

*Some basic facts of strength
and weakness in the free world
and the Communist world —
and the prospects for progress in*

THE COLD WAR

by Robert L. Minckler

The central core of American interest in world affairs lies in the conflict between the free world and the Communist world. This conflict, along with other kinds of problems, shows up in the trouble areas of the world — Berlin, China, Cuba, Laos, Indonesia, the Congo, the United Nations, Latin America. Each of these is important to some degree in the cold war, but none of them will be of enough importance to be decisive.

China, for example, has an enormous population, but it is a woefully weak country. Its gross national product, the value of everything produced, is only 65 billion dollars per year compared with our current rate of \$560 billion — a per capita figure of \$100 in China compared with our \$3000.

For the year 1959 the Chinese reported phenomenal increases in industrial and agricultural production. We know now that the reported figures were false, inspired by fear of punishment for failure to reach production quotas. For 1960 and 1961 the Chinese have reported no overall figures, but we know that their agriculture is in a terrible mess. We know that they have had to import millions of tons of food to alleviate somewhat a condition of mass starvation. We know that the monthly ration of a Shanghai housewife is 16 pounds of grain, 16 ounces of salted fish, 2.2 ounces of sugar, and 4.4 ounces of edible oil — that is all. We know that her ration of soap is one bar for six months and her ration of textiles is one-half yard of cloth for six months. We know

that China's production of these necessities is less, not more, than in earlier years.

We hear no more about the rapid rise in Chinese industrial production. Instead, we hear fragmentary reports about the steel from the Chungking plant which was so poor that simple harrows made of it broke in use. We hear that the iron and cement from the much-advertised backyard furnaces and kilns have been so poor as to be total waste.

It will be a long time before anything China does will be decisive in anything.

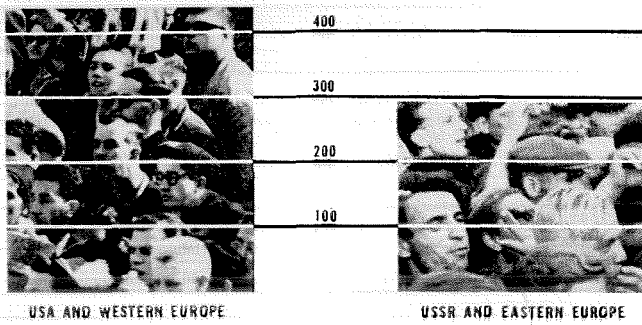
The same is true in the so-called underdeveloped nations of Asia and Africa and Latin America. In most of these countries the picture is one of people crushed by burdens of ignorance, disease, and poverty; and governments marked by corruption, deceit, and savagery.

It is important that we resist the spread of Communist aggression and subversion among these poor peoples, but we should not delude ourselves into believing that what we do, or do not do, in Laos or Cuba or the Congo or Bolivia is going to be decisive one way or the other.

The decision is going to come in Europe and it will depend on what the United States, Western Europe, Eastern Europe, and the Soviet Union do. Let us review the basic facts of strength and weakness and the prospects for progress in these four areas.

First, population: What numbers of people are involved? The population of the United States is about

POPULATION IN MILLIONS
500



180 million, Western Europe 260 million, Eastern Europe 80 million, and the Soviet Union 215 million. These add up to 440 million for these parts of the free world and 295 million for these parts of the Communist world. Also, another important factor to consider is the doubtful loyalty of Eastern Europeans to the Communist cause. In the event of conflict, these Eastern Europeans, who have a heritage of freedom, are more likely to be a burden than a help to the Russians. Any way you look at it, the people who would be on our side far outnumber the people against us.

Second, productive capacity as measured by gross national product: The figures in 1960 were — United States \$516 billion, Western Europe \$312 billion, Eastern Europe \$75 billion, Soviet Union \$210 billion — a total for the West of \$828 billion, compared with a total for the East of \$285 billion; a favorable margin for the West of nearly 3 to 1.

Third, military power: What numbers of people are in the armed forces of opposing camps? And this may surprise you: for the United States 2.4 million, Western Europe 3.9 million — a total of 6.3 million; for Eastern Europe 1.5 million, Soviet Union 3.6 million — a total for the Communists of 5.1 million. Again, the questionable loyalty of the Eastern European troops arises, but regardless of that, it is a fact that the military forces of our side outnumber those opposed to us.

Another interesting comparison in the military field is that in the United States about 10 percent of our income is spent for defense; in Europe, about 5 percent; in the Soviet Union, an admitted 24 percent, but on the basis we calculate ours, about 33 percent. These ratios are important, because by deducting that part of gross national product spent for military purposes from the total, an approximate differential for living standards can be determined, and it works out at about \$2600 per capita per year in the United States, \$1150 in Western Europe, \$650 in Russia.

These numbers I have given you are facts; there isn't much guesswork about them. And they demonstrate the comparative great strength of the West and the comparative weakness of the East.

I have said nothing about nuclear war capacity. If

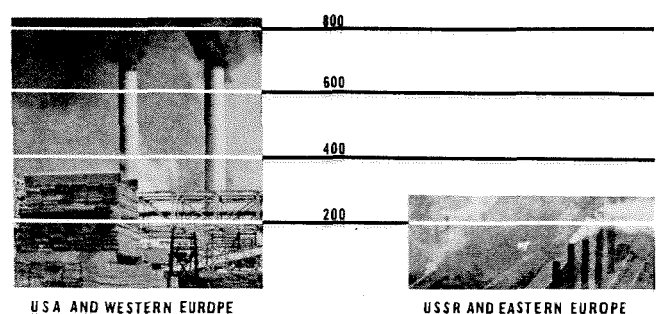
the Russians had great nuclear superiority over us, these comparative numbers wouldn't mean much, because by nuclear attack they could cut our numbers and productive capacity down to their size in short order. I don't know anything about comparative nuclear war capacity, but I get some satisfaction out of the recent statement by Mr. McNamara that we have nuclear capacity of such superiority that we could absorb a surprise nuclear attack and still have the retaliatory power to destroy the Soviet Union; and also out of the reply by Soviet Defense Minister Malinovsky that this is not true — that the nuclear war capacities of both sides are about equal, and therefore the Russians want no part of a war. So long as they maintain that position, there will be no nuclear war, and the facts of comparative strength of the West and weakness of the East remain facts.

So much for the present. What about the future? Mr. Khrushchev admits Russia is behind the United States in productive capacity now, but keeps promising the Russian people that they will catch up with us in a few years. He challenges us to an economic competition and promises to "bury us," because of the superiority of the Communist system over ours. This propaganda has had an effect, and many Americans believe that the Russian economy is gaining on ours at a rapid rate.

Again, let's look at the facts — and this requires a fast look at Russian economic history. Following World War I, Russia was in terrible economic difficulties. Millions of people died of starvation, millions more worked in slave and forced labor camps. Czarist debts were repudiated and all capital possessions of the people were taken from them and nationalized. Russia was the only Communist country and lived pretty much to itself and on itself. Their foreign trade did not amount to much. Over the years very slow and very painful improvement came about, trade increased, and extremely low but tolerable living standards existed.

Then came World War II and the Soviet economic machinery was severely damaged. Immediately after the war, some part of this damage was offset by the capital goods part of the \$11 billion lend-lease supplied largely by the United States; and by probably

GROSS NATIONAL PRODUCT IN BILLIONS OF DOLLARS
1000



\$20 billion in war booty, reparations from Manchuria, Germany, and the Eastern European satellites.

From the end of World War II to Stalin's death in 1953, Russian economic activities were largely internal — replacing war-damaged plants, mercilessly stripping the Eastern European satellites, building industrial capacity at the expense of the living standards of their people, trying to achieve maximum independence of foreign supplies within the boundaries of its enlarged empire.

There is evidence that Stalin, ever faithful to the Communist objective of world domination, believed that Western Europe would be unable to recover from the damages of the war, and that a class struggle there, egged on by subversive actions, would drop that whole area into the Communist lap. For the rest of the world, he undertook direct and indirect military aggression in Greece, Korea, Vietnam, Malaya, Burma, the Philippines, Indonesia, and China. He was successful in China, although that victory was won by the Chinese Communists without much help from the Russians. He was stalemated in Korea and Vietnam. His other military ventures were failures, and he also suffered a loss when Tito took Yugoslavia out of Moscow's control.

Stalin died in 1953, and after a time Khrushchev emerged as the new Russian leader and was immediately faced with serious domestic and foreign problems. Stalin's foreign policies, military and subversive, had not been successful. He had been wrong about Western Europe, which was prospering, and it was increasingly clear that it was not going to either collapse or go Communist. Economic conditions in the satellites, especially Hungary and East Germany, were approaching catastrophe. There were difficulties at home and intensification of activities by the secret police, who were having a hard time maintaining order.

Khrushchev inherited this condition and atmosphere of failure, and he was forced to propose a change in Soviet policy — to the principle of peaceful coexistence. Russia began active participation in international trade, economic aid to underdeveloped countries, trade fairs, cultural exchanges. Probably more important than anything else, the internal ter-

roristic practices of the secret police were reduced, slave labor camps eliminated, and limited civil rights granted or tolerated.

And the economic conditions in Russia, based on new technology, were improving. Their new five-year plan promised still greater improvement. So the switch from Stalin's policy of military and subversive aggression to the Khrushchev economic and subversive aggression seemed quite logical.

I say "seemed," because Khrushchev evidently fell for the phony numbers game called "rate of growth," which our own left-wingers use to prove that the Russians will overwhelm us by their economic might unless we adopt the Russian methods of government planning, government control, government management, government everything — with less and less freedom of choice for the individual.

Rate of growth

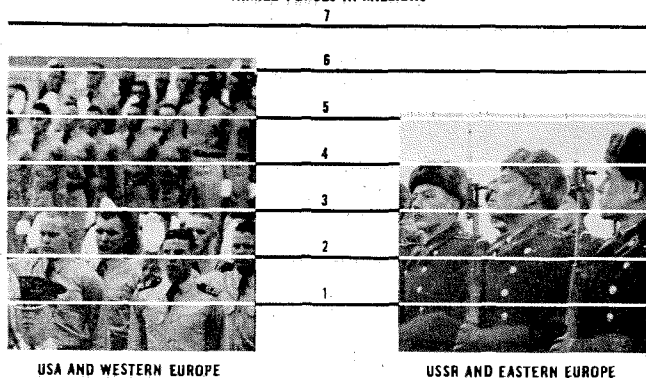
Let's look at these numbers. Since World War II, our gross national product has increased at an annual rate of just under 3 percent, through adjustments from war to peace, recessions and booms. It is now increasing in the current boom at about 4.5 percent per year. If we could get just a little absolute increase in labor productivity, by just reducing some of the more flagrant abuses, featherbedding, unjustified strikes, jurisdictional squabbles, organizational picketing, and boycotts, I think it is reasonable to expect that our economy can grow at a 4 percent annual rate. On our 1962 base of \$560 billion, that is an increase for the first year of \$22.4 billion. The present seven-year-plan of the Russians calls for a 7 percent increase in national income. That, on their present base of \$210 billion, is an increase for the first year of \$14.7 billion. If we increase our production \$22.4 billion in one year and the Russians increase their production only \$14.7 billion in one year, how are they ever going to catch up with us, even if our rate of growth is 4 percent per year and theirs is 7 percent? It is a fact that, on a per capita basis, the Russian economy would have to grow at a rate three times ours for 20 years to catch up with us. That is an impossibility, unless we fall flat on our face.

My guess is that the Russians, unless they change their system, will not be able to maintain their planned 7 percent per year increase. This guess is based on such facts as these:

1. They have never fulfilled any of their earlier plans. The present plan was established in 1959, after the goals in the plan then operating had been proved unrealistic.

2. Let's look at their farm situation, as an example of the size of the problems they face. We have 7.4 million people in our farm labor force, who produce more farm products than we can eat or wear. The Russians have 48.3 million people in their farm labor force, and they are short of food and clothing, a situ-

ARMED FORCES IN MILLIONS



ation which Khrushchev himself describes as "certain difficulties in food supplies." What are the prospects for their being able to get their farm labor effort up to something approaching ours? We are where we are because we have on our farms 4.8 million tractors against their 1.1 million, 3.1 million trucks against their 800,000, 1.1 million grain combines against their 500,000. Our farms use 26.9 billion kilowatt hours of electricity against their 8.4 billion, and 7.4 million tons of fertilizer against their 2.6 million. Russian yields are 11.4 bushels of wheat per acre compared with our 26 bushels, 7.3 bushels of soybeans against our 23.7 bushels, 82.4 cwt. potatoes against our 184.3 cwt. Khrushchev's enormous virgin lands program to bring more lands under cultivation has been a dismal failure, and most experts believe that erosion and soil exhaustion may turn it into a catastrophe of the first order. Adding up all of these facts about Russian agriculture, there is no prospect whatever that their farm efficiency will catch up to ours in the foreseeable future.

3. There will be a squeeze on Russian manpower during the 1960's because of the low birthrate in the war years of 1940 to 1946, the dates of birth of young people just now entering the labor force. There isn't anything they can do about this.

4. Their whole economic structure is top-heavy with bureaucrats. There are no absolute figures on this, but all competent observers agree that the layers of political and planning and expediting people create an almost impossible efficiency problem. There is substantial agreement by experts that the Russians spend eight times as many man-hours per ton-mile of railroad transport as we do, that overall Russian agricultural productivity is about one-sixth of ours, and that in industry the ratio is about two to one in our favor.

5. In housing, the average living space per person in Russia is 7 square meters, smaller than a 9 x 12 rug. This is the same as it was in 1917, when the Communists took over, 45 years ago. The present plan calls for an increase in 1965 to 8 square meters per person, but there isn't really much hope that this will be realized because the newly constructed buildings are falling apart. Around the new buildings on Leninski Pros-

pect a heavy wire network is stretched at the second floor level to protect passersby from falling bricks and window sills.

6. In transportation, the Russians realized an increase of 11.2 percent in automobile production from 1959 to 1960, a truly phenomenal rate of growth. But let's look at the actual numbers. In 1960, Russia produced 139,000 automobiles, the United States 6,675,000. In January 1961, the Russian automobiles in use numbered 638,000; in the United States, the figure was 61,270,000. The entire Communist bloc of countries, including China and Eastern Europe, has about the same number of automobiles as has Sweden.

Russia has 3,300,000 trucks against our 12,050,000, and 107 tank ships compared with our 478 (which does not include 545 Panamanian and Liberian flag tankers, most of which are owned by American companies). Russia has 873 merchant ships against our 2,926, and again our number does not include American-owned ships under foreign registry.

7. One last comparison: In January 1960, Russia had 4,023,000 telephones; we had 70,597,000.

I could go on with many more comparisons like these, but I hope that I have said enough to convince you that the Russians are not going to catch up with us by 1970, or ever — if we both continue our present systems.

This is not to say that the Russians have not made a really impressive showing in rockets, missiles, and space vehicles. Of course they have, and by concentrating time and effort and money in a limited field of activity, they can make a truly successful record. Nevertheless, overall, Russia is a woefully weak nation compared with ours.

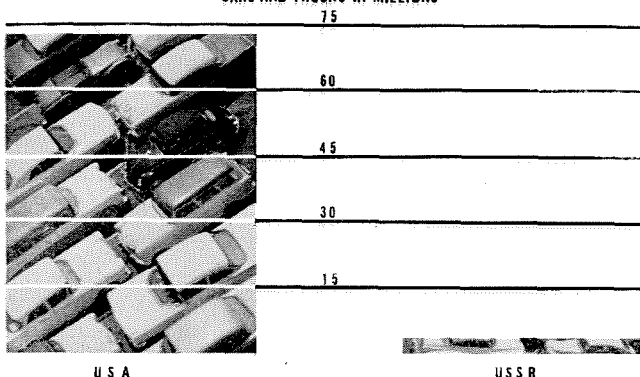
Diplomacy — an unimpressive record

The record of military and economic performance of the Soviet Union is not impressive. In diplomacy, the record of Russian performance is equally unimpressive. For example, they have given Egypt massive military aid and have undertaken the construction of the huge Aswan Dam project on the Nile. But when the usual entourage of Communist agents arrived in Egypt, they were thrown out of the country, and the Egyptian Communist leaders were put in jail. Then strict instructions were given that the Russian engineers working on the dam should have no contact with Egyptian workers and should engage in no political or social activities with the Egyptians. Approximately the same results came from heavy military and economic aid to Kassem, in Iraq.

Sekou Toure, the president of Guinea, is an avowed and dedicated Communist and first welcomed a host of Russian agents into his country. When they started normal propaganda and subversive activities in Guinea, he ordered them out of the country along with the Russian Ambassador.

In the Congo, a stream of Communist agents poured

CARS AND TRUCKS IN MILLIONS



into the country to support Mr. Lumumba's try for control. He lost out, was killed, and the Communist agents were chased out of the country. The president of the Sudan refused to let Communist planes land in that country, so that they were unable to supply Mr. Gizenga, who was the successor to Mr. Lumumba as the leader of the Communists in the Congo. Mr. Gizenga is now in the jailhouse. The record of the West in the Congo may not look too good, but certainly there has been no victory for the Communists.

In the United Nations, the Communist record is one of steady and continuous defeat. Again, we may not like some of the things the United Nations does, but the Communists have not won any clear-cut victories.

For some strange reason, we are being told that the recent conference in Uruguay was an American diplomatic defeat. At this meeting, all representatives voting unanimously except for Cuba, ousted Cuba from the Organization of American States, condemned Castro's Communism as incompatible with the principles of the inter-American system, provided machinery to report on Cuban infiltration and sabotage tactics, and declared an arms embargo on Cuba. It is true that six countries did not vote to throw Cuba out of the OAS, but they did not vote against it either. Also, the United States' hope for economic and diplomatic sanctions against Cuba was not realized. But, despite our failure to get everything we wanted, by what queer kind of thinking can results such as these be called a Communist victory?

Deceit and savagery have gained a few points for the Communists. We were fooled in Cuba and perhaps in Laos; there is the Berlin wall; there is the resumption of nuclear weapon testing by the Russians while they were negotiating with us for a test ban (testing, by the way, which was the culmination of at least 18 months of preparation for testing). Hopefully, we have learned some lessons from these experiences and future entrapments of these kinds will fail.

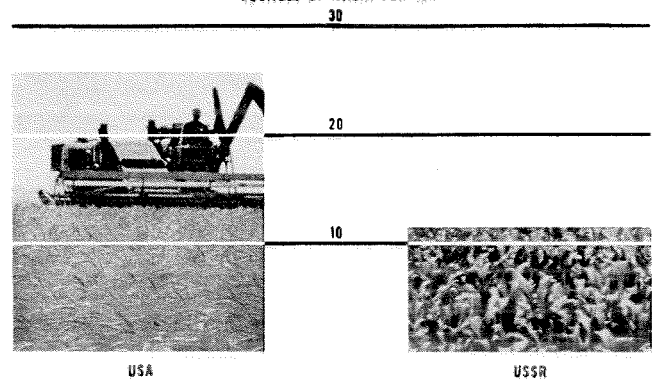
More failures than successes

Despite these errors, the picture of a triumphant Communism marching down the road to success after success is not a correct one. They have failed more often than they have succeeded.

And now I want to talk about what is probably the most important current event in world affairs and a matter of the greatest significance in the East-West struggle — the development of the European Economic Community, the so-called Free Market area of Western Europe.

In the past, rivalries between the nations of Western Europe have brought about most of the destructive wars of modern history, but since World War II, the important nations of this part of the world have been united in the military field through NATO. This

BUSHELS OF WHEAT PER ACRE



organization has never attained the strength hoped and planned for it, and there have been numerous instances of lack of cooperation by one or more of the nations involved, but it has hung together and has been a deterrent to Soviet military aggression.

A few years ago, the idea of a free trade area was proposed and six nations on the Continent — Luxembourg, Belgium, France, West German, the Netherlands, and Italy — formed the European Economic Community with a definite program for ultimate elimination of all bars to the free movement of people, goods, money, and services between nations. At the beginning, most people thought that this was a completely crazy idea. The nations would not give up any national rights, the labor unions would never permit Italians, for example, to work in France; the German farmers would never allow their high protective tariffs to be eliminated; the French would never get along with the Germans. Nevertheless, all of these difficulties were overcome and the Common Market is becoming a tremendous success. Its future is now so secure that even the British, with their historic ties to the Commonwealth and their historic aversion to the Continent, are being forced to join the movement and are applying for membership. When Great Britain joins, so also will Norway and Denmark and Ireland. Even Sweden and Switzerland, despite their traditions of neutrality and independence, are more than toying with the idea of joining. Such unlikely candidates as Spain and Portugal are putting out some tentative feelers.

The prospective success of the Common Market has had a shattering effect on the Soviet Empire, which first ignored it (as did almost everyone else), started a study of it in 1959, published long articles about it in 1960, applied strong pressures to Austria and Finland in 1961 — warning them that their joining would be considered a violation of the neutrality positions in their treaties with Russia — and started a shift in their attitude toward West Germany. Where before, in their propaganda, West Germany was to be feared as a source of military aggression against the East, the present tendency is to dangle before the West Germans the idea that West and East Germany should get together, eliminate military spending, de-

attach themselves from NATO and the Common Market, look to the East for markets and supplies and friendships, and everything will be just dandy. All of this was in a memorandum from Moscow to Bonn just a few months ago, calling up a picture of "a unified, peace-loving, neutral Germany, with little defense expenditure and a mighty, efficient economy."

This might have been an attractive deal for the Germans five years ago, but not today. The outstanding success of the Common Market to date, and the promise of enormous progress in production and living standards, have brought about other more attractive prospects. Many competent observers believe that when the Common Market is fully operative, the pressures on East Germany, Poland, and Czechoslovakia to join will become so great that they cannot be denied. Military and political influence of the Russians is so great now that no Eastern European will openly say this, but it is no secret that many competent East Germans, Poles, and Czechs are thoroughly convinced of the validity of such a prospect. One East German says, "I expect to live to see the Common Market's frontiers in the Pinsk Marshes or beyond."

Regardless of this possible breakdown in the Soviet Empire, there will be in Western Europe a community of nearly 300 million people united militarily, economically, and politically, with a productive capacity and a standard of living far in excess of the Soviet Empire's. And then there will be two anti-Communist powers — each stronger than the Soviet Union.

All of these things must now be obvious to the realists in Russia. Perhaps this is a clue to the mysterious goings-on in the Kremlin, to the blasts against the Stalinists and anti-Party people like Molotov. Are there still powerful Stalin forces in the Communist Party? Are they pointing the finger at Khrushchev, saying: "You and your peaceful coexistence! You have failed in your plans to bury the capitalists through our superior economic strength! You should have continued Stalin's policy. You should have marched against West Germany eight years ago. At that time, we had militant and well-organized Communist parties in the West, especially in France and Italy. A little push then and we would be in control throughout Europe." Is this the kind of squabble going on in Moscow? I don't know, but it might be.

What can the Russians do?

In this present situation, what will the Russians do? What can they do? Start a war? That is a possibility, but it is probably too late, and probably they know it. They certainly can't be sure that they can win, and they certainly have never demonstrated that they are eager to take chances. It would take a tremendous effort to reconcile the Russian people to the idea of war. They have had a tiny taste of freedom now and they have been promised many things

that they know a war would make impossible.

Khrushchev has provided himself with another out in his plea for total and universal disarmament. Does he or does he not mean it? If he does, is he strong enough in the Communist Party to put it over? I don't know. But, certainly, the realists in Russia know that their only hope to secure for their people the kind of prosperity we have in the United States, and which the people in Europe will have when the European Economic Community comes to full flower, is to remove from the backs of their people the frightful burden of maintaining a military force which no longer has a chance of realizing their ambition of world domination.

And the realists in Russia must know that their only hope of spreading Communism in the underdeveloped parts of the world will be to compete with the free world, and that means that they must improve their efficiency, the quality of their products, their reliability. Elimination of waste on military projects would help them do this — and a better job of meeting the needs of these backward peoples, coupled with an increased emphasis on propaganda and subversion might serve to keep their ambitions for worldwide Communism alive.

Summarizing the situation

It seems to me that a summary of the actual situation is really something like this:

1. The Soviet Union has had an outstanding success in rockets, missiles, and space vehicles. This has been accomplished only by a concentration of effort in these fields at the expense of other activities which would have done more for their people and for the progress of the world.

2. In social and economic progress, the Soviet Union is far behind both the United States and Western Europe.

3. Living standards in the Soviet Union will not catch up with the United States or Western Europe but, on the contrary, improvements in Russia will be less than in the United States and much less than in Europe.

4. Past Russian foreign policies under both Stalin and Khrushchev have not, on the whole, been successful. They have failed many times more than they have succeeded.

5. The true situation will become increasingly clear as time goes on and will demand a change in Russian policy — not in ours.

Finally, the records show that the Russians are not all nine feet tall. They are not masterminds. Their lack of moral and ethical principles is not a strength, but a weakness. Their lying propaganda may seem effective for a time, but in the long run, the truth will prevail.

I just don't know why we should be so afraid of them.