Season 1, Episode 4: “Europe Faces East and West”

Description: Eleanor Roosevelt and her guests discuss the European Common Market, tariff issues, and Berlin.

Participants: ER, John F. Kennedy, Paul Rosenstein-Rodan, Erwin Canham

[Bob Jones:] Mrs. Eleanor Roosevelt today discusses Europe faces East and West with Senator John F. Kennedy on Prospects of Mankind. [Theme music begins 0:23]

[Title sequence:] [Text overlaid on Prospects of Mankind logo: National Education Television/ Mrs Eleanor Roosevelt/ Prospects of Mankind]

[Bob Jones:] Recorded Saturday January second on the campus of Brandeis University in Waltham, Massachusetts. National Educational Television presents the WGBH TV Production Mrs. Eleanor Roosevelt, Prospects of Mankind.

[As Jones speaks, film rotates through images related to the announcer’s comments]

[Bob Jones:] One of the miracles of our time is the way France and Germany have buried their century old hostility and now see themselves as senior partners in the new Europe. Though many political and military sore spots remain, this is a Europe which is gradually being welded together by economic ties. The European common market of six nations; Belgium, France, Italy, Luxembourg, the Netherlands, and West Germany. Britain on the other hand has kept aloof from the continent’s movement to unify Europe. She has formed a rival free trade area with six other nations. Nicknamed the outer seven, they include Austria, Denmark, Norway, Portugal, Sweden, and Switzerland. This month, the United States will take part in a twelve nation meeting in Paris which will try to bring these two groups closer together. Politically Britain has stood for more concessions on West Berlin than either Adenauer or de Gaulle. How serious is the threat of NATO’s disintegration? Can the major conflicts in the alliance be reconciled before the east-west summit meeting? [theme music stops 2:22. Film is now of the participants as they wait to begin discussion] Today, Mrs. Roosevelt and her guests confront the problems inherent in what may be seen by future generations as a turning point in history. Today’s guests are Paul Rosenstein-Rodan, professor of economics at the Center for International Studies, MIT; Erwin Canham, Editor of the Christian Science Monitor and president of the United States Chamber of Commerce; and Senator John F Kennedy of Massachusetts, Member of the Senate Foreign Relations Committee. Now here is Mrs. Roosevelt.

[Audience applauds]

[ER:] Today, we focus on Western Europe. This complicated subject is open to many points of controversy. And I hope that our three guests will feel free to disagree with me and with each other. I would like to open up the discussion by asking a question, which may seem shocking, yet it is one which many people are puzzled about. Why, when we seem to be on the verge of getting some arms control from the USSR, are we so worried about strengthening the military alliance of NATO? Senator Kennedy, you have, today, made a very important announcement and whatever you say and do from now on will
have a special interest, so I think I’ll ask you to open the discussion and say what you think on the subject. (4:09)

[John F Kennedy:] Ah, well thank you Mrs. Roosevelt. I would say that we should be concerned about strengthening NATO for two reasons. First because in spite of Camp David, in spite of the fact that there have been agreements to go to the summit, there still hasn’t been any agreement with the Soviet Union on arms--on disarmament. In fact, uh, the uh, way negotiations have been going at Geneva on the cessation of tests indicate that we have a difficult road ahead of us. So that until we really move into the area of disarmament, I think we should go on the assumption that uh we should maintain our military strength. And secondly, I don’t think that we can go into a disarmament negotiation if we go in from a position of inferiority. I think that while we may not be ever in a superior position again militarily, we should certainly be as strong as the Soviet Union in order to have equality of bargaining power and therefore I think that until the time comes, when we begin to really make progress, the United States and the NATO should maintain strength.

[ER:] Aren’t you assuming then that we have equality of power? Perhaps, one of you gentlemen have something to say on this subject.

[John F Kennedy:] Well I don’t assume that and that’s why I think that uh it’s important for us to, uh, in both of those areas, make a greater effort.

[Erwin Canham:] I certainly feel that Senator Kennedy is quite right in the assumption that we must keep NATO strong, or as one should say, get it strong. And your question said that at this time when we seem to be on the verge of arms control or agreements with the Soviet Union, are we really on the verge of anything of the sort? Isn’t it really quite a long way off? But let me ask another question in return. Premièr Khrushchev, three or four days ago, at a New Year’s party in Moscow, proposed or seemed to be proposing unilateral dis-- reduction of armaments on the part of the Soviet Union. My question is whether this is anything that we should take seriously. Does he mean anything by it? The United States has gone in for unilateral disarmament once or twice in the past, is the Soviet government likely to do so?

[ER:] Well, what would you say?

[Paul Rosenstein-Rodan:] Well I feel that on the whole that is exaggerated pessimism. Everybody is afraid, lest he he be naïve and take it in, lest he appear naïve and take him in, I think our very valid inherent reasons why Russia may really be interested in having a general relaxation of tension and that --I am therefore optimistic about what can be achieved at the summit. But even so, and even if all my optimism is justified, I will still maintain that the strong NATO and a certain strong position of the United States in the Western world is necessary if for no other reason but to maintain in a second line of defense. Let’s hope for the best but prepare for the worst, and therefore, NATO is necessary in case something happened. Not as a major defense line which it was before, but the second line of defense. (7:17)

[ER:] Well then you would say we must um not only make our own contribution but also have a contribution from all the other countries of Europe, wouldn’t you?

[Paul Rosenstein-Rodan:] Yes, at the same time a certain plan for disarmament . I do not believe in total disarmament but I feel that the kind of 20 percent reduction in armament expenditure all the way around is perfectly feasible as much as we can obtain on the first [unclear words] summit. and it makes a great deal of economic progress possible and hence my qualified optimism.
[ER:] Well, would you say, Senator, that gradual disarmament of this kind would meet some of the hopes held out by Mr. Khrushchev in his speech in the United Nations. If I remember rightly he said, “Total disarmament in four years.” Now what did that mean?

[John F Kennedy:] Well I don’t think we really know what it means. How would it be possible, uh— the Soviet Union has a large stockpile of atomic warheads, how is it possible today for us to know today whether those warheads are being wholly destroyed or whether fifty or a hundred of them are being kept? It’d be easier to know how many submarines they have or how many cruisers or how many divisions, but I don’t that any of us know the size of their stockpile or could be sure it had been completely destroyed. So, either, I think that the terms in which the professor talked about, that perhaps the 10, 20, or 25 percent reduction in the more obvious military forms would result in a savings and a beginning. And then in five years we could being to move to a lower plateau, we quite obviously can’t do this overnight. And, uh, the second point is is that I don’t think we really know where Mr. Khrushchev is heading. He, uh, this-- we do hope that, uh, he’s heading towards a relaxation of tension. We certainly don’t know where the Chinese are heading. For us to take the superficial atmosphere changes as indicative of a real change and then begin a unilateral disarmament, to have NATO crumble as it has crumbled in the last few months, I think would be a great mistake. Mr. Khrushchev may be serious or he many not, but I’m not prepared to see the United States or NATO disarm unilaterally, anymore if we can help it, particularly as we have no assurances which direction that Chinese are going.

[ER:] Then—

[Erwin Canham:] Mrs. Roosevelt, may I suggest just one word [ER: Yes] on the subject of disarmament: I think we need to have a policy, and I think we need to work at it a great deal harder than we ever have. This is an enormously complicated problem. It’s complicated technologically and militarily and strategically and economically and politically, diplomatically. It took us a Manhattan Project to create the atomic bomb, I think it’s gonna take something like the Manhattan Project to take it apart, to destroy it. I think we’ve got to set up the technical and the diplomatic and work on the disarmament problem on a scale a magnitude far beyond anything we’ve done before just to find out what has to be --what can be done safely in the reduction of arms. Frankly, I don’t think we know— I don’t think anybody knows now— just what would be a policy we could pursue step by step with security? (10:38)

[John F Kennedy:] I must say I think that’s an extremely important point because, even considering negotiations going on at Geneva, there is no doubt the AEC are most reluctant to uh have a cessation of tests. Powerful groups at the Pentagon are reluctant to have a cessation of tests. It is very difficult to get the technical information to know what, for example, the new information which the AEC presented at Geneva in regard to underground tests. Is this information really correct? Would there be other ways of detecting if those tests have taken place? I think if we spent and had the able and dedicated men with resources making these kind of careful inves—had a vested interest in disarmament, in the same way the AEC and the Pentagon have a vested interest in arming and testing, then it seems to me we might be able to make more progress.

[ER:] Well then of course that means that we are actually going to put money on our own into scientific research for ways of detecting things which might be hidden from us, doesn’t it? That’s the basis of what we want to discover.

[Erwin Canham:] That might be the best investment we could make.

[ER:] Well a good many people were uh kept in the dark as to how we made our first investment to discover these things but um, now this is something we could say openly because I think most people would agree that this was worth putting in a good deal of money wouldn’t you, Professor Rodan?
[Paul Rosenstein-Rodan:] Certainly and I think it could be a joint undertaking by not only we but also Soviet Russia and everybody from the joint committee with joint funds of scientists to make a report, perhaps to the United Nations, on the best ways of detecting and controlling hidden armaments and new weapons of the others. Meanwhile, while this is proceeding, partial disarmament, the type of 20 percent of expenditure, can still go on. For instance, about atomic bombs to run the tests, certainly, one can agree not to have explosions in the air and leave the problem suspended until the control and detection of underground explosions is reported upon.

[ER:] Well I wonder, I’d like to ask you, would it be possible to come to an agreement that no more information shall be given to any more countries so that we will be able --and that they would agree not to ask for it, so that we will know that there is no chance of other people coming in and adding to the dangers?

[Paul Rosenstein-Rodan:] Certainly, France and de Gaulle will not agree [ER: That might be--] and neither will China. Whether we shall have as much strength of dealing with the “no” of de Gaulle as Russia so far seems to have had with a “no” of China remains to be seen. But while it is desirable, the difficult protestations of those who aren’t there yet will be very strong and a great deterrent. (13:44)

[ER:] Well do you think it would make a difference with those nations if they really felt that a serious disarmament--I have heard for instance, Monsieur [name unclear] say that if everybody agreed on moving towards total disarmament, France would very likely move too, but they wanted an equality as a great nation. Now that is more understandable, that’s pride of nationality, whereas this is consideration of the safety of the world as a whole and where you can move and would it, would it, perhaps, could it be presented as a contribution to the human race?

[Paul Rosenstein-Rodan:] It should be presented and attempts are being made to present it this way, but the forces of nationalism and pride have, for the time being, very much stronger.

[Erwin Canham:] Furthermore, Mrs. Roosevelt, can one draw a sharp line of distinction between peacetime use of atomic energy, on the one hand, and the war like use of on another. I’m not sure that the line is particularly clear, and that if you were going to absolutely prevent a nation from any warlike use of atomic energy, you would have to keep them out of the peacetime field also, and you can’t possibly do that.

[ER:] Well of course that brings us back to the old question of somewhere having to trust each other. That, of course, is at the basis of all of this. We have so little trust of each other and yet since everything can be converted, I mean everything you do for peacetime use can be converted to military use, you’ve got to trust the nations involved that they will not do this. Now, this is again what your Manhattan Project, I imagine, is-is necessary for.

[Erwin Canham:] To find out what the facts are. But to be realistic, I am afraid-- or perhaps it isn’t a matter of fear, I rather suspect they’re going to go along much as we are now and that Professor Rodan is right when he says the Russians would like to cut back on their military expenditures and that probably they’ll do it, and probably we’ll do it. I don’t think we’re going to get any agreements signed and sealed in Geneva or anywhere else. I think, however, that there is perhaps going to be a kind of cutback in military expenditures for the purposes of national well-being. The Russians have a stake in increasing the well-being of their citizenry and perhaps the Chinese will have that too. We’ll be going along much as we are now about testing. Nothing will be agreed but the fact will be that there is actually a reduction in armament expenditures.
[ER:] Well that-that is very interesting. Now I would like to ask another question. I’m wondering whether de Gaulle’s blocking of NATO integration is justified? Perhaps you can answer that, one of you. Senator, do you want to try and answer that question?

[John F Kennedy:] Well I think it unsatisfactory from our point of view, unsatisfactory from NATO’s point of view and has some elements of justification from his point of view though I don’t think, even from his point of view, the elements [unclear]. I can certainly understand the desire of the French to have atomic equality. And secondly, as they are the area of which another war would be fought, they would like to have some control of the use of those weapons. I don’t think the refusal to integrate their fleet-- I don’t think the refusal to integrate their defense air force is justified. There is probably reason, though we regret it, they feel they cannot trust the NATO commander to fire atomic weapons without having consent of the French government from their territory. I think if the situation were reversed, there would be many in Congress who would take that same view. I think that Mr. de Gaulle also resents the communication between the Americans and the English on atomic matters, which the French are denied as a part of the McMann Act and also as a part of administrative decision. So that it’s a conglomeration of uh equities. Uh, John Morley once said, “Politics is won along second best.” I would say that General de Gaulle uh the action he’s taken is most unfortunate from the point of view of NATO, however explicable it may be from the point of the view of the grandeur of France.

[ER:] Well I [ER laughs] I like your assumption that it is over France that the next war will be uh fought. I’m not at all sure that that’s a correct assumption. [Laughter] How do you gentlemen feel about that?

(18:25)

[Erwin Canham:] To go back to the earlier question, I don’t believe General --President de Gaulle will wreck NATO. I don’t’ think NATO is actually going to be wrecked. I think that there will be some sort of deal patch up worked.

[ER:] Do you think NATO will change to a certain extent?

[Erwin Canham:] No, I don’t think so. I think we tend to exaggerate the significance of the de Gaulle position. There was some easement at the recent Paris meetings I think, and I think it’s going to go along so that NATO will not be destroyed but will become stronger. And on a broader sense, I think we have to realize that when dealing with President de Gaulle and when dealing with France we’re dealing with extremely sensitive temperament. I don’t think we ever treated de Gaulle quite as wisely as we might have done, and if we try a little harder now to understand what his purposes are, I think that we’ll do better and than an agreement could be reached in due course with him. After the summit lads have met in Paris, paid him the complement of coming to Paris and meeting there, I wouldn’t be surprised if things work out a little better.

[ER:] You are very optimistic. But do you think –

[Paul Rosenstein-Rodan:] I share this optimism in the sense that de Gaulle is psychologically understandable, it’s a psychological problem, unfortunately we have to pay another high political price for the solution of the psychological problem. But I worry much more for, about, the things-- concessions he has already obtained, the postponement of the summit meeting and then the organizational temporary and transitional I hope difficulties about integration of armed forces. I feel the postponement of the summit meeting may make Mr. Khrushchev’s position in May much more rigid than he might have been in December; but we’ll have to listen. I do not assume that Russia is as monolithic as our image of it depicted. They have their generals too who are of a different opinion and while Khrushchev prevails it’s only on balance and he is subject to all kind of strain and stress and meanwhile he might be much less elastic having had a partial rebuff which fortunately he is not presented as partially rebuffed-- (20:36)
Erwin Canham: Of course in the meantime, Mrs. Roosevelt, General de Gaulle is coming to Washington and Senator Kennedy can talk with him there and discuss Algeria and other problems. But seriously, Senator--

John F Kennedy: I saw where the President of the United States and General de Gaulle spent twenty-seven minutes discussing these problems [audience laughs] and in view of the fact that there is a language difference it did not seem to me that--

ER:] many problems were discussed. [laughs]

Erwin Canham: Don’t you think, Senator that, or do you think what with the program which de Gaulle is trying to carry out in Algeria comes somewhere near close to one of the two alternatives that you suggested on your famous--? [John F. Kennedy: “Yes”] I think it’s just about one of your two propositions.

John F. Kennedy: I must say I think both in Algeria and in his decision a year ago to give the members of the French community in North Africa an opportunity to vote out, that Guinea took, I must say they were both extraordinary steps and I think the offer still stay open to the good deal of French Africa. I think the problem, of course, that the nationalist movement fears in Algeria is that de Gaulle may not be there forever and there is a series of years which go by before this self-determination takes place and it’s still somewhat vague-there must be a peace for four years and then certain steps are taken. De Gaulle may be gone and only he has the influence to put it forward. But taken as an act of statesmanship at a time when very few acts of statesmanship are being done in the world, I must say it puts de Gaulle in the front ring.

unknown speaker:] Yes.

ER:] Well, I think perhaps even the visit of the president was psychologically a good thing because as it was a gesture which probably affected de Gaulle considerably.

Erwin Canham: Mrs. Roosevelt, may I come in on the twenty-seven minutes angle which Senator Kennedy says it with great wit that this was not very significant. I’m a little --I’m rather pleased, I like to see negotiations take place at the working level, rather than the head of state level. And if one could assume, and I’m not at all sure that one could assume, that careful discussion with the members of the Quai D’Orsay had been taking place, with the members of the American State Department, British foreign office, I would rather see the hard work done there than in a discussion between the heads of state. That--we’ve had a lot of experience with discussion of heads of state, some of those good and some of those I know not so good. Am I Am I fair in making the point that the normal processes of diplomacy have a lot to contribute to summitry?

ER:] I would say you’re very fair in that. I would say that it was almost essential to have those, the normal processes, but possibly, we might have thought some of them had been going through. But all of these questions which are [Erwin Canham: we don’t know military] uh, military uh--do touch on the economic questions and now great changes have been coming about in Europe, in the economic situation, and I wonder uh what significance you feel that is going to have in the next few years? Which one of you gentlemen would like to speak on that? (23:50)

John F Kennedy: Well I’ll speak on one phase and perhaps the professor on the other. And the phase I wanted to mention was the external effect, which I hope it would have. I think that the United States is
going to have to play a more substantive role in assisting the newly emerging countries and I think it’s most important that Western Europe play a greater role. The French have done something in African in their own territories, the Germans have done very little, whatever they’ve done they’ve done at a high rate of interest, and payable in hard currency. The British have done quite a good deal. But, uh, nevertheless, I don’t think that you can say that the Europeans as a whole have played a role comparable to the role that the United States played in helping them from 1945 to 1950 or ‘51, and therefore, this emphasis, which is coming about through the Common Market and through other economic developments all of which are symptomatic of a great rise of economic strength in Europe, I’m very hopeful that there will also come as a coordinated effort of us all on these economic problems uh south of the equator. I would say that’s the dominant foreign policy issue of the sixties and I have been --therefore I was rather sorry, though in some ways pleased, at the makeup of the mission which the World Bank is now sending to the India and Pakistan to examine the problems of those countries. This is the result of the resolution which Senator Cooper, who’s the former ambassador to India, and I had in the Senate, which passed unanimously, and Congressman Bowles, former Ambassador to India, had in the House. Unfortunately, it did not include men like Mr. [Jean] Monnet, who had been the leader in associating the common market countries with this effort. It included Mr. [Hermann] Abs, Mr. [Oliver] Franks, who is very outstanding from Britain, and Mr. [Joseph] Dodge of the United States. Mr. Abs and Mr. Dodge are bankers and while Mr. Frank is a banker he is also an international statesman. I had hoped that this would be the opening gun in a great crusade by the free and prosperous countries. I think that uh if we can bring us uh together to that effort, all this tremendous economic rise would be most worthwhile if it just devotes to an effort of the Common Market and the outer seven to increasing their own resources then quite obviously it would be self-defeating. (26:04)

[ER:] You failed in your object. How do you feel professor?

[Paul Rosenstein-Rodan:] I agree that Europe is now very strong and the rate of growth which was the highest in the world and perhaps the highest in world economic history at a rate of 60 percent economic growth per decade, and it certainly can now play a role in the common task and it’s nothing like a common positive not a negative program which unites people. If the contribution of Europe to the development of underdeveloped countries is to be an addition to a larger program, and not just to substitute something which the United States of America has so far carried along, then it can organize productive forces with faith and vigor and I am convinced that the future— that the future historians will judge our generation by whether and how they succeed in solving the problem of the underdeveloped countries. Now, the resolution about the mission to India was a typical new move in the sense that there were three people, or there were to be three people who were men of internationally recognized prestige and men of good will, not representatives of governments who went there to discuss with India how they will solve the problem, now that they are about to formulate a third five year plan and precisely because they only have moral responsibility, are not representatives of governments. Do not exercise pressure. Do not negotiate. You do that, and then, you’ll get that which smells of interference, then the chances were extraordinarily good. Now, the mission is usual is now mounted and it was a half step in the right direction, one can’t help regretting very much, it’s a great pity that men whose authority would not be questioned in India and elsewhere are not on this mission. Nonetheless, even a half step, one shouldn’t be perhaps a perfectionist, not to allow the better to be the enemy of the good, it is a beginning and I am quite convinced from public opinion in Europe that Europe is aware of the new task and the new duty and that Europe will play a part in the larger program of aid to underdeveloped countries. (28:16)

[ER:] Well that’s very --

[Erwin Canham:] May I come in with a slight minority view on this, on the personnel of this group? It’s uh, I, it so happens that I am personally acquainted with each of the three men who are appointed on this and also with Monsieur Monnet and with, uh, Jack McCloy and I would agree with the Senator that Jack
McCloy and Monnet would have been substantially more authoritative, but I don’t think we ought to write down too far the three men who were appointed. Mr. Dodge did a very good job in Japan when he went there on a mission about four or five years ago. Abs is a remarkable individual, perhaps you know him, Mr. Rodan? I called on him in Frankfurt a few months ago, and a remarkable human being. Whether he is the man to do this job where the rates of interest that the German’s bankers charge, I won’t suggest, but at any rate a very experienced and remarkable person and I think Sir Oliver Franks is a very, very outstanding individual. So let’s hope for the best and perhaps something surprisingly better than might be feared can be drawn from this initiative which Senator Kennedy had such a large share in --I would just hope that these men may perhaps do a better job than it could look at the outset.

[ER:] Well after they have done their job, there will still be the carrying out of recommendations and the acceptance of the European countries. Now, this has a meaning to us because what we would hope, I think, would be that we would increase programs to underdeveloped countries in order to, in the future, increase markets for our various countries. Now, uh this means a bigger program, not a program which substitutes for what we’ve done but a better understanding and I think it means a better understanding among the people. Now, will this raise the taxes of the American people? (30:36)

[John F Kennedy:] Oh well I would think that uh it would require a greater effort. Of course I think that sometimes we exaggerate the amount of effort we put into the foreign aid program. A good deal of the foreign aid program, a majority of the money spent is surplus military equipment which is of no use to us. It’s merely a credit against, of which the pentagon then gets new money which it buys new equipment so that when you say you’re going to spend a billion, eight hundred million dollars, except for the new equipment going to NATO, most of that is surplus trucks, tanks, which are being otherwise wasted and therefore does not represent a sacrifice. [Erwin Canham: at a higher price] That’s right, that’s right- it’s a very high price.

[ER:] Well perhaps possibly Senator, there may be a need for substituting more economic aid and less military aid [John F. Kennedy: Exactly. Well that’s it.] and then it will mean a different type of investment.

[John F Kennedy:] There’s no doubt and the second one is that a good deal of the remainder that we distribute is in the form of surplus foods which is a really --represents a subsidy to Americans as well as an important asset. In other words, I don’t’ think the sacrifice has been overwhelming. I think we can do more, I think we must obviously do more. If we’re not prepared to do more than we might as well just as well say that we’re not prepared to maintain the leadership of the free world. This is not intended to be, what we’re now talking about is a substitute, as professor said for our--that we’ve carried the load long enough now others do. We actually carry a greater load for a long period and can’t possibly be successful unless we are joined by others who are--also care. I agree with what Mr. Canham said about Mr. Abs being on the mission because the Germans have the resources. I would have been--I wish it could have been expanded to include that-- (32:12)

[Erwin Canham:] Yes I do too. I was sitting in his office in Frankfurt a few months ago and with- with a gleam in his eye he said: “Germany for the first time in thirty-five years is now on explorer of capital.” And all the old German pride that came out [John F Kennedy: With high rates of interesting.] Yes but it’s been, since before the first-- [audience laughs] that’s right. I guess so, but since before the first world war they have not exploited capital significantly, and maybe if he can arouse national pride, maybe national pride and a high rate of interest will help the world [Paul Rosenstein-Rodan: A high rate of interest can’t help the world.] No, I agree.

[ER:] But perhaps national pride might be channeled into helping instead of doing harm which might be a good thing to do. And I should say that for Germany to help the world would be extremely important, to
carry some of the burden. But um I would also like to suggest to you gentlemen that perhaps many of our domestic situations are closely tied to what we do. And I happened to see in the paper of the other day that we were urging the co-continuation and really increase in a program to put more land out of production. Now, I’m wondering whether we are falling short in our thinking into the future? And I’d like your opinion senator. I wonder if, when so many of the world’s people are hungry, we are justified in not finding answers to the problems of distribution, and of providing what could be used, not only at home but abroad, and perhaps instead of putting land out of production, putting it into production for real use? Now I’d like to know what your opinion is on that question. (34:13)

[John F Kennedy:] Well I think

[ER:] Because that has part of the economic position in Europe is also connected with this.

[John F. Kennedy:] Well, there are seventeen million Americans who have a substandard diet and then there are a good many millions of American who are chronically unemployed, aged in all the rest who really never benefitted effectively from our own services. I think that you can obviously do a great deal more abroad. I thought one of the beneficial effects of the recent discussion on uh birth control was that both groups, the pro and the con, out of that should commit themselves to a greater program abroad. Those who are for the United States doing something about birth control should be willing to help these countries, because these countries have said before, Mr. Nehru and others, that they would chose to meet the problem. Those who are opposed to the United States using funds for birth control therefore it seem to me take on a moral responsibility to assist these countries to make a better life for the additional people, so that I would think that uh there is a great -- I would say our moral principles and our national security meet on a most fortuitous basis. And certainly one of the ways is to provide the surplus which is a great asset that has been given to us much more heavily abroad, particularly in India and Pakistan.

[ER:] How do you feel, Mr. Canham, on this?

[Erwin Canham:] I think that --this ties in with what we were saying about the Common Market a few minutes, a little while ago. But I’m afraid again on a rather utopian basis, if the Europeans --Western Europe, goes more and more heavily into industrialization and less and less to the maintenance of the peasant agrarian economy, if the peasants are becoming fewer and fewer in Western Europe, we could supply North American and Australia, could supply their cereal needs and so on. This would be an [unclear words as someone coughs] an accurate division of labor and yet I don’t see it happening. What I’m—what I’m saying is the problem of agricultural surpluses in North America could be solved if we were growing the things we can grow most efficiently and Europe, for example, was absorbing them instead of trying to raise wheat and other cereal grains and things and livestock in an inefficient-inefficient basis. If we could make a deal with the Western European common market area and still larger group by which we would provide them with a good deal of agricultural materials which we can produce so much cheaper then they can. And in taking turns, perhaps some of their industrial production compensation, that would be one little way of solving the problem of distribution, but unless we can do things like that Mrs. Roosevelt, it seems to me that we’re playing with fire if we stimulate the continuing piling up of surpluses, which up to now we haven’t found out how to dispose of very well. (37:12)

[ER:] It’s evident we must do some work on the problem. It’s not a problem that is solved without serious thought but I’m wondering, this has been a problem a long time, I’m wondering if the time has come to give a little serious thought. Now, perhaps you can’t substitute Canada’s growing wheat, although you can’t substitute that because they have a climate which makes that, uh, they haven’t the differential in climate that we have. But it seems to me this is a problem that it seems we can give some thought to. How about you professor?
[Paul Rosenstein-Rodan:] I feel that one should introduce some quantitative thinking. How much is the income of the underdeveloped countries? How much and what type of aid they need and what part of that need can be met by agricultural surpluses? I mean there are fourteen hundred million people in the underdeveloped countries of the free world. They have an income together of roughly speaking 170 billion dollars. They need foreign aid in the nature of seven billion of which four should be credit in bond form and three can be private investment. And of those perhaps up to one billion up to one quarter can be usefully supplied in the form of surplus foods. But we cannot envisage that these underdeveloped countries will always depend on food supplies from the United States if not -- for no other reason because the United States would not be prepared to buy in equivalent amount even ten years time, or twenty years time of industrial and other products produced by the underdeveloped countries. So the limit and the amount which can usefully serve as a foreign aid in the form of surpluses is quantitatively determined. It has a fortunate, in a way a fortunate connotation in the United States, because if I ask you if I may pursue this quantitative speculation a little further that if the United States were to supply half or two, or two and half billion dollars annually to the underdeveloped countries then, five, six, seven hundred million dollars of it, which means well one-quarter, or more than a quarter here, can be supplied in surplus foods which resource costs here is very much smaller than the other 1.8 billion dollars which would be real dollars. And this is a great advantage, and I speak of that amount because I feel that if we speak of a common undertaking then let's simply assume that there is a target of four billion dollars which have to be supplied in public credit, let's take all the countries of an income per head -- let's say an income of family of four is about two thousand five hundred dollars and then the income of an American family would be ten thousand dollars and let's apply the American income tax at its progression to determine the appropriate or the approximate quota of contribution of the rich countries. Now I have made this exercise a few years ago, I don't think it will change very much and the quota of the United States in such a world aid program would amount to about 58-59 percent of the total. I think it's a rather fair way of measuring the contribution and gives a platform of how much one could expect of the European, Australian, New Zealand, and Canada contribution to this common program. (40:49)

[John F Kennedy:] What percentage would you say under your figures we’re now -- the United States is now contributing?

[Paul Rosenstein-Rodan:] I do not count military aid so I would say that the United States now supply of public credits a very, very high proportion of a very inadequate amount of help which goes to underdeveloped countries. I mean we have reached a dangerous stage of serious and well meaning platonic statements of how important an issue is without doing very much about it and for us to distinguish between words and deeds. Now in the case of the United States, the United States have contributed and have contribute about a billion and a half as an economic aid, roughly speaking to underdeveloped countries. The total contribution of Europe, well if we count the contributions to France to her is obviously dependent on territories in the UK would be about five hundred million dollars but it is on a slightly different moral obligation level. So in the future there is no doubt that Europe has to increase her contribution very much more and the United States has to increase in any way and not speak of this reduction, which was so unfortunately heard about for reasons of what I might call the greatest danger. This is a sacred cow of a small and balanced budget.

[ER Laughing]

[ER:] Well now, now Mr. Canham, I wonder if you could think of some illustration of how this affects the businessman, an average businessman, in this country.

[Erwin Canham:] Well of course the average businessman in this country faces the development of the European Common Market and he isn’t quite sure whether his exports are going to be able to get over the tariff walls which will be created around these markets and so the average businessman, I won’t say the
average one, but a great many American businessmen, have been investing in factories abroad to produce
there at a lower rate of cost and to supply, generally speaking, the overseas market. This is not, this is
what has been happening, and some people have thought that too much American capital has gone abroad
and this is going to take jobs away from American workmen at home. The American businessman is
thinking very, very seriously of the difference between costs of production in the United States and costs
of production in many other parts of the world and wondering what he is going to do about it. And the
leadership of American labor has been thinking very seriously about this very same thing and I think
we’re going to have a good deal of pressure for an increase of tariff protection both from business and
from labor in the next year. I’d be very much interested in what the senator thinks about this problem as a
legislative matter and what we’re going to do about the question of pressure for
greater tariff protection the next year or two. (43:58)

[John F Kennedy:] Yes, well there will be protection particularly raw materials I would say minerals as
well as the traditional areas of protection. I would be opposed to increasing our protection, I’m sure the
administration will--whatever administration is elected in the next year. I think that the more serious area,
then for the United States, I think we’ll be able to hold our markets pretty well, is the effect it’s going to
have on Latin America. Does this mean that instead of buying the raw materials from Latin America, for
example coffee from Brazil or their sugar from parts of Latin America, they’ll buy their coffee from
South America--from South --from Africa and their sugar from other parts of the world. Would this
really-- this could be a crashing blow I think to South America with tremendous repercussions on us. I
think that’s even -- I would say that’s an even greater concern for the new developments in Europe rather
than any effect on the business here. It doesn’t seem to me that the proposed tariff levels change very
much from what they are as far as American goods.

[Erwin Canham:] I think that’s true and if the Western European developments create greater prosperity
and a more thriving expansive economy, presumably they will be better customers.

[ER:] This is interesting because we’re advocating for Europe what we are a little afraid of ourselves
which is very interesting I think. And I think the basic thing is do we really believe that what we can
accomplish is to create more markets for ourselves. I happen to believe that, but I wonder if that, in
Congress for instance, are you getting that feeling, that the people will understand that?

[John F Kennedy:] Well I think there’s always a struggle because the great majority of people are
somewhat uninterested in the level of tariffs or perhaps they don’t know about them but there are the
interest groups who come to see us and then it turns out that really in many cases that only 1 or 2 percent
of their market. Now it may be that the 1 or 2 percent of their imports are breaking the price of the other
98 percent so it’s important. But I would say that a great and powerful economy like the United States,
particularly if you expect Europe to move in the direction of lowering its duties, has to do it-hsa to do it
and take the lead in it. I think that’s our inevitable goal that we must reach to. But I must say that I think
the most --I’d like to hear what the professor thinks of this problem of Latin America. Does he think --
because I would say our relations with Latin America are going to be a great foreign policy issue of the
United States. Do you think this change in the European organization economy is going to be extremely
serious for Latin America?

[Paul Rosenstein-Rodan:] I entirely agree that the only part of the world which may be seriously affected
is Latin America and therefore it’s greatly exaggerated in the fears here-- extraordinary exaggerated may I
say they are almost extraordinary-- the second thoughts. We’ve spent ten years of great effort and worry
of how to reconstruct the powerful and strong Europe and spend ten years of worrying on how to
redistribute gold and low and behold when two out of twenty two billion dollars have finally after years
and years of prayers and measures and attempts to do something about it left the country, there is at least
a kind of hysterical outcry [audience laughter]. What it means and what the danger is. Let us consider a
few facts. I mean, the establishment of the Common Market and of The Seven doesn’t raise any tariffs against outsiders with a few exceptions in the Common Market which precisely made it Latin America. Sugar is one commodity which is very heavily protected and its protection would be raised, would be increased, and in general, the protection the tariffs against the outside world will not be raised or would be slightly lower. But sugar is one of the exceptions which for instance a country like Cuba or the Dominican Republic may have a real economic earthquake in consequence because they depend on that production--on production of sugar to such an extent. But otherwise it is true that the Common Market lowers some tariffs at customs preference, and it’s a clear but of theology because we all are prepared to recognize it if some small countries unite and form one country and this is all to the good, and it’s to be praised. If they can’t succeed 100 percent then do it 50 percent-- after all a union is 100 percent tariff preference, if they have 20 percent or 50 percent tariff preference, what is-- what was a supreme good becomes suddenly a sin again the holy ghost [laughter] and it’s called discrimination, so you see its use is somewhat theologically. But I agree that Latin America in some commodities will be hard hit and there is time, it’s all gradual, I think that on the whole this moves are movements which are progressive, which are in a good direction of creating larger units and larger markets and with a great deal of good will and negotiation, these difficulties may be smoothed out. (49:22).

[ER:] Well that- that is something that we will have to be thinking of. But now, we’ve talked about the economic things and I’d like to ask you what your feeling is about the differences over Berlin politically, for instance. Are they irrel--irreconcilable? And what can we hope from the next summit conference? I think we ought to at least be thinking about those questions. What do you think? Whichever one wants to speak first.

[Erwin Canham:] I think the senator should analyze the summit.

[John F Kennedy:] Well I, I must say I didn’t understand really the position the United States took in the last few days of taking back its bargaining position which it agreed to, because when you examine the position which we had taken or the concessions which we were prepared to make, they were really, uh, I thought not very important. We agreed to a truth level, which is what we have today now. We agreed to cease propaganda activities, but that was really pretty much the heart of our proposals in the-in Germany. So that I didn’t think that was a particularly fruitful beginning for an agreement on Berlin. Now, Mr. Adenauer and Mr. de Gaulle seemed to be successful with their viewpoint. I don’t know where their viewpoint will leave us. If we cannot work out a solution which will guarantee us an entrance and an exit in Berlin, and I would like to know what the Soviet Union would demand in return for that. Unless we are ready to discuss that, you’re not going to get any change in Berlin and a year or two they’re going to put the squeeze on again. Now if they were ready to do it in forty-nine to the point of blockading us, when we had a complete superiority in atomic weapons then and the means of delivering them. Winston Churchill said that if this is what they do in the green wood what will they do in the dry? Now it’s the dry wood and their missile range increases, you’re going to be faced with this thing and Mr. de Gaulle and Mr. Adenauer won’t bear the burden of the defense, the United States will. So I’m not uh sure that we shouldn’t --I think we ought to talk about Berlin and see if it's possible to reach a solution which would protect the independence of the people of Berlin, which we must protect, there are no concessions on that area. At least we ought to find out what the various positions are in a slightly more [unclear] then we’ve been willing to do. (51:34)

[ER:] Perhaps we haven’t been too clear in our policy? How about it Mr. Canham?

[Erwin Canham:] Well again I think that this is-this is an awful trite thing to say but creative statesmanship is called for once more, that is we have to think about this Berlin problem a little more imaginatively. Several people, including some people around this community, made some suggestion in December of 1958 about a Berlin program, which I think had considerably more merit than what we
actually did. I think —if the withdrawal of the American offer, or proposal, indicates that we’re going to start with a clean slate and if on that clean slate we can really write some sense about the Berlin situation, that would be I think very advantageous. But I’m afraid, again, I’m talking about Utopia, asking for too much. I should suspect once more, we’ll drift along and Mr. Khrushchev will drift along, I hope, also. And if he is sufficiently interested in the continuation of the thaw and in whatever he gets out of it, then I suspect we will continue in Berlin on a sort of modus vivendi basis, without any very clear agreement, but a situation with which you can live. I, just to sum it all up, I think --I don’t think we’re gonna have really clear cut, firm, acceptable agreements about most of these danger spots, but just situations with which we can live. That applies to the division of Germany. Surely, that’s going to continue as far down the road as we can see it and if one of our --sorry I talk so much --because I’m very eager to hear what the Senator feels about this, what about China? Is it China, which is—which is so impressing Khrushchev with the need of better relations with the west and with so what about our own relations with China?

[ER:] Well, now professor, what do you think?

[Paul Rosenstein-Rodan:] Well, I feel that we have to distinguish between the form and the contact of the Berlin problem.

[ER:] And this, I’d like to you to say something about the summit because --

[Paul Rosenstein-Rodan:] Because I think if Russia had not formulated her request in this unacceptable form which is very similar to the China-India situation. If the Chinese did not present it in that form, but went through proper negotiations, then in reasonable negotiations certain concessions, let’s say on the Kashmir frontier, could have been granted. And in the same way, a revision of the Berlin situation, if it had not been under threat, under impossible- formally impossible conditions, so it will be in a way to protect a formal position yet in the same time think longer ahead of the content. And the content means that we cannot go on pretending that we out of all people are the only ones besides the Germans who are prepared to die for a united Germany. I feel that sometimes as to speak out the truth, with the exception of many Germans--by no means all-- nobody else in the world really wants a united Germany [ER: And so, you think--] and the condition of the world equilibrium is a divided Germany. (54:40)

[ER:] You think the summit will not bring us many solutions?

[Paul Rosenstein-Rodan:] Well I think the summit, if it addresses itself not to Berlin but to a wider question within a wider framework of a general relaxation, will find the modus vivendi which will gradually lead to a revision of the [unclear]–

[ER:] Now, I have to tell you that I have to try and sum up and I would say today that we had given our audience a great deal to think about. I don’t think we have come to many decisions. We have, I hope, given a good deal of information. In a military way I think we have acknowledged that we want, if possible, to keep an equality and we do believe that there can be a reduction in a military way on a slow uh basis--not coming too rapidly to any final reduction or total disarmament. I think that seems to be agreed that that will not happen very quickly. In an economic way, we’ve raised a great many questions. We know, I think, after this discussion, that the United States has some real problems. It has rebuilt the power of Europe and-- helped to rebuild it. The people themselves of course have had to do the main job, but we have helped, and we know find that we want assistance which will be good for us all and we hope very much that Europe will provide that assistance in order to make us better able to increase our markets throughout the world. And in a political way, I think we feel that, possibly, at the summit, we will come to some steps forward but not to anything definite, and that, after all, is important. And now, I must close this program and thank all of you for participating today. You were kind to come senator, and so were you two gentlemen, I know you’re busy, and I’m very happy that you could come. And I want to ask the
audience to be with us again at our next program which will be on Latin America which we showed the
uh connection and out guests will be Governor Rockefeller, Governor Muñoz Marín, and Mr. Benjamin
Cohen. Au revoir.

[Audience applauds]

[Theme Music 54:45]

[Credit sequence overlaid on Prospects of Mankind logo]

[Bob Jones:] Senator Kennedy is a member of the Senate Foreign Relations Committee. Mr. Canham is
editor of the <Christian Science Monitor/> and the president of the United States Chamber of Commerce.
Dr. Rodan is a professor of economics at the Center for International Studies, MIT. Photos courtesy of the
British Information Services and the French American Cultural Services. This program was recorded on
Saturday, January second. Mrs. Roosevelt’s special guests on the next <Prospects of Mankind/> program
are Nelson Rockefeller, Governor of New York, Luis Muñoz Marín, governor of Puerto Rico, and
Benjamin Cohen of Chile. The topic for discussion will be Latin America.

[Theme music ends 59:07]

[Unknown announcer 2:] This is National Educational Television.

(59:31)

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