



ORGANISATION DU TRAITE DE L'ATLANTIQUE NORD
NORTH ATLANTIC TREATY ORGANIZATION

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MEMORANDUM

To: All members of the Atlantic Policy Advisory Group
(through members of the Committee of Political
Advisers)

From: The Chairman

Draft Chairman's Report on ^{sixth} ~~Fifth~~ Meeting

As agreed at the meeting I send you herewith copies
of my first draft of the Chairman's Report.

2. If you have any comments, suggestions or amendments
would you please let me have them as soon as possible, and at
the latest by 13th November.

(Signed) R.W.J. HOOPER

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ATLANTIC POLICY ADVISORY GROUP

Note by the Chairman

The Atlantic Policy Advisory Group met at Villa Falconieri, Frascati, from 1st to 4th October, 1964.

2. As background to their discussion on:-

"Problems posed for NATO by the developing countries in the context of relations between the free world and the Communist countries",

they had before them a paper on "Le communisme national" prepared by the French member of the Group; an Italian paper "Notes on the third world in the context of the relations between the Free World and Communist countries" with an Annex on "Africa in the context of East-West relations"; two United States papers on "The Atlantic Community and Latin America" as well as a United Kingdom paper on "The West and the developing world".

3. The detailed discussion on these papers was preceded by a general survey of world affairs. The points raised in the course of this survey are summarised in Part A of the report annexed to this note. Part C deals with the discussion on the specific subjects referred to in paragraph 2 above. The report as it now stands

[Insert wording after circulation stating whether and to what extent suggestions and amendments have been incorporated.]

4. The Group suggested that their next meeting might be held in Spring 1964, the Committee of Political Advisers being left, as on previous occasions, to fix the exact date. They proposed, as a possible theme for discussion:

"New factors in the relations between the Sino-Soviet World and the Atlantic Alliance".

The Group suggested that these broad Terms of Reference should be broken down into a number of specific subjects which could then be allocated to the various members of the Group to prepare papers.

5. The Group considered that the problem of the acquisition by China of a nuclear capacity on which discussion continued at the October meeting, had now reached a point where it could more appropriately continue to be discussed by the Council or the Political Advisers Committee than by the Group itself.

6. The German Representative confirmed his Government's invitation to hold the next meeting in Germany, subject to the Council's approval. The Turkish Representative also confirmed his Government's invitation for the subsequent meeting of the Group to be held in Turkey.

7. The Council is invited:

- (i) to take note of the Chairman's Report;
- (ii) to consider in accordance with the Terms of Reference set out in C-M(61)101 the arrangements for the next meeting of the Group.

(Signed) R.W.J. HOOPER

OTAN/NATO,
Paris, XVIIe.

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ATLANTIC POLICY ADVISORY GROUP

A. General Survey

In their review of the international situation, the Group concentrated on the following aspects:

- The Sino-Soviet dispute and its implications for the Alliance;
- The situation in Eastern Europe;
- Central European Problems, and
- The situation in the uncommitted world.

2. Some reference was also made to questions concerning the Alliance and the relations between its members. It should, of course, be borne in mind that the meeting took place before the fall of Khrushchev and the Chinese nuclear explosion.

I. The Sino-Soviet dispute and its implications for the Alliance

3. One of the most significant factors during the last six months had been a marked intensification of the Sino-Soviet dispute. This had led to open and sometimes violent arguments between the two major Communist powers, and had also had considerable repercussions on the World Communist Movement.

4. The publication of the Suslov Report brought to an end a period of relative calm during which the Soviets had refrained from reacting to Chinese provocations.

5. Soviet efforts appeared at the time when the discussions took place to be aimed at gaining the support of as many Communist Parties as possible for the proposal to convene a conference of all Communist Parties of the world, at which the Soviets might either press for a formal condemnation of China, or at least try to enlist the largest possible number of supporters in favour of their ideological and political position.

6. In discussion, the following points were made:-

- (i) There was an element of uncertainty in all analyses of the Sino-Soviet dispute. The struggle might lead to an armistice between the two power centres, a division of spheres of influence, to bi-polarity in the Communist world, or to polycentrism.

(ii) The struggle for leadership might continue for a long time. Indeed, it might be to the interest of some Communist Parties (and, it was pointed out, of some uncommitted countries) to prolong it, since they would then be able to play off one power centre against the other. Others again might deprecate a clear-cut decision on the ground that it could only split the world communist movement, perhaps irrevocably.

(iii) The Sino-Soviet dispute put the Soviet Union in a difficult position, not only ideologically but by reason of the element of nationalism which had been injected into it. On the one hand, the Chinese were accusing the Soviet Union of "imperialist" annexations after World War II. On the other, as is implied in the Togliatti memorandum, there might be difficulties in several countries in that the Communist Parties there might feel compelled, on general ideological grounds, to stick firmly to the Moscow line, thereby damaging the reputation for independence which they had acquired in their own countries and to which they owed a large part of such popularity as they had.

7. One delegation felt that a comprehensive study of the consequences of the Sino-Soviet split, if undertaken, should include an analysis based on a set of questions. These questions might be:

- In which sectors are there differences between Soviet and Chinese policies?
- Where are policies parallel?
- Where is there a true solidarity?

8. A study of these questions might lead on to a further set of questions concerning East/West relations which would be complementary to the questions above. These might be:

- Where are Soviet and Western policies parallel?
- Where are they opposed?
- Are there sectors where a measure of solidarity between East and West could be developed?

9. The Group also considered whether, and how the West could or should attempt to exploit the Sino-Soviet split.

10. Several members thought NATO, or some of its component countries, could do so. Use could be made of the diversity of national interests in the Alliance, but since this might put a strain on the solidarity and unity of the Alliance, it was desirable to consider such a possibility ahead of the event.

11. Whatever the final outcome might be, China has emerged on the world scene as a major power with a foreign policy no longer limited in scope, and moving on to new ventures in the third world besides Asia.

12. Careful consideration should therefore be given to the attitude of the Alliance and its individual members towards Communist China.

13. Some members of the Group advocated a "two-sided" approach to the Chinese problem: i.e. a firm attitude in the face of aggressive tactics by the Chinese, coupled with policies aimed at leading China out of its present isolation.

14. A measure of contact with China, in particular with the younger generation, might be possible in due course. (It was noted that the present leadership was an aging group with little experience of even the Communist world outside China.)

15. Some members of the Group were sceptical, in the light of experience to date, about the possibility of establishing such contacts; others thought something could be done. There had been a new development, in that the authorities of some countries represented at the meeting had recently been approached by the Chinese with proposals for exchanges of students, technicians, university professors, etc., and intended to reply favourably. In the view of several members, there was a rôle to be played, if not by all, at least by some countries of the Alliance, in furthering such closer contacts with Communist China. The position of the individual members of the Alliance need not be completely uniform. It was also pointed out that trade with China in non-strategic goods might have beneficial results.

16. The Group recognised that the Chinese question was closely linked to the rôle of Formosa and United States commitments to protect the island.

17. With regard to Formosa, the view was expressed that close personal links still exist between the mainland and the island. After Marshall CHANG's death it might become possible for the Chinese to settle the problem between themselves, perhaps by Formosa preserving a certain autonomy. Such developments might open up new possibilities for the West.

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18. Other members of the Group thought that such a development was unlikely. The native Formosans, whose connections with mainland China were less close than those of the Nationalists from the mainland, were gradually gaining more and more influence in the political and military life of the island. Though the possibility of such a solution could, however, not be entirely ruled out, the economic and social situation of Formosa compared so favourably with that in mainland China that there was little attraction for Formosa in any solution involving incorporation in Communist China.

19. With regard to Chinese representation at the United Nations, opinions were divided as to whether the Chinese Communists themselves were not really interested in joining. One member of the Group thought that the problem of Chinese admission should be studied urgently, as the present position of the West might soon become untenable, and it would be better to forestall the inevitable diplomatic defeat. In the view of some members of the Group, the best answer to the problem would be the admission of Formosa as an independent country together with Communist China, despite the declared objection of both parties to a "two Chinas" solution.

20. The point was made that Communist China's membership of the United Nations might add to the troubles of the Communist world, as it would open up yet another battle-ground for public dispute between the Soviet Union and China.

21. There was some discussion of Chinese aggression and subversion. It was emphasised by several delegates that no solution was possible unless the Chinese could be convinced - and South East Asia was considered a test case - that aggression did not pay and must be abandoned.

22. Some members, however, suggested that there was a ray of hope, in that the younger generation in China might be more open-minded than the aging, doctrinaire, close-knit and insular groups of old-guard revolutionaries who are at present in control.

23. One member of the Group suggested that it would be worthwhile to watch developments in Albania, which might become a base for Chinese infiltration into Europe, and might thereby acquire some strategic importance.

II. The situation in Eastern Europe

24. The Group noted that the Sino-Soviet dispute, the economic situation, the East/West talks and efforts to lessen tension between the blocs have combined to strengthen the trend towards autonomy inside the Soviet bloc. This had caused concern to the Soviet Union, which had tried to arrest the process by every means in its power.

25. Several members of the Group thought that this trend might be more effectively exploited by the West than at present. Others stressed the limitations within which we had to operate. The régimes in Eastern Europe remained Communist, and would resist any attempt to change the existing social and political order. What they wanted was not "decommunisation" but "derussification". Nor would the Soviet Union tolerate anything which seemed likely to develop into a serious threat to its security, though in the long run, the Soviets might come to accept the fact that they could not expect indefinitely to maintain their present degree of political, military and ideological control over Eastern Europe. For the present, the West should follow developments in Eastern Europe closely, and take advantage of them whenever possible. Contacts in the spheres of trade, culture, tourism and so forth, should be developed: and as one member suggested, the improvement in relations between Greece and Bulgaria showed what could be done in limited fields on a bilateral basis.

III. Central European problems

26. One view expressed was that the Chinese threat in Asia, dissensions in the world communist movement, the trend towards greater autonomy in Eastern Europe, the failure of Khrushchev's Berlin ultimatum in 1958 and the Cuban venture of 1962, and the poor performance of Soviet economy, especially in agriculture, had forced the Soviet Union on to the defensive.

27. As ~~against~~ this, it was pointed out that it was easy to overestimate the Chinese threat to Russia and underestimate the continuing Soviet threat to the West. Neither the Sino-Soviet dispute nor the trend towards polycentrism seemed to have modified Soviet policy towards Germany and Central Europe. The Soviet leadership had repeatedly insisted that the problems of Germany and Berlin must be settled on their terms, and had linked other problems (e.g. arms control) to such a solution. Meanwhile, the Pankow régime and its Soviet masters were doing what they could in the existing stalemate to enhance the international status of Pankow. Here, the German Federal Republic was in an awkward dilemma. On the one hand, it was bound on humanitarian grounds to encourage contacts between free Germany and the Soviet Zone. On the other, it had to resist any attempt to exploit such contacts in order to secure an enhanced status for Pankow.

28. In general, it seemed to be fairly widely agreed that there was little "give" in the Soviet position on Germany and Central Europe and little hope of finding a point of departure for negotiation. No substantial progress

could be expected as long as a divided Germany remained a fundamental objective of Soviet policy. Attention was drawn to what appeared to be a new Soviet line, namely that German reunification was not a "national" but a "social" problem, the implication being that Germany should be reunited on the basis of a German "national communism". It seemed likely that only a fundamental change of heart in Moscow, such as might be provided by a new leadership drawn from a younger generation, would provide the necessary conditions for fruitful negotiations. Even then, the Soviets might be disinclined to negotiate unless at the same time relations with China continued to be strained; the world communist movement continued to be fragmented; the attempt to maintain the present degree of control over Eastern Europe had passed the point of diminishing returns; the internal economic situation continued bad; the bid for the allegiance of the uncommitted world had failed; and the Soviet Union had become convinced that it could not win the arms race.

29. On the other hand, the fact that the present situation seemed unpromising should not deter the Alliance from considering how we should act when the time for action comes. We might look again at the sort of settlement of the German and the Central European problems which would be both acceptable to us and likely to be entertained by the other side. Some members of the Group thought that there might be no harm in letting it be understood that the West was ready to talk. Any negotiations - and indeed any discussions on the basis for possible negotiations - should be based on the fullest possible consultation between the four powers with special responsibilities or interests and the rest of the Alliance.

30. The MLF was briefly touched upon in the context of East/West relations.

31. One member of the Group emphasised that the MLF charter should contain nothing which might impede either negotiations on Germany or the establishment of a political union in Europe. Questioned further, the member concerned explained that in his view a revision clause similar to the one contained in the treaties on Germany of 1954 should be inserted into the MLF charter to make it clear that the charter remained in line with the policy adopted in 1954. This should, however, not mean that the MLF was to be used as a bargaining counter to obtain Soviet concessions in the German question. It was pointed out that there was a certain incompatibility between efforts to provide Germany with more military strength or a nuclear capacity, and efforts for German reunification. There might, therefore, be some merit in making it clear to the other side that an element of negotiability existed with regard to the MLF within the framework of a possible overall settlement of the German question. Some delegates thought that one element in a fresh approach in the German question was the psychological one; the other side should be made to feel that Germany was no longer a danger for them.

IV. Situation in the uncommitted world

32. While there was agreement in the Group that the Sino-Soviet dispute tended to weaken Communism, the Communist threat continued to exist, particularly in the third world, and might even increase if one Communist power tried to outbid the other in aggressiveness.

33. In any event, Communism would continue to exploit nationalism in the third world in an attempt to detach it from the West.

34. An interesting discussion took place on the concept which one member of the Group called "war by proxy" - i.e. the situation in which a Communist power actively supports an aggressor waging an undeclared war against a neighbour.

35. One delegation expressed the view that this concept was of fundamental importance, citing as an example Chinese involvement in aggression against South Vietnam. The Chinese had made it abundantly clear that they regarded it as their right to assist what they called wars of national liberation. If they were allowed to get away with such aggression, they might try it on elsewhere and tempt others to follow their example.

36. The point was made that this might have a bearing on the Sino-Soviet dispute, the outcome of which might be influenced by which proved the more effective - the Chinese technique of armed intervention from outside or the Russian technique of revolution from within.

37. Others questioned the validity of the whole concept of war by proxy and the existence of any fundamental difference between Chinese and Russian techniques. The Soviets might have been more cautious than the Chinese in some instances; but this could be explained in terms of the circumstances of each case and the Soviet desire to avoid a head-on collision with the United States. While methods might differ, aims remained identical. Whether a Communist takeover was in favour of Moscow or Peking mattered little to the West. The important thing was to prevent it happening at all.

38. The point was also made that the concept of "war by proxy" might be an over-simplification. In many cases, the Communist power or powers concerned was merely exploiting a situation which already existed, and pursuing its own ends concurrently with a nationalist leader who was aiming at quite separate objectives. The typical situation was one in which the aftermath of the colonial period had left two independent states side by side with frontiers which had no

ethnical, geographical or economic justification and represented nothing but a division of spheres of interest which no longer existed, or an arbitrary colonial "carve-up". These created stresses which might have led to tension or violence even without Communist intervention.

39. Discussion also took place on the attitude to be observed towards countries of the third world and others which took part in undeclared war and covert aggression.

40. In practice, the West was well aware of the complexity of the problem; although for instance most countries of the Alliance supported Malaysia in its dispute with Indonesia, they had not broken off relations with Indonesia and continued to give economic and technical assistance to that country. This might have some relevance to Vietnam and, in particular, to Cuba, where there was a difference of opinion within the Alliance on whether or not to break economic and diplomatic ties.

41. Although the Group reached no very definite conclusion, there was a general feeling that more thought should be given in NATO and in the Group to this problem.

B. Acquisition by China of a Nuclear Capacity

42. The Group had a brief exchange of views on this subject, arising out of the statement made by Mr. Secretary Rusk shortly before they met.

43. The countries most closely concerned were Japan and India. Japan might for the first time be faced with the concrete problems of nuclear strategy and deterrence, so familiar to Europeans, and with the question of whether to opt for neutralism or still closer ties with the West.

44. India, whose Prime Minister recently stated that the country was in a position to produce a nuclear device within a year, posed a very complex problem, and it was difficult to foresee her reactions.

45. The Group considered that they had for the present made all the contribution they could to the discussion of the problem and decided to recommend that since it had now become a current rather than a long-term question, the subject should now be dealt with in the Political Advisers Committee or in the Council who had already begun to discuss it. This would, however, not deter the Group from reverting to the matter at later meetings should there be any marked change in the situation.

C. The Atlantic Community and the Developing Nations

I. General

46. The Group took note of the various papers which had been circulated(1).

47. One of the fundamental problems which had to be faced in the next few decades was the population explosion and the food problem it raised. This problem was particularly serious for the developing countries.

48. Recent research had shown that the population increase would considerably outstrip local food production in the developing countries. An increase of 300 million m.t. in grain production would be required by 1980 to meet the growing demand. This would mean that world grain production would have to be raised by 2.7% per year. This was a relatively high rate which the developing countries would in all probability not be in a position to achieve, even if the necessary reforms of their agricultural structure and the building up of a fertiliser industry were undertaken. Such an increase could only be attained by countries with a sophisticated technology and an advanced commercial organization.

49. Owing to transport limitations a large proportion of the increase - say one half - would have to be produced by the developing countries themselves.

50. There would thus have to be a thorough modernisation of agriculture in the developing countries. Such a modernisation was in any case necessary to provide a solid basis for local industry, which needed a wider internal market.

51. The modernisation of agriculture was however not popular with local opinion and Governments, who preferred spectacular programmes of industrialisation. The problem was thus largely an educational and psychological one: and the West should pay due attention to this aspect of it. It is - as one member put it - sometimes more important to develop the character of a population than to develop its economy.

52. Technical and educational assistance in the widest sense, with special emphasis on the younger generation, was therefore considered an important element to which priority should be given.

(1) See list in paragraph 2 of Cover Note.

53. The basic problem - as one delegate expressed it - was the psychological conflict between the newly independent countries' wish to play a rôle in the modern world as independent self-respecting powers and their inability in varying degrees, to do so. The West should try to find ways and means of damping down the more dangerous expressions of this frustration and providing constructive outlets for legitimate aspirations. There was evidence that progress can and has been made in this field. The problem should also be looked at in terms of generations, and there are hopeful signs that a new generation and a new kind of people are growing up in the developing countries. Co-operation with this new generation and frank discussion of their problems has proved to be the right approach.

54. In the political and diplomatic fields the new countries were searching for ways of solving their technical problems without falling into subservience to any one country. This consideration may have been behind the strong support from African leaders for the idea of a permanent Commonwealth Secretariat.

55. The point was made that there was a need for a change of psychological attitudes not only in the developing countries, but among the "developers" themselves. Although neo-colonialism was to a large extent a propaganda slogan it was true that foreign business had in some cases tried to maintain a dominating position in the economy of newly independent countries which could only be harmful to the long-term interests of the West. On the other hand some business enterprises had gone to great lengths to promote local participation and control, even at the expense of efficiency; and sometimes industry and commerce were well ahead of official thinking on this matter. It was agreed that the whole problem needed further discussion and analysis.

56. A marked and significant tendency towards various forms of regionalism could be observed in the third world.

57. For the last 5 or 6 years, the developing countries have sought to form new groupings and to solve their problems amongst themselves. Developments particularly in the Middle East and in Africa - for instance, the Iraq crisis of 1958, the Arab summit of 1964, the African Unity Conferences, the solution of the Morocco/Algerian dispute - gave evidence of this new tendency which might relieve the West of some of its problems. The same might, as one delegate suggested, apply to South East Asia and to Cyprus.

58. Developments in this field should, therefore, be closely followed and some concrete points such as the advantages and disadvantages for the West of these regional groupings might be usefully studied in the West.

59. While these new international groupings of the non-aligned countries might be targets for Soviet efforts to find new platforms of influence, on the whole, the Communists had encountered many difficulties and frustrations in the underdeveloped countries.

60. With regard to the various regions of the developing world, some members of the Group thought that a certain division of labour might be desirable. There might, for instance, be more European initiatives in Latin America and more United States efforts in Africa.

61. Africa was considered by some members a region to which the West should pay special attention and to which it should direct more of its efforts. In the view of some members, the Soviets had shown considerably less interest in that continent although Soviet efforts in Egypt and Algeria continued on the same high level as before, and other Eastern European countries were still very active in Black Africa.

62. As regards the rôle of the United Nations and other multilateral organizations in the developing world the view was expressed that not too much aid should be channelled through multilateral institutions unless and until a more responsible voting system was established.

63. The United Nations Conference on Trade and Development had shown remarkable solidarity as between the developing countries which have practically formed a united front. While this conference and the developments to which it might lead have certain positive aspects and offer certain opportunities, the West still need more co-ordination than in the past to meet the challenge from the developing countries in this field.

II. Latin America

64. There was agreement that Latin America offers good prospects for Western initiatives, one of the main reasons being that the Latin American world is linked with the West by many bonds of culture, religion and history. Efforts to draw Latin America into the third world and to lump it together with Africa and Asia should therefore, be resisted.

65. There was a consensus in the Group that Europe could play a more active part in developing still closer ties with Latin America in many fields, particularly in that field of culture. Exchanges, technical assistance and above all educational aid could be increased. Several European countries by reason of their traditional ties with countries in Latin America, had less psychological difficulties there than the United States.

66. A wide range of initiatives in the political and cultural field might be undertaken not only on Governmental level but also by political parties, trade unions, universities, professional groups, etc. In the economic field European aid would no doubt look relatively modern compared to the United States contribution. But here too, there was room for more initiative. Efforts might be centred at present on Brazil and Chile, which should be encouraged to adopt a more

rational pattern of development. European economic efforts might also be directed towards improving the terms of aid and giving more long-term and suppliers credits.

67. One important psychological factor was that Latin Americans sometimes felt they were neglected and not taken seriously by the West. This must be changed if only to counter the efforts of the Chinese and Soviet Communists which in Latin America seemed to have a cumulative effect despite the Sino-Soviet dispute.

68. In the face of Castroism and Communist subversion, it was perhaps - some members felt - more necessary than elsewhere to concentrate on the human factor and on education and technical assistance, for which a great need exists. To this end it is also necessary considerably to increase the interest in Latin America in NATO countries.

69. An account was given of the recent activities of the Alliance for Progress in Latin America. The Inter-American Alliance for Progress, it was pointed out, had become more and more specifically Latin American responsibility and an organization in which serious work was being done, and where frank exchanges of views took place. In close co-operation with the World Bank, the Inter-American Bank and the United States, the recently established C.I.A.P. was doing excellent work.

70. There was a detailed discussion on how the European countries, individually or as a group, could effectively participate in the activities of C.I.A.P.

71. There was a consensus that while Europe could make a much greater effort to assist Latin America, the European contribution should be kept clearly identifiable as such. This would have considerable political advantages.

72. On the other hand, it was emphasised that duplication or competition between member countries had to be avoided. While Europe should make an identifiable contribution there was advantage in a measure of co-ordination and in the view of some delegates, the independence of the European contribution did not necessarily exclude some form of co-operation with C.I.A.P.

73. The collaboration between the missions of the member states in Latin America should be improved, and there should be a constant exchange of views in capitals and before meetings of international organizations, etc. This would contribute to avoiding overlapping of activities in Latin America.

74. Some delegates pointed out that it was important to give the general public in Latin America a feeling that Europe took a genuine interest in them. General de Gaulle's visit was mentioned as an example; it was also pointed out that more use should be made of mass media to reach a wider public. This had particular importance in Latin America where there was still much illiteracy.

75. With regard to specific areas of Latin America some delegates suggested that special attention be given to British Guiana, where there might exist a danger of the creation of a second Cuba.

76. With regard to Cuba itself, the opinion was expressed that there might be possibilities for some movement towards a normalisation of relations with the United States and other American countries. The question was raised whether a policy of complete isolation of Castro would have the desired results. This was doubted by some delegates who thought that there was some advantage if some Western countries maintained certain economic and diplomatic contact with Cuba. This might offer Cuba an alternative to turn to and lessen its dependence on the Soviet Union.

77. On the other hand, it was emphasised that there were two non-negotiables with regard to Cuba: its political and economic dependence on an extra-continental power and its continued indirect aggression against other members of the hemisphere. It was pointed out that unless there was a basic change in the situation no solution was possible. The point was made that other Latin American countries had demanded much more vigorous action against Cuba in the OAS than had the United States. At present, it was considered, there was little prospect of a normalisation of relations. Castro was not so much interested in Cuba - (his economic failure, in spite of massive Soviet aid, had shown this) - but in getting a revolutionary base on the main-land to extend the revolution.

78. In view of his serious failures in the political and economic fields Castro was now pinning his hopes on help from the West through trade. If these hopes were frustrated, he might feel inclined to search for a new approach "to get back into the club".

79. The view was also expressed that the West had no reason to make the Cuban situation less costly for the Soviets; the high cost of the Cuban venture might act as a deterrent against new Soviet commitments of this kind.