But the difference is that whereas the Declaration of Human Rights of the United Nations is a declaration of intent which does not bind anyone except morally perhaps, the Convention of Human Rights in Europe does bind the participating govern-

ments, and that is a feather in the cap of Europe which is beginning, perhaps, to become conscious of its own identity as a whole.

Perhaps in Strasbourg something is growing that someday might be, or become, what one might perhaps call the "European Conscience." But, for practical purposes; for emergency decisions, this instrument is valueless for the moment. So, another approach was needed. We must integrate in order to be able to maintain ourselves. And the Common Market which was launched in 1958 was, to my taste and feeling, perhaps new in that respect in that it tried to approach European unity from a functional point of view. We don't conceive, in the Common Market, of Europe as it would be if one reads the history of European culture, etc. Or, if one looks at the map and says that this is a geographical territorial unit and therefore it should get together; no.

These things are all right and they have a certain amount of truth in them, but they don't produce the factual unity that we actually need. And so, we have chosen the functional approach. The theory of that is this: There are certain things that can be integrated - limited vital interests. If you find enough of those and you add them up you finally get a practical vital unity that might serve as the under-structure for the super-structure which might then become a United Europe.

Now, the first target of the Common Market was an economic target, the abolition of internal tariffs. I think that some of us had before our eyes when we conceived this idea, the United States. After all, you are a Common Market. You have 50 states within your Common Market. You had the advantage over us that when you started building the United States

at the end of the 18th Century you began to build both politically and economically. And you could use your political centralized federal government in those days, to boost or to accelerate the process of economic integration. We haven't got a political central government in Europe, and so we must organize the integration of economic interests on their own merit. And we are doing just that.

Now, tariffs are the first target. I won't go into the details of tariffs. Perhaps when the question period comes along we might talk about it a little more.

The second target today is to find a common agricultural policy. This is being discussed right now in Brussels. And the chances are that we shall find a solution, although there are very difficult obstacles to overcome. Conversations in Paris this minute between General DeGaulle and Dr. Erhardt, the German Chancellor, are concerned with this among other things, where the agricultural policy of French and German interests rather clash for the moment. Yet, we believe it can be done and we are working toward that end.

A third target will be a common policy for European energy. We have coal, we have electricity, we have water power, and we will have nuclear power - motive power. The question is, shall we develop all this separately, or shall we combine to alternate our efforts and produce cheap motive power for the whole of Europe, thereby boosting the European economy as a whole? I think we should do the latter, and many people also think so.

The fourth might well be transportation. Today each of us has a

highly-developed system of roads, railroads, rivers, canals, ports, etc., and instead of easing transportation facilities all over the Continent of Europe, each of us has its own regulations, rules and procedures which hamper the smooth flow of transportation of goods and people, which shouldn't be the case.

The next thing might well be fiscal policy; the next thing taxation policy; and the next thing, social legislation, in order to prevent the developments from going up very quickly in one part of Europe and remaining below par in another part causing prices - production prices - to differ too much for a smooth, general European economy. I can think of more examples, but I won't dwell on them now. I only want to make it clear that if you can succeed in having these limited practical integrations of tariffs, transportation, energy, taxation, etc., etc., then all of a sudden there will become quite clear that Europe will need a sort of overall economic policy to take care of these interests.

When you have an overall economic policy the next thing you need is an overall foreign policy to protect your vital economic interests. And by the time we would have an integrated foreign policy in Europe, Europe, to all intents and purposes, would be integrated politically. Now, don't misunderstand me when I say integration in Europe; I don't mean for one moment that we should scrap the real national characteristics of each of our nations. We are not thinking of scrapping the English or French languages, the Dutch culture, or anything of that sort. Those things, of course, will remain. It would be an impoverishment in the life of Europe if we were to level all the European nations to one

status. No one is thinking of that. But we're thinking about integrating those things that can be integrated, and that is enough to produce a reasonable basis for an overall European foreign policy.

Now, if we succeed in doing that - and this won't happen overnight - the question is, shall we continue to move in the right direction? If we succeed in doing that, the time might come that we could realize the plans that have, from your side, been mentioned once or twice. And lastly, I believe that your President, Mr. Kennedy, in his 4th of July speech last year, suggested what is now known as the "Grand Design," an Atlantic Community of two equal partners, The United States and Canada on one hand, and on the other an organized politically United Europe. This would then create conditions in Europe itself which would allow them to present themselves as an equal partner of yours.

Today your natural advantages, and, of course, your natural resources, play a very great part in that. But the fact that you have this American Common Market between 50 states has allowed you to build up over the years a productive capacity which outranks that of Europe. Your gross national product today in the United States in 1962 was something in the nature - if I remember correctly; I lost my notes this morning and so I must do this from memory - I think it was in the nature of \$550 billion.

In 1962 the gross national product in Free Europe was something like \$280 billion, 40% of yours. Well, why is that so? There may be various reasons, but I believe that one of the reasons is that you have acted for the last 150 years as a Common Market. In this country you

have abolished all the internal obstacles that there were, whereas, we are still living in terms of national frontiers, national tariff barriers etc., hindering economic development as it should be. So, today you are ahead of us. You are more powerful, you are richer, you can afford to do more things than we can. I don't know whether we can catch up soon enough to present ourselves as an equal in gross national product. But in any event, we could do more than we are doing today if we acted in intelligent cooperation.

That is one of the reasons why I believe, and many others in Europe also, that we should do this; we should work in the direction of becoming an equal partner of the United States. This is necessary for all sorts of reasons, and inevitable, I believe. Today the North Atlantic Treaty which tries to integrate at least our military interests, those of Europe and the United States, has achieved a certain amount of success. But it's a lopsided alliance for the simple reason that you are so much stronger than we are today with your nuclear arms which will pronounce the last word, which, if - God forbid - a Third World War should occur. You will give the last word because you have the weapons that today can produce the balance of power with the Communist World; the balance of terror, if you like.

But this produces this one pillar on which the uneasy peace of this world today rests. It is obvious that since you have this mightiest weapon, since you have a monopoly on this mightiest weapon in the decision-making among the Western World, the voice of the United States in fact, if not formally, weighs heavier than the voice of Europe. And for

a rehabilitated Europe this, of course, is a situation that cannot last. It would be unnatural if it did last. It is very natural that in Europe today you will find voices that begin to feel uncomfortable under these circumstances. The voice of the President of the French Republic is one of them; he is, perhaps, the most prominent one. He feels perhaps even more strongly than others in Europe that this is an unbearable situation. All right, it is an unbearable situation, but what can we do about it?

There are two possibilities; either those nations in Europe who think they can, by their own forces, by themselves one day match the United States in means and power; those who think that will work for a new relationship between sovereign states, hoping that they will be able to come out on top with this new combination. Others, and I think that we are among those who believe that the only way to reestablish a reasonable balance in the Atlantic Organization is to organize Europe as a whole so that they may become the partner that you would like to accept in your alliance, as an equal one.

We have met difficulties in the past, in the Common Market, as you all know. Some of our friends in Europe seem to want to go back to the 19th Century conception of the sovereign nation-state. They are reluctant to hand over national sovereign power to another authority. They seem to think that you don't have to integrate in order to find collective strength. But there are others - and I believe we are among them - who feel that you can only be quite sure of your allies when you have interlocked your vital interests to such an extent that it becomes impossible for any of the allies to withdraw at a certain moment.

Today we are still thinking in terms of the old-fashioned alliance. Even the North Atlantic Treaty in a way is an old-fashioned alliance. It has been accepted by its members for the last 20 years. The treaty expires in 1969. It can, and probably will be renewed, of course. But each of us has the right to withdraw and say, "Well, after all, I prefer to go home and do it all by myself." So that, there is no security there, you see.

What strikes me - and now I'm talking as an individual - I'm not presenting anyone's opinion; not even that of my own government; perhaps they think as I do, but I don't know that and so this is just my own opinion - I think that if you want to create guarantees that people will stick together, you must try to develop the interests they have in common, and make the bonds that unite them, stronger and stronger and stronger. And you musn't do things that will separate this group of allied nations into various units, as some thinkers in Europe are now trying to do.

Those who think in terms of a third force in Europe, a third force, even, of Continental Europe without England; a force that would not be necessarily closely allied with the United States; a force that would be somewhere between the United States on one hand and the Soviet Bloc on the other hand, and be free and able to choose its position each time; I don't think that is the way to make the bonds so strong that nobody would have to feel that he could possibly withdraw.

And so, I believe very strongly in an Atlantic Community that would bind us so close together that we could, for instance, say - I don't believe that we will, but we could, perhaps - "Now, we are so closely bound

together, so interlocked, that the question might be raised;" - and this is an example, nothing more - "should we go on in a country like Holland, for instance, raising wheat?" We know very well that we can get our wheat much cheaper and better from Canada and the United States. We could also get it from France. We have a preference in Holland for hard wheat which we can better buy in your part of the world. Now, suppose we were to scrap our wheat-farming in Holland and tell our farmers to do something else; to go into the factories, or to raise another product. We would sign away a very vital part of our national interest, namely, how do we feed the people? We don't produce very much, but we have enough in case of an emergency to rely on for awhile.

The Dutch farmers kept the Dutch nation alive during the occupation when we were cut off from everything. The farmer, as well as he could, under the control of the occupying power did his best and he knew how to slip under the control, and did a lot to help us to survive. Now, shall we sign that away by saying, "Let's buy our wheat from America," and have the farmer get out and do something else? We can only do that if we are quite sure that in 20 years or 30 years time you will still be our friend and will still be willing to come over to Europe and help us. That is one of the arguments of General DeGaulle.

He says, "I'm not sure that in 20 years time the United States will still be willing to come to the rescue of Europe. Because I'm not sure I shall raise my own nuclear force; I shall raise my own armed strength; I shall try to write my own alliances in Europe and elsewhere, so that I can be able to face whatever risks will present themselves in 20 years

time." Well, he's naturally entitled to that view. It isn't my view and it isn't the view of many of us in Europe. We think that in order to make certain that you Americans will come to our rescue in 20 years' time we must intertwine our vital interests on both sides of the ocean to such an extent that it will be natural for you to come to our rescue, and that it will remain natural for you to do so even beyond that. It is against that background that we view the integration of Europe as we conceived of it in 1954.

It was a rather revolutionary thing, you know. Your former Secretary of State, Dean Acheson, who was in Holland about a month ago, or six weeks, spoke on this very subject. He compared the Common Market as launched in '58, with the American Revolution of 1776. He said, "This development in Europe is just as revolutionary as our revolution was in the 18th Century." And why? Because in the Common Market we have accepted in principle the majority decision, a qualified majority with weighed votes; two things at the same time; things that we have been discussing for years in the United Nations without being able to make them come true - because every nation there resents the idea that it may have a vote that weighs less than the vote of someone else. But we have accepted the principle, to be applied gradually, so that in the last stage of the Common Market - as you know, we have given ourselves 12 years to build the thing - an increasing number of major decisions may be taken by a qualified majority.

It means that we have signed away the old-fashioned notion of national sovereignty. It means that in the Common Market, in the last

stage, no member state, large or small, can withdraw from a majority decision nor can it block a majority decision by veto. Well, this is rather revolutionary, but unfortunately this also, I think, has invited second thoughts on the part of some, and again, the French Government is the clearest exponent of those second thoughts. I don't think today a man like General DeGaulle would still be willing to apply the premise that the original draft of the Common Market presented.

We regret this because, in the sense of the interlocking of interests which I have tried to explain to you we need this kind of structure. We cannot admit the withdrawal power of some, just as you in this country, once you had created your federal union, were willing to fight a Civil War to deny the right of secession to some of your states which at that time wished to withdraw. Only thus can you make your union so strong and so permanent that it becomes a thing that you can rely on. Taking this as an example, some of us in Europe think that we should follow your example and do as you did then; that is, of course, without a Civil War.

Well, here you have my thoughts about Holland, Europe and the United States. We believe that Europe should be a stepping-stone to a wider union, a wider cooperation at least, a wider integration than Europe can ever present all by itself. We believe that this is in the interests of all of us, collectively and individually. We have not given up hope that one day it will be possible to reach this goal, although the situation today is a bit vague. We don't exactly know what the ultimate plans of General DeGaulle are. We don't know exactly how long General DeGaulle

will last. We don't exactly know what England's attitude will be if the Labor Party should come into power in the next elections, because the public utterances of Mr. Hugh Wilson on this particular issue of the Common Market have been rather negative thus far. Perhaps once in power he will have a different view of things, but for the moment we don't know.

Also, we don't know exactly what will happen in Italy where the base of the government is very weak; it's a very uncertain one. And so, there are quite a number of uncertainties that we have to face. Yet, some of us believe that the basic idea of the Common Market as seen in the context of a wider Western organization with collective responsibilities toward themselves and the rest of the world, that it can be done and we should continue to strive in that direction. We need encouragement. We need encouragement from you, and so far you have given it to us.

Mr. Truman, General Eisenhower and Mr. Kennedy - all three - have at one time or another told us that they are in favor of European unity, although they must have realized that by uniting Europe it will provide a strong competitor in the world's markets. But, it seems that the political significance of a United Europe is so much more important than the economic risks that would be involved for you, that your government has thus far taken a very positive attitude, and I hope that it will continue.

I see that my time is up, and with your permission, sir, I will now conclude and declare myself open for and willing to answer questions. Thank you very much.

QUESTION: Sir, you mentioned the desirability of maintaining the

sovereignty of the states in the European Union. I wonder in what areas you would have a common usage between the various countries. For example, are you contemplating a common language and a common courtesy?

AMBASSADOR von BALLUSECK: No, not at all. I don't think we need that at all. Today we are not integrated and yet we are getting along fairly well with each other. We can understand each other more or less. The smaller ones among us have to learn English, French and German, because nobody takes the trouble to learn Dutch. But we do, and we've been doing that for a long time. And so, there is no language problem. I don't think you need one common European language to emphasize the conception of Europe. No, not at all.

Culturally speaking, of course, our cultures have all been mixed for centuries and centuries, and it's very difficult to say what, in particular, is the Dutch culture, or the French culture. They have all influenced each other, of course. But there we'd have no difficulty. I didn't quite get the hang of your question. What did you want to know?

QUESTION: I was asking, "What areas of common policy do you envision between these European states?" I was wondering if you envision a common language and a common courtesy, among other things.

AMBASSADOR von BALLUSECK: No. I said somewhere in my talk that if you want to be practical you must integrate the things that can be integrated. Because, they really are common interests. Language and culture are not common interests. They are separate. Each one has its own interpretation of culture. Each one reflects its own psychology, its own being, and those things can't be changed. They can be changed by force,

of course, but that would be an impoverishment, as I said. But these material things such as tariffs, transportation, etc., can turn Europe as a whole into a stronger Europe, able to live and defend itself if need be. I think one should confine oneself to those things because they are real and practical; they're not daydreaming. I know we have movements such as the "World Federalists." In this country you have an old friend of mine, Mr. Clarence Stripes, who believes that we should have union now; that all the democratic states of the world should be formed into one union and the union should be organized more or less along the lines of the United States where each nation would have a certain number of representatives in the House, according to size of population, and equal representation, therefore.

In the Senate they would each have two Senators as you have in Washington and there each nation would be equal. And this would produce a system of checks and balances which would prevent anyone being overruled too easily by the others. Eventually we may get there, but this is the roof of the house. And I think if you want to build a roof on a house you must start by building the walls. And by the time you have your walls you can then decide what sort of roof you need.

I couldn't tell you today what sort of ultimate shape integrated Europe would take; whether it would be a federation, confederation, or something else. I believe we must wait in deciding that, until we get there. We must cross the bridge when we come to it, and not before, because that would be artificial. Let's first try to see whether we actually can integrate these limited things and then draw our conclusions

accordingly.

QUESTION: Mr. Ambassador, I understand considerable supplies of natural gas have been discovered in Holland, beneath the soil. What part do you feel this will play in the European demand for energy, and how will it affect the economy of Holland in the Common Market?

AMBASSADOR von BALLUSECK: Well, the estimates vary. The most optimistic ones promise us a couple of billion cubic meters of gas which would take care of our own domestic needs, both industrial and private, for heating, etc., and leave us a reasonable amount for export. There are already countries that are interested in importing gas from Holland. This would undoubtedly ease the energy situation in Europe. It would mean cheaper motive power and that would again have an affect on production etc. But how much, how far, and when, exactly, I can't tell you.

We're still trying to learn how much we really have, and we will then have to build an extensive system of pipelines for distribution. We may have to build lines beneath the North Sea for export to England which is interested in this matter. But this will all take time and I wouldn't like to prophecy what the actual effect will be on the European economy. But it will be a factor and a beneficial one, I think, especially for us, of course. Thus far we have been rather poor in raw materials in Holland. We have a little oil and coal, but not very much.

As a result we have had to import our raw materials from abroad, process them, export them as a finished product, and that is the basis of our economy. That is the reason we need the whole world as a market; we can't confine ourselves to Europe. If we think in terms of the Com-

mon Market of today - the six - you can say, roughly speaking, that about 50% of our foreign trade turnover - imports and exports - are taken care of by the Common Market. So, that's a very important thing for us.

If you add the remainder of Free Europe - shall we say the Free Trade Association; England and its six partners; we get to 70 or 75 percent of our foreign trade turnover. That still leaves 25 or 30 percent elsewhere in the world that we cannot neglect; we must have that too. So, our vision of the Common Market is that it should be an open group acting as one, but always acting toward further liberalization of world trade. We certainly do not view the Common Market as a protectionist, closed unit, sort of a fighting unit to make it more difficult for other people to conduct world trade. Because, we need world trade badly.

So, you can rest assured that within the Common Market my country will always be on the side of the free traders.

QUESTION: Sir, what do you envision as the future of Portugal and Spain as far as European unity is concerned?

AMBASSADOR von BALLUSECK: Well, if I had my notes which I haven't, I could read to you certain clauses in the Treaty of Rome, by which the Common Market was launched in 1958. I believe it goes something like this; that membership should be open to all European countries that share the ideals of the founding nations. And among those ideals is democracy; democratic governments; governments responsible to freely-chosen parliaments; free formation of public opinion. Today I don't think that countries like Portugal and Spain could come up to those standards. Therefore, there are objections.

Now, the question is, does that mean that we can't cooperate with them at all? No; the Common Market is open to the possibility of associate members. This means that you will commit yourself to part of the tasks and purposes of the Common Market. There is no reason to cut off Spain or Portugal in matters of tariffs or energy, or perhaps other things. But at the point that we want to organize Europe politically it's a different story naturally. I think we must keep our basic political philosophy in the Common Market pure and on the democratic side. We cannot compromise, I don't believe, with others who obviously do not share our ideals.

QUESTION: Mr. Ambassador, I've always been moved by the great sacrifices of the Dutch people during World War II in flooding their land with the sea in order to inhibit the movement of the Nazis. I wonder, sir, if you would discuss Holland's program of reclaiming land from the sea.

AMBASSADOR von BALLUSECK: Well, I don't know very much about it, practically speaking. What I do know is that we have already claimed the greater part of available water. The Zuider Zee, so-called, is now practically reclaimed. It has been turned into land, leaving a little water for transportation purposes, etc. We are now trying to do some more in the Southwestern part of the country, the Province of Zeeland, where the River Scout, that comes from France through Belgium and finds its estuary in our country, has formed sort of a delta.

We're closing off all but one of these sea arms that penetrate into the country, not so much for reasons of reclaiming land, because that

won't produce very much, but because it will be the only way to save ourselves against the floods. More than 50% of Holland is below sea-level and we have to protect ourselves with dykes as you know. In '53 when we had the great flood, a combination of three things happened. It was high tide; there was a new moon that affected the water upward; and there was a hurricane from the Northwest. Statisticians tell us that those conditions occur once in a hundred years, and for those conditions our dykes are too low.

We therefore had a choice of two things; either heighten all our sea-dykes about a yard, which would have been a tremendous job and have cost an awful lot of money, or, our engineers tell us, close off these penetrating sea arms in the Southwest of the country, which, by some process of water engineering which I don't understand, would have prevented floods rising to the heights they did in '53. Or, at least we could have coped with them, you see. But that won't give us very much more land. We have reached the limit of that unless we become an expansionist power and begin to fight our Belgian and German neighbors. We will have to be satisfied with what we have today.

We must find ways and means to feed an increasingly rising population. Today we have 12 million people in Holland, which means something like 835 to the square mile, compared to 20 in this country. You can see for yourself what that means. We must find jobs and a means of subsistence for these people. Agriculture can't do it anymore because it's being modernized and mechanized. So, we must industrialize and that means that we must get into the mass production line, and our whole

market is too small to take care of our production. So, we must get out into the world with our goods, and we need the largest, most liberal and most peaceful world, to serve our needs. And for that reason we are in favor of a United Europe and an Atlantic Community.

QUESTION: Mr. Ambassador, I have a two-part question. One, what do you think the prospects are for some substantial degree of arms control, or disarmament, say within the next ten years; and two, if this is achieved, what will be the impact on the European unity, political and economic?

AMBASSADOR von BALLUSECK: That's a big question, a \$64 question. Well, I have a personal feeling about that, but again, it is purely personal opinion. I don't think that you can disarm before you have settled your most burning political issues; unless you can disarm by lowering the ceilings of both parties - shall we say the Soviet Union on the one hand and the United States on the other. If you feel that you can obliterate each other with half of the nuclear bombs that you have today, and that the Russians have today, by all means lower the ceiling, because the balance of power would still remain as it is today. This is a technical matter with which I'm not qualified and don't have an opinion about. I don't understand these technical things.

But it seems to me that it might be a possibility if you feel that you can remain as strong, relatively speaking, as you are today, at a lower level. But then it would have no effect because you would still be as fearful of your opponent as you are today and he would be as fearful of you as he is today. That wouldn't change very much.

Real disarmament can only come if you solve some of the most burning questions of these times. One of them, of course, is, will communism change its mind in that it would no longer wish to impose its philosophy and the political system attendant upon that philosophy on the whole world by means fair or foul? Until they do that, you will have to remain on guard throughout the world, because communism today is everywhere. On every front there is the threat; in Asia, Europe; and even in America today, and Africa also. So, I don't see very many chances for disarmament at short notice.

Small things such as the test ban agreement - yes, why not. Both parties have enough. It's not really necessary, perhaps, to have any more bombs than we have, so why not stop somewhere? The agreement on no arms in space; all right, I'm for it if it can ease tensions which, then, again, may produce new possibilities for further conversations; by all means do it. But before we can get into a really new situation which will effect the position of Europe, there are many things that must happen first.

Today there are theorists; you may have read Mr. Walter Lippman the day before yesterday in the Herald Tribune. He has a theory about DeGaulle. He thinks that DeGaulle's nuclear force was never meant to give France an independent security should something serious happen, but it would give him a chance to pull the trigger and force you to follow suit. I don't know how far this pictures the reality of the situation, but it's Mr. Lippman's theory and he is a very clever man and clever observer.

But before Europe is really able to say to you that we don't need you anymore; that we can do it ourselves; that we can face the Russians

with our nuclear force, it will take an awful lot of time and an awful lot of money, and an awful lot of persuading many Europeans that this is the way out. I don't think there are many of us who think that this is the way out. We would rather, by organizing ourselves better than we are organized today, be able to tell you the United States someday that we are ^{ready} and willing to shoulder a little heavier part of the burden; the military burden, instead of going out for the production of our own nuclear force which would equal yours, but which, in the context of the political clashes or potential clashes in this world would be unnecessary.

We don't need a third nuclear force to keep the balance of power. All we need and want in Europe is to build up an organizational structure of such a kind that our proportional influence in final decision-making would be greater than it is today. I don't mean 15 fingers on the trigger; I mean in the political buildup of positions which are now sometimes arrived at in a rather unilateral manner, shall we say. We in NATO know, and you who have something to do with NATO, know that too; that one of the most burning questions in NATO is the matter of consultation. We have promised each other that we will consult. We have a permanent political organ of NATO in Paris with permanent representatives. They talk an awful lot and they meet every day.

Yet, when very important things happen we are not consulted. This is so on both sides; I'm not blaming anyone in particular. But may I say that in the Suez crisis in '56, the United States was not consulted before the thing actually happened. In the Cuban crisis Europe was not consulted before the thing actually happened. And there you are. You can see

that such events are rather indigestible on the part of the parties concerned, and perhaps there is a field in which we can make some improvements. But, disarmament must follow political agreement and cannot precede it, I think.

QUESTION: Sir, what economic cultural ties still remain with your former colonies, and to what extent is any aid given to these previously colonial countries?

AMBASSADOR von BALLUSECK: Not very much as been left. We still have a few of our nationals over there who are in the teaching business, college professors and people such as that, but not to the extent that used to be before the separation of the two countries. We still have a few students - Indonesian students - in Holland. There may be more and we are quite willing to have them. But we can't decide these things. They must have permission to come in and study with us, and if they do come they will be very welcome.

There is no reason why the relationships should not be renewed, and perhaps even on a sounder basis than the pre-war basis. We've been invited by the Indonesian Government of today now that we have settled our political issues and we have handed over the last remnant that we administered over there; the Island of New Guinea - the Western part of it; not entirely to our satisfaction; not because we wanted to keep it, but because the conditions under which it was handed over were not the conditions that we had hoped for.

We had hoped that here was a case where we, Indonesia and the United Nations could establish or recognize to the full the principle of self-determination. The way it is going now we have the feeling that self-

determination is out for the Papuas of New Guinea. As you know, we administered it for awhile and then we handed it over to the United Nations for awhile. Finally, the Indonesians moved in, and judging by the public speeches of Mr. Sukarno, who is obliged under the agreement to give these Papuas the right of self-determination within ten years, but according to what he has said in public, the chances are dim; I won't use a stronger word - dim, shall I say.

Still, we are willing to resume the relationships with Indonesia in all sectors. We are perfectly willing to send them professors, or accept their students if they want to come. But we can't force this upon them. If they ask we will say yes, but thus far they have not asked. They have asked for credit, economic aid and support. We are also willing to give them that, only this time on a purely business-like basis. And we haven't received, thus far, sufficient guarantees that whatever we invest at this time in Indonesia will be protected against arbitrary action such as nationalization without compensation and such things as that.

Thus far there is no agreement, but it is being discussed. And if both sides are willing to give and take, and to be reasonable, there is no reason to believe that a new relationship could not be formed in Indonesia. We like Indonesia; we've always liked it; not necessarily as masters, but because we like the country and we like the people. There is no reason on our side to have feelings of revenge or anything like that; not at all. But we do wish to be met halfway. And thus far that has not been completely the case.

QUESTION: Mr. Ambassador, you mentioned "give-and-take" a moment ago. As you are well aware, this country of mine has dispensed well in excess of a hundred billions of dollars to support the countries throughout the world, gladly, since World War II. Equally well-known is the fact that we are now having a balance of payments problem. How are the countries concerned in Europe now looking on the discussions now going on with respect to the possible collection of World War I debts owed this country?

AMBASSADOR von BALLUSECK: I don't know, frankly. I didn't know that World War I debts were under discussion and I don't know anything about them; I'm sorry. But in the broader sense, yes, I do think we do realize that there are certain sectors of action or inaction in which Europe is in default. However, one should not too easily generalize. In the military field any comparison between your defense budget and that of the European states - you allies - shows a tremendous imbalance. You do far more even when you reduce it to per capita expenses for defense purposes.

Roughly speaking again - I've lost my notes; I had a few figures on that - but I think you can say that in this country you carry per capita about five times as much as the Europeans do. That is an unsound situation. I personally would be completely willing to admit that there we are in default; we should do more.

In the other field, aiding the world that is in need of aid today, the figures are different. There is the report by the Organization of Economic Cooperation and Development - OECD - in which the United States,

Canada, and 18 European Free Countries are organized to study ways and means of giving aid to nations that need it, in the best possible manner. The figures were published of the balance of 1962 in this report of the OECD, and it says that in 1962 the total aid given by the Western World was \$8½ billion. That was both government and private aid in the way of cheap credit, grants, etc. Well, of this \$8½ billion the United States took 54%.

Now, if you compare that to any individual country in Europe's contribution there is a terrific discrepancy, of course. But if you take Europe as a whole it means that Free Europe as a whole has contributed 46% and that isn't bad; that is, if you take into consideration as I said before, first of all your gross national product is so much higher than ours. And secondly, if you will remember that we are still in an unfavorable competitive position, for the simple reason that the Second World War was fought on our soil and our physical losses - I don't mean manpower, because there we sacrificed an equal number, I believe, more or less - but the physical losses in Europe were much greater than here because this country wasn't touched by the war; I mean physically.

Also, it meant a gap in technical and industrial development covering a span of five years, whereas you could continue here developing industrial research and scientific research. We were occupied and couldn't do anything during that time. So, we are still feeling the consequences of that. And for that reason you can't say today that Europe, although in manpower and size it can equal the United States; that it is not behind for those reasons. Therefore, you can't say that Europe should do

as much as the United States. There is still a proportional difference, you see. But I do agree with you that there are certain sectors - and the military is the principal one - in which I don't believe we do enough as a whole. If you take a country you will find amazing results; you will find that in your country, the United States, I believe your defense contribution in money is about 0.9% of your national income. In my country it's 1.2%; in France it's 2.2%.

So, individually, you see, and compared to what a nation can produce and the wealth of a nation, you get another picture again. Yet, I believe on the whole, that we should do more than we do and I believe it's very sound for us if criticism of this type occurs once in awhile on this side of the ocean.

COLONEL MORGAN: Mr. Ambassador, on behalf of the Commandant and the student body I wish to thank you for a very fine contribution to our program here at the college.

AMBASSADOR von BALLUSECK: Thank you.