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REGIONAL ARMS CONTROL AGREEMENTS AND THE ECONOMICS OF DISARMAMENT

Speech by Senator Hubert H. Humphrey
to the
International Arms Control Symposium
Ann Arbor, Michigan
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Introduction by Vice President Roger W. Heyns, University of Michigan:

Ladies and Gentlemen: This is the last general session of the symposium. The Committee in charge of the plans and preparations were eager, at the last session, to provide an opportunity for the members and participants to hear someone with a broad acquaintanceship with the problems of arms control and disarmament. We were delighted when we received from Senator Humphrey a reply to our request that he come to speak at this session. Senator Humphrey has been since 1955 the Chairman of the Senate Subcommittee on Disarmament. He was the chief sponsor of the bill creating the Arms Control and Disarmament Agency. Long before they were established, he continually urged the convening of the Geneva Test Ban Conference. He has, as Chairman of the Disarmament Subcommittee, been responsible for the initiation of studies on various aspects of disarmament, the latest of which is entitled "The Economic Impact of Arms Control Agreements." It is particularly with respect to the economic consequences and implications of disarmament that Senator Humphrey has decided to speak today. He has indicated his willingness to answer questions after his remarks. It is with great pleasure and honor that I introduce to you Senator Humphrey.

SENATOR HUMPHREY:

Thank you very much, Dr. Heyns. I am most pleased to be invited to participate in this outstanding symposium. I must say that I recognize that I am speaking to a very distinguished audience and one that commands an exceptionally high order of knowledge in the field of arms control and disarmament.

My only regret in speaking to this audience is the fact that my talk unavoidably pulls down the curtain on the final act of what I gather has been an outstanding performance. I was not privileged to hear many of the fine addresses by my predecessors on this platform. Neither did I have the benefit of taking part in the stimulating discussions that have marked the technical sessions of the past three days. But from a second-hand acquaintance with this conference and the work of the symposium to date I can state categorically that this conference is a milestone in the history of the public discussion of disarmament and arms control. The initiators and the organizers of the symposium, the Bendix Systems Division and the University of Michigan, deserve our thanks, our commendation, and our praise for bringing together in this unique fashion men and the women from the universities, from industry, from labor, and from government for a wide-ranging discussion of the most serious issues before the world today. And I suggest we give our sponsors of this symposium a good hand of thankful applause.

Whether we like it or not, our society for decades to come will be shaped by the actions and the inter-actions of the academic, industrial and government communities. It is well, therefore, that the members of these communities begin to think of themselves as a team pulling together in the same

direction instead of, so to speak, as an unharnessed troika. I might add that it would be very helpful if this conference would speak to the Congress of the United States about the subject of disarmament and arms control. They may be a little tired of listening to me and a few others. If you really think the Congress ought to interest itself in this matter, why don't you speak to them? You represent the citizenry, and nowhere is this matter of teamwork which I spoke about more evident than in the case of disarmament and arms control.

As one of your speakers, Mr. Kenneth Boulding, so incisively put it at your banquet Tuesday night, the major problem before our society today is a grievous misallocation of our intellectual resources. I want to thank him for that forthright statement. And may I say to those of the business community, and I hope to develop this point in the course of my remarks, that unless something is done in this country about the research dollar, about the money that your government is allocating and spending for the direct and indirect benefit of the private peace-time sector of our economy, the American industrial system is going to be priced out of the market. It is going to find itself second-rate in another decade; it will find itself losing foreign trade and foreign opportunities. Result: the balance of payment problems for this government will be far beyond anything we've witnessed today.

You could concentrate this entire symposium on the subject of what are we doing with the research dollar in America today. Then go and ask yourself what other people are doing about their research dollars. Now this isn't all on the paper before me. I had to get this material together rather quickly and after double-checking with staff members. I have the habit of wandering away from what was once a well-prepared script to give a rather poorly prepared speech. This coming year I am going to hold some hearings and publish a report on the matter of research, industrial research, basic research, applied research, military and nonmilitary, on the part of several countries. My preliminary investigations show me that the major threat to American exports today is not in the Common Market as an institution, but rather in what countries are spending to improve products. Our friends in West Germany, for example, are spending four-fifths of their research dollar on improving peace-time products. We are spending three-fifths of our entire research dollar on the military, and the Russians are spending about the same amount or a little bit more. So the two super powers are apt to be chased right smack bang out of the market in another decade. The Japanese are spending four-fifths of their research dollar, in broad figures, on peace-time production. Maybe this is one of the reasons why they can outsell us around the world and produce a good and at times a superior product. Take a look at what the Belgians and the Dutch and a few others are doing, and then ask yourself what we ought to be doing. It is not just the end product that is important, it is the research product. It goes right back to what we were talking about a moment ago, and Mr. Kenneth Boulding put it so well, that the major problem before our society today is the grievous misallocation of our intellectual resources.

Now coming from an important agricultural state, I have to take exception to one of the statements of Mr. Boulding. I cannot agree with him unreservedly, of course, that we know too much about agriculture. As a matter of fact, may I say most respectfully to the distinguished speaker of Tuesday's banquet that the greatest achievement of the United States today is not in its missiles or in its atomic energy, but in its agriculture. That is the number one productive miracle of the

world. We certainly could use some careful research, however, into better ways of utilization of agricultural products, and also in consumption of agricultural production, or better still, into the ways of bringing our modern farming techniques to peoples who still use the wooden plows of their ancestors. The point is well taken, however, that we have an embarrassment of riches in certain fields, while our perception of social realities often seems to lag far behind.

I had a press conference in Washington yesterday having just returned from a 3-week tour in Latin America, visiting some seven countries. I have been hard at work. I have been in the back country and in the mountains and in the most underprivileged, poverty-stricken areas of the world. Two-thirds of the world's population, in fact four-fifths of the world's population, is rural. All the problems of the world are not in the big industrial cities -- most are in the back country. And regrettably, most of our foreign aid has been spent on industry rather than on rural rehabilitation. And the Alliance for Progress, as I said yesterday, will succeed or fail not on the making of a steel plant, but on what you do in terms of agricultural rehabilitation. What can you do to make life a little better for the campesino, for the peasant, for the farmer. If you cannot do something about that, just fold up your tent and get ready for the worst, for the end of our kind of civilization. But that is another speech. I just thought I would touch on that in case you ever want to invite me back for a second round.

Well, now I am going to stay with my topic as much as I can. I think it would be rather futile to try to articulate a consensus of the diverse points of view which have found expression in these deliberations thus far. The subject of arms control is essentially hypothetical at this stage, and to the extent that the problem is hypothetical, there is every reason to avoid dogmatism and an artificial synthesis of opposing points of view. Rather, what I should like to do is to place before you my thoughts on certain of the economic aspects of arms control and disarmament. Now one aspect of these economic considerations is external to the United States. The other is internal, and neither in my view is given sufficient weight either among policymakers in Washington, or among the many public groups directly concerned with arms control and disarmament.

Now let me start with the external aspects of the economic impact of disarmament. We have so accustomed ourselves to the arms race (we have been at it now since 1940, some 20 years), and have so passively accepted its costs in terms of resources and personnel, that we run the danger of assuming that other countries can also reconcile these costly arms burdens with their own limited economies.

Remember, my fellow citizens, that no Congress has ever voted a reduction in the arms budget. Remember that the Congress, which is the representative legislative institution of the American people, finds it possible to add to the requests of the President and the Bureau of the Budget under any administration, Republican or Democrat. I think this proves my point -- that we have become so accustomed to the arms race that Members of Congress find it politically desirable, politically expedient, in fact, to add to the arms budget, almost automatically. The fact remains that we in this country have a conditioned reflex when it comes to arms costs and arms budgets. We have very little realization of what this means to others.

Now leaving aside for a moment the extent of the burden of the arms race on the United States, and we will come to that, there is an undeniable burden on many, many other countries. For evidence on this subject we need to look no further than the plight of democratic India, which finds itself today in the toils of a military build-up just at the moment when every spare rupee should go towards the fulfillment of its economic plans. The current Indian five-year plan which was never a sure thing even under the best of circumstances, looks increasingly like the main victim of Chinese aggression, and that may very well have been the purpose of the aggression.

I believe Kenneth Boulding mentioned the fact that $120 billion is spent annually on war industry throughout the world, and that is a rough estimate, and that this is greater than the total annual income of the poorer half of the world. Now this is unquestionably a shocking waste of human resources and material resources -- the more so as none of the smaller undeveloped countries can buy with its military dollar more than passing security against a small neighboring power. It certainly cannot buy security against any medium-size or large-scale aggression in the nuclear age.

What alternative is there, then, for the underdeveloped country which wishes to avoid being drawn into the arms race, which wishes to devote its resources to the benefit of its people? I submit that part of our answer lies in the encouragement of arms control agreements in specific parts of the world. I believe this ought to become a part of our total concept of what we call mutual assistance.

Ladies and gentlemen, I have travelled a great deal as a Member of the Congress, and I work at these travels, and I have found cases where our economic assistance has been more than offset in country after country by expenditures for arms which are obsolete, ineffective, and are, at best, only symbols of armed security.

Arms control arrangements may be pursued among two different, but related paths. The major powers may, and I think should, try negotiating first among themselves, and then encourage other powers to participate in whatever other agreements are reached. Now this is the rationale behind the test ban negotiations which have been going on for many years and are continuing at the present time.

I want to say we are going to continue those negotiations, and I am hopeful that we will continue to press for at least some degree of acceptance.

The United States, Britain, and the Soviet Union are attempting to agree first among themselves. If they finally resolve their remaining differences, the resulting agreement will then be submitted to other countries for their signature and observance. Now the drawback to this approach, as we have seen repeatedly since 1958, is the amount of time consumed in arriving at agreement among the great powers. Valuable time is spent in attempting to bridge the small, but vital, differences over issues such as inspection and verification. This has clearly diminished the chances for ready acceptance of a nuclear test ban by third and fourth countries.

I do not want my remarks to be misinterpreted. I think we must pursue this course, but it is a difficult one, and we ought to appreciate that fact.

A second, virtually untested, way of controlling armaments and approaching disarmament, is one of special agreements among countries in a particular region. I have advocated this for years. Such regional agreements would conceivably be backed up by commitments on the part of the major powers to observe them. The major powers would either formally adhere to these pacts, or perhaps would sign separate protocols to the same effect.

We should have been pursuing this course, particularly in the Middle East, with vigor, with purpose, with continuity. We should have been pursuing it for years in Africa. Indeed, I am going to discuss with you what I believe is an area in which we can most profitably pursue the regional approach to disarmament and arms control -- I am talking of Latin America.

Now there's no point in my arguing that either of these approaches, that is, the big-power approach or the regional approach, is inherently superior to the other. My position is that we should try both -- simultaneously, independently, jointly, or by whatever means seems most likely to be successful. Let us be pragmatic. To date, at least one attempt has been made to carry out the first half -- that of initial great-power agreement, whereas the path of regional arms control agreements remains untried and untrodden. I think it is time to take a look at some possible new course of action.

Indeed, I am disturbed and concerned that the regional arms control approach has received so little attention from our government and from other governments or from students of arms control and the public at large. It is high time to study the feasibility of regional arms control agreements which, among other things, means sounding out the governments in the areas under consideration and following up on those lines of approach which seem most promising. Now I do not want to be misunderstood here. I do not say that regional disarmament, or regional arms control, will prevent World War III, or will prevent the confrontation of the super-powers. I merely say that it will bring some benefits to humanity. And it might very well bring some benefits to the countries that are attempting to help humanity. It might even bring some benefits to countries which are not attempting to help humanity.

With all due respect to the contention that the policy of the Administration should be disarmament, and not arms control, we would be guilty of gross neglect if we were to pursue the objective of world-wide disarmament to such a degree and with such tenacity that we ignored the potential of arms control in a smaller spectrum. Now ladies and gentlemen, I see no reason to get into a big argument as to whether or not we should be talking about disarmament -- world-wide, universal, and general -- or whether we ought to be talking exclusively about arms control. Most people talk too much anyhow, and there is plenty of room to talk about both subjects at the same time. One of the real problems about this whole subject of disarmament and arms control is that we know so little about it. We tend to become very dogmatic about our own point of view. We become experts in a new kind of theology. I suggest that we loosen up a bit and accommodate ourselves to one another. If you are ever going to be able to get disarmament, you ought to be able to disarm each other's intellectual stubbornness enough to talk sensibly about two subjects -- disarmament and arms control -- which are clearly related.

Now we were not deterred from creating regional defense pacts in all areas of the world only a few years ago. We did this despite the impossibility of creating a defense pact covering the whole world. First we joined the Rio Pact of Latin America; then came NATO; this was followed by SEATO, in Eastern and Southeastern Asia, and finally the Middle Eastern defense pact called CENTO was formed with our active interest, if not with our direct participation. The United States, therefore, understands the concept of regional defense. So do other nations. It appears to me that national defense and disarmament are the opposite sides of the same coin of national security. A nation that understands regional defense should also understand regional disarmament or arms control. The United States was so pact-happy during this past decade that any country which did not want to join a defense pact with us was often looked down upon as being positively unfriendly, or at least unwisely neutral. Now with each new pact the United States shipped out more and more arms to its growing list of allies. Most of these arms, of course, went to Europe, but we were also supplying arms to many countries in Asia and to a growing extent to countries in Latin America and the Middle East. In the Middle East we have witnessed the frustration accompanying our efforts to hold down the local arms race with one hand while helping to feed it with the other.

Now fairness compels me to say, and I am pleased to say it, that these arms were never supplied indiscriminately. They were always intended to bolster the ability of the recipient country to defend itself against external aggression, to maintain its threatened independence. The arms were not supposed to be used against other friendly powers -- we had this all written out in the arms agreements -- nor to suppress internal freedom, nor to give the recipient nation any special privilege or special prestige which it might otherwise lack. But it is no secret that sometimes these unwanted results sprang from our military assistance programs all around the world, and once arms have been supplied to a country it is never easy to stop the demand if the need is no longer present, or if there are other ways to meet it.

I shall never forget a personal conversation that I had with the late Secretary of State, John Foster Dulles. We were discussing a certain area of the world to which we were sending arms. I had visited this area only shortly before. He was kind enough to ask me to come over and sit down with him to discuss some of my observations. I went to his home for this visit, and I shall long remember his face, and the sadness in his voice, when he said, "You know, Hubert, once you have extended military aid to one country, the other country demands it from you, and once you have sent tanks to one country, another country wants tanks, whether they know how to use them or not, and then it becomes one of the most costly enterprises we have ever experienced."

What I am trying to say here is that it is not too difficult to start an arms program or a military assistance program, but it is very difficult to terminate it, even when it is no longer needed.

Now my remarks should not be interpreted as an attack against military assistance, because I vote for military assistance in light of the kind of world in which we live. But I do not consider it an end unto itself, nor do I consider it something that we ought not to re-examine in light of new considerations. I merely point out how difficult it is to turn off the spigot. Just look at our budget for military assistance, and you will see what I mean.

In my view there is only one readily apparent alternative to all of this: the concept of regional security maintained by means of arms control in place of, or in addition to, heavy armaments programs. By encouraging the concept of regional security we would be saying to other countries something that we have been saying at home over the past few years, namely, that arms control and arms production are two sides of the coin of national security policy. We have derived all that we can from armaments in the absence of arms control. Now what remains to be seen is whether arms control might in fact lessen the need for arms. I think it will, and I believe we ought to make a serious effort at this particular approach.

As I said a moment ago, in the past three-and-one-half weeks I have visited some seven Latin American and Central American nations bordering on the Caribbean. I saw the Presidents, the foreign ministers, and the finance ministers of each of these nations. I have been in the Congress of three of them, and I met with the Committees of Foreign Relations of each of these Congresses. I believe that I have explored in depth, as far as one can in such a limited period of time, the thinking of the people and of the leaders of these Caribbean and Central American republics, including Venezuela and Mexico.

Now a primary topic of conversation with the leaders and the people of these countries was the problem of the physical security of the regions south of the Rio Grande. In fact, this concern was so close to their lives, to their thinking, that I am sure it was distracting them from the urgent job of economic rehabilitation and economic progress and social improvement - a job that permits of no delay for any reason whatsoever. In other words, the fear of attack, the fear of subversion, the fear of revolution, of disorder, all of which has been augmented by the flow of arms into this area, primarily into Cuba, but into other countries as well - all this has weakened the programs of economic progress, or weakened the possibility of fulfillment of the Alliance for Progress.

I am convinced that the leaders of these countries do not want nuclear warheads and delivery systems, or delivery vehicles stored on their soil or ready for use in any other part of Latin America. The conclusion is inescapable that the United States, in concert with its sister republics in the Western Hemisphere, has a solemn obligation and a great opportunity to encourage a multilateral agreement banning the manufacture, the storage, the testing, and the combat use of nuclear arms and delivery systems in Latin America. The area is ripe for this type of pact - a pact embodying these principles. This is a pact that gets right at the problem of staged disarmament, better termed "arms control."

Now only recently the entire security of the Western Hemisphere was threatened by the deployment of long-range Soviet missiles and bombers in Cuba. Through firmness and a credible demonstration of our willingness, if need be, to use force, and through skillful diplomacy on the part of the President of the United States and his officers, our government secured the removal of offensive, hostile weapons. We do not want them back, and I am willing to bet that no one anywhere in this half of the world wants them back, either.

A denuclearized Latin America should thus be high on the priority list of Latin American diplomatic goals in 1963. Agreement on the establishment of a denuclearized zone should be worked out by the Latin American countries themselves - just as the formal proposal of such a zone was usefully made by Brazil in recent weeks. The United States is just as concerned

as any of the Latin American nations as to whether nuclear weapons are to be introduced in the Latin American area of this hemisphere. We acted firmly in Cuba because there was no alternative. But an agreement to keep nuclear weapons out of the Latin American area and to subject this agreement to adequate verification offers a hopeful way of preventing further incidents like the recent Cuban crisis.

I insist that we give some leadership to this project and not merely tacit approval by means of a statement from some official spokesman. We ought to embrace it; we ought to make it our primary objective. It would be good to notch up a few successes on our score card in the field of disarmament and arms control.

A denuclearized zone in Latin America could be negotiated through the Organization of American States. This is a functioning organization which has been surprisingly effective in handling hemispheric problems. The OAS, if it wished, might call upon the United Nations, or the United States in particular, for special services or assistance in connection with the implementation of such a denuclearized zone. The United Nations, for instance, might suggest some of the personnel for the zonal control commission in the event that the OAS decided some non-regional personnel should be involved in implementing that agreement. The OAS could give regular progress reports through the UN on the operation of the verification system so that other UN members could profit by the experience in Latin America.

I think, by the way, that we need some experience in verification and inspection rather than just arguing about it. The United States could assist the OAS by helping to train inspectors in verification techniques. This would present few, if any, problems, since the United States is already a leading member of the Organization of American States. To be effective, however, any agreement on a denuclearized zone in Latin America has to be subject to adequate verification.

I regret to say that of the many proposals for verification of arms control or disarmament measures, none has yet advanced to the stage of adoption, not to speak of implementation. In the case of Cuba, the United States and the Soviet Union have successfully disengaged themselves from the mortal danger of nuclear war, at least for the present. But this restraint on the part of the two greatest powers may provide little more than a breathing spell unless an essential step is taken towards a permanent settlement of the Cuban crisis, namely, unambiguous verification of the removal of Soviet missiles and bombers as provided for in the historic understanding between President Kennedy and Chairman Khrushchev. If Fidel Castro is allowed to frustrate the will of powerful world leaders, if on-site inspection remains a dead letter in the case of Cuba, then how can we be sure it will succeed anywhere else? To me this is one of the reasons why verification and inspection in Cuba is so vital. Not merely because somebody may have sneaked a missile back into the mountains, or hidden away a plane, but more importantly because if you cannot gain inspection here, so as to lend some degree of credibility to a program of arms control and disarmament, then I submit that the whole subject of disarmament and arms control has suffered a serious defeat from which it may never recover.

Now again, do not misunderstand me. I agree that aerial inspection offers a considerable amount of verification, but I also know that it is not a substitute for genuine inspection.

In the great-power struggle -- as opposed to the specific problem of Cuba -- aerial inspection is not adequate because the world is too big. The geography and the topography are too complicated.

A denuclearized zone in Latin America should, if possible, lead to the creation of a zone emptied of conventional weapons as well. Any curbing of the amount of arms going to Latin American nations under effective and balanced safeguards would have a healthy impact on the economies of that area. There is not a single country in Latin America that can afford to buy a Colt 45 much less a cannon or a plane. Not one. There is not a single country in Latin America that can even afford a military exercise. Not one. Yet each of them, with the possible exception of Costa Rica, is busily engaged in buying arms, and we have yet failed to place the matter of regional disarmament and a denuclearized zone at the top of the agenda.

I am giving this speech today primarily because I feel that if I shout loud enough and create enough commotion it may be a subject of discussion when President Kennedy goes to Costa Rica in the month of March. I think something needs to be done about it -- unless you want to continue buying all the arms they want.

I repeat that our government should encourage the Latin American nations to make any arms control agreement as broad as possible so as to limit the large amount of funds which are so often wastefully devoted to armaments. The current situation in which the small countries compete for military forces which are too large for their immediate needs, and far too expensive to be maintained without outside assistance, is deplorable.

My fellow Americans, every time you give five or six destroyers, or submarines, or whatever it is, to these particular countries, they have a budgetary deficit, and you have to make that up. Now if you give them to one country, you have to give them to another or you are playing favorites. Now there is at least one area in the world to which we can guarantee protection through alignment, and that is in this hemisphere. That is, if they are primarily concerned about military security. And there is one area in the world that can hardly afford the expense of an adequate sewage system, much less a military system. And there is one area in the world in which we are going to invest in the next 10 years some $20 billion according to the commitments of our government and our people. That area is Latin America. I think it is about time the American taxpayer asked the question: Are these old-fashioned, conventional, obsolete armaments necessary? That is what they are getting, you know, but they still kill, and they still cost money. The whole matter of arms assistance to Latin America requires immediate executive and congressional scrutiny. And it is not enough for the United States alone to take this initiative. This is why I said it must be done in the OAS, because if we were to deny certain countries military assistance, they could get it some place else. We must arrive at some kind of a hemispheric agreement on this matter, and quickly, for I am here to say that we will weaken and possibly cause the failure of the Alliance for Progress and all that the Alliance means unless something is done to implement an effective arms control agreement in this area.

All of these countries in Latin America must make greater efforts over the next several years in building up sound and expanding economies. Their population is growing at the rate of

3½ or 4 per cent a year. Even if we do what we are doing now, we will hardly hold even -- we will just standardize the poverty that is there. We have to redouble our efforts, my fellow Americans, and our friends have to more than re-double theirs. Agricultural production alone must increase seven-fold to take care of the needs of the present population and the population that is growing at an unprecedented rate.

Most Latin American countries depend on the sale of one or two commodities for their foreign exchange. The entire foreign exchange savings of any one of these countries can be eliminated overnight by a sudden drop in the prices of certain raw materials, such as tin, coffee, copper, bananas. Industry in these countries has to be diversified and expanded, and that requires capital. There is no extra money for arms research or production.

These and other needs are priority items on the agenda for the Alliance for Progress. The longer the list of problems, the more this observer is convinced that every penny spent for armaments in this particular area detracts from the solution of critical economic and social ills. Now this area needs the United States and we need them. Other areas are not so sure that they need us or want us. I suggest that we start doing something to improve the household of the Western Hemisphere and we can do it. These problems will not respond to a hasty piecemeal approach which combines emergency economic aid with inadequate long-term development.

What we are prone to do I call checkbook diplomacy. It comes with a rich society; it is the way some people take care of their families. Just write out another check, she will be all right. Just give your son another $500, he will be all right. Buy her a new car, instead of spending a little time on love and attention and family relations.

What I am suggesting is that we will have to approach this matter methodically, carefully, and by plans. What I am advocating is a total approach which will strike at the multiple ills afflicting Latin America and similar underdeveloped regions. I have selected this area because it is still possible to do something. I think 10 years ago we offered much the same thing in the Middle East. Instead of that, however, we decided to have a pact. Today there is a first-class arms race on in the Middle East, and these impoverished countries are destroying themselves. The whole world stands on the precipice of disaster because mankind thought it was more important to concentrate on getting arms into the hands of people who did not know how to take care of them, but knew how to fight and how to kill.

I digress for a moment to tell you I will never forget a hearing in the Foreign Relations Committee about 10 years ago when we found out that we were conducting a tremendous education program in a particular country. I thought that was great. I was heartened. I thought, at long last we are really doing something. Then I found out that the only reason we were doing it was because everybody was so ignorant that they could not use the weapons we had sent them. I found out that we were conducting a terrific nutrition program, a marvelous nutrition program, a great health program in this particular country. I found out that the reason we were doing so was that everybody was too sick to be able to man the machinery. Then I found out that after it was all over, the people we helped had started using our guns against our own best friends. That is a fact.

Arms control, therefore, is a basic ingredient of the best medicine that is now available for a very sick patient. If the patient takes it and lives, then we may look forward to conquering the most brutal brace of diseases in the history of mankind -- the twin diseases of war and poverty.

I want to touch briefly on some of the arguments that are being advanced against the formation of a Latin American denuclearized zone. They need not detain us too long, however. First, there are those in Latin America who believe that Cuba must be a part of any denuclearized agreement, but at the same time they do not wish to dignify the Cuban government by sitting down at the same table with them. Now these people cannot have it both ways. The Cuban Government ought to be a party to any such treaty.

I prefer a Cuban government that is free, and I have some ideas on how to organize a freedom campaign for Cuba, too, rather than just prophylactic action. But the threat of armed aggression from or by Cuba is the chief reason why Havana should be included and not excluded from participation. The United States does not seek arms control agreements with the Soviet Union because we like or trust its government. It is for exactly the opposite reason that we seek arms control agreements with the USSR. It is for this same reason that despite my distaste for the government of Communist China, I have always advocated Communist China's early accession to a nuclear test ban and to a comprehensive disarmament agreement. I cannot imagine anything more suicidal than agreeing to a disarmament program which excludes Communist China. Yet we have people who hate the Communists and China so much that they are perfectly willing to sign a disarmament agreement and keep China out because we do not want to sit down and talk with them. I have never been able to figure that one out unless they want to hand the world over to Peiping. The people who need to be brought into an arms control and disarmament agreement are the people who are the potential aggressors. Put it in terms that everybody understands.

A second argument against a denuclearized zone in Latin America is that it should not be negotiated only within the framework of the Organization of American States rather than the UN. Now that is one of those legalistic arguments that gets you nowhere. Frankly, I see no conflict here between the parent organization and a regional organization explicitly permitted under the UN Charter.

Now one frequently hears a third argument to the effect that the rivalries among certain Latin American countries would wreck any denuclearized zone agreement from the outset. Well, I am here to report to you that there are some pretty serious rivalries in the Senate -- as anyone would know who sat through the debate on the Communications Satellite bill last summer. But in the Senate we often find that the best tactic is to start with broad sponsorship of the bill or resolution after quiet exploration of all points of view beforehand. I suggest that this is a method which might yield some results in the context of the present discussion.

Now our fourth opposition argument is that some Latin American countries would not want to relinquish their right to receive nuclear weapons if the opportunity to acquire them ever presented itself. Now of course, some countries look upon the possession of nuclear weapons as an indispensable attribute of their prestige. But let us not be taken in by this. There are other ways for a nation to acquire prestige and we ought to start listing them. I submit that two of these lie in promoting free and democratic political institutions and stable and expanding economies. That is the prestige that Latin America needs, and that is the prestige that the world needs.

Perhaps the most cogent of all arguments against the Latin American denuclearized zone is that either it cannot be verified adequately or that the Latin American countries will refuse to accept verification. From the experience of the Arms Control and Disarmament Agency to date, however, it is well known that verification of any conceivable arms control agreement presents no insuperable technical obstacles. Political acceptability is a horse of another color. Technically we can verify. Politically, we have our problems, but I will fall back again on the proposition that aerial inspection at least is possible. Now I see no reason why Latin America should not be encouraged to be the leader in developing techniques and procedures for verification of arms control agreements. The continent has already taken the lead in developing methods of solving disputes among its member nations. A regional arms agreement would be in keeping with the Latin American tradition of promoting peace, international cooperation, and observance of international law.

A final argument is heard more often outside of the Hemisphere than inside it. This is the contention that a denuclearized zone in Latin America may inspire similar proposals for similar zones in other areas where it would not be in our national interest or in the interest of someone else to create such zones. Now this is a poor argument that ought to be dismissed out of hand. We have never treated all regions alike in terms of national or regional security. Even in the days of pactomania we were careful to design each defense pact with the special problems of the region in mind. There is no reason to treat the question of arms control any differently. Nuclear weapons are placed in the heart of Europe to counter the superior conventional strength of the Soviet Union. Nuclear weapons are close at hand in Southeast Asia to counteract the large manpower reserves of the Chinese Communists. However, we should examine what kind of arms control measures might best serve the legitimate security interests of all countries in any region as well as the countries outside the region which have commitments to help defend countries in the region against aggression.

I for one am not afraid that an effective Latin American denuclearized zone would adversely affect the security of Europe or Asia. I hope that the opposite would be true. Indeed, in the case of Africa I can readily imagine an enthusiastic response to an appropriate arms control initiative by Latin America with the help and encouragement of the United States, and I repeat that our foreign policy, our diplomacy, should emphasize these matters. We do not take this initiative, and I speak now not as a Democrat. I speak as an American citizen. I submit that the State Department, the Government of this country, whether Democrat or Republican, has failed to take the initiative to slow down this wasteful expenditure of arms. We have to solve this problem by international agreement.

Now before leaving this problem, and I will be just a moment on it, it is only fair to note that the creation of such a denuclearized zone will present certain problems to the United States. There might be the problem of armaments in the Panama Canal Zone, of armaments enroute through the Panama Canal Zone to the East or the West Coast of the United States or elsewhere, of armaments stationed at strategic points in the Caribbean. I would be greatly surprised, however, if these questions of particular interest to the United States should ever frustrate the will of the Latin American governments as expressed in the OAS. If the Latin American governments take the advanced step of agreeing on a denuclearized zone, I am confident that the United States would make every reasonable adjustment in its policies so as to bring this agreement to fruition.

Now I have dealt at particular length on the prospects for a denuclearized zone in Latin America. I tried to make clear that I advocate this step from two overriding points of view. First, from the point of view of other countries and regions which might wish to follow suit, and second, from the point of view of a region which desperately needs to devote a maximum amount of its resources for developing free, productive, diversified economies. Here the arguments in favor of a rational, adequately verified arms control agreement are compelling, and the same arguments pertain to Africa, to parts of Asia, and to the Middle East. We can approach this problem of regional or zonal arms control methodically, scientifically, carefully, in terms of the security interests of ourselves and others. Instead of that, we keep spinning our wheels in trying to get some grandiose program where the sky is the limit.

Now Hubert Humphrey has been an advocate of general disarmament under proper security protections, verification, and inspection -- verification and inspection not as a way to delay it, but as a way to ensure it. But I say it is not a question of one or the other, of total disarmament or regional arms control. I repeat you can pursue both courses at the same time, and if you ever had a precedent in any part of the world where human beings live, where there are natives aside from just penguins, where you could have disarmament or arms control agreement in a regional or zonal area, I think this would have a decidedly good effect upon the whole subject of general and complete disarmament. That is my view.

Now, if you will bear with me, I would like to talk a little bit about ourselves, on the economic impact of disarmament. This may be slightly theoretical, but not necessarily so. In the United States, as everyone here would probably agree, disarmament and arms control are advocated for different reasons, and they raise different problems of implementation and adjustment from those I spoke of earlier. For many years we have had ample resources to continue a heavy armaments program, in fact we could continue a much heavier one and also produce an abundance of products the economy could use. In every study of the question thus far there is convincing evidence that with proper planning and timely adjustments, arms control and disarmament would present no insuperable difficulties.

You are aware of the fact that the Senate Subcommittee on Disarmament conducted a very substantial and comprehensive study of this entire field. You are also aware of the fact that it could not be published except as a confidential document. Now I was rather surprised, and I might add pleased, that the First Secretary of the Soviet Embassy, who was with you, and who I understand has been talking with a number of you, noted in his speech on Monday that recent studies published in the United States "prove that general and complete disarmament is feasible from the point of view of the American economy." Well, this ought to remove the classification restriction on that document of ours. The cat is out of the bag. Now I am highly gratified that the Soviet and the American negotiators have the beginning of a common language when they approach the broader problems of disarmament. Unfortunately, the fact remains that whenever the United States undertook large scale reductions of military hardware and personnel, which we have done twice in our lifetime, it was quickly presented with the threat of new aggression. But let this be clear. We have disarmed, and we have done it twice within a period of 40 years, and we have been able to do it without serious dislocation of the economy.

The only nations that have ever disarmed and proven that it could be done with benefit to their economy and to their people, were free nations, democratic nations. We have had

experience in disarmament. Now re-armament immediately ensued after these experiences, not because of economic expediency, not because of joblessness, not because of depression, but because of the threat of aggression. I want to repeat that we have proven that you can disarm, and we have done it so quickly that the plans now being made at Geneva look like plans for eternity. We get it in a few months, not over a period of years. The resiliency in this economy of ours is incredible and unbelievable.

The trouble with American capitalism is that the capitalists do not believe in it enough. Good grief, they have the best product in the world and they go around making apologies for it. The totalitarians have a product that has been proven to be a failure and they go around bragging about it. The highly centralized totalitarian regimes have never experienced voluntary disarmament. Maybe this is why they are so worried about it. They have never produced solely for peace-time consumption. Never. Hitler never produced for it, Mussolini never produced for it; Tojo never produced for it. Stalin never produced for it. No totalitarian regime in the history of mankind has ever produced for peace-time consumption despite whole libraries full of promises to their people. The Soviet Union regrettably has pursued a tragic course through its 45 years of existence. Intent upon building up its armed forces against either real or imagined foes, it has chosen as the lesser evil a depressed standard of living for its people.

Ladies and Gentlemen, this may now be a point in human history where some real thinking is going on in the Soviet Union. I hope so. I know there is some form of intellectual ferment there. I believe there are people in the Soviet Union today who on the one hand feel that they ought to have an all-out arms race. If they have it, they cannot win it. Be sure of that. We have the resources to out-produce them at any stage in the foreseeable future. If it is an arms race they want, we ought to assure them that it is one for keeps, so that the die-hards, the hardheads among them will understand it unequivocally. We did not do that for a long time. We just gave them an arms race in the fifties that was cheap enough for us to enjoy, and just low enough so that they could not win. Now I am not advocating that course.

The other possibility is that at this very moment there may well be men in positions of responsibility in the Soviet Union who are wondering whether or not they ought to try for a higher standard of living, if necessary at the expense of all-out military production. If so, this will require the most delicate type of probing and exploration. I am not prepared to say unequivocally just what is the situation, because I am not that wise, but I am prepared to make the study, prepared to try and find out. I repeat that no totalitarian society to date has tried to produce for peace-time consumption. Possibly Mr. Khrushchev and some of the people around him are beginning to ask some questions as to whether or not an arms race is the manner in which they should pursue their objectives. And if that is the case, then we ought to be prepared by intellectual exercise, by plan, by program, by science and technology, by every available means, by study of human behavior, to see whether or not there is any possibility in reducing the thrust of this arms race and cutting it back.

This is why I supported the Arms Control and Disarmament Agency - not because I thought it would bring about arms control and disarmament now or next week, or next year or two or three years, but because I thought it was time that we mobilized the intellectual resources of this country for peace and for a peace that is meaningful.

Therefore, in both countries, in both economic systems, there may well be an ingrained inertia or just an ingrained bad habit which has to be overcome. Possibly there are groups in both societies which are afraid of the dislocation of shipping priorities which will be the hallmarks of the immediate post-arms race era. I myself have never subscribed to the notion either that our economy depends on defense spending or that powerful groups in the American economy oppose disarmament because it would bring financial loss and unemployment. I do not buy that idea. Nevertheless, I detected some uneasiness in some groups and people representing some economic areas whenever these subjects are mentioned. With automation proceeding at a fast pace and causing dislocations among the unskilled and untrained, every lagging element of the economy has a harmful effect in the absence of prompt and effective corrective measures. Moreover, the United States defense establishment has now become so concentrated that some individuals, communities, areas, and companies are all too dependent on a continuation of defense contracts. I remain convinced that with proper planning by government, industry, labor, and the communities involved, these adjustment problems can be met and solved. They have been met - even without planning. We are a lucky people. The time has come to remove whatever economic uneasiness remains.

I have said a number of times that one of the great shortcomings in this country is the unwillingness of people to permit planning or even the statement of goals. I think it is time that the government of the United States, in consultation with industry and labor and the communities affected start to make some plans - not only war plans, but peace plans as well. Both the executive and legislative branches of our government have been derelict in not sitting down to study these problems in detail. The hopeful studies that Mr. Karpov mentioned are extremely useful, but they are no substitutes for the exhaustive work that is required. With detailed studies and plans, I am confident that any doubts about our ability to adjust favorably to a disarmament or arms control program, if one could be negotiated with safety, can be shown as groundless.

We must overcome our reluctance to plan ahead. At the same time, I fully agree with Mr. Arthur Barber, Deputy Assistant Secretary of Defense for Arms Control, if I understand his message, that planning is a joint venture and not merely a matter for government alone. Now one of the main reasons why studies of the economic adjustments to arms control are needed now is that some of these adjustments will require substantial innovations. I mentioned, for example, the matter of research. And I want to repeat that this is our major economic threat in the next decade - the failure to properly allocate the research dollar. I think we are going to pay for it; I think we are going to lose business; I think we are going to have unemployment; I think we are going to lose markets because we have not properly allocated the defense dollar. We will become a Sparta without recognizing that the real strength of the American security system lies in its economy and in the broad diversification of that economy.

Now let me illustrate. Many defense companies are basically commercially oriented, even with large defense contracts. They grew up serving a market where the customer was king, and they are familiar with competition; these companies will do all right. Under an arms control situation these companies can be counted on to renew their concentration on the commercial market. They will undoubtedly develop new lines of products, expand abroad, increase production of regular commercial items to meet demands. In the event of a loss of military contracts their main problem

of adjustment would be in making a smooth transition from defense to commercial projects, and surely, government could aid in this. Their experience would be essentially a repetition of the adjustment which many companies underwent following the Korean War.

Many other defense companies, however, have little or no experience with commercial sales. Created almost solely to fill defense contracts, they are not commercially oriented and their genius has lain in amassing impressive intellectual talent and resourcefulness to solve major technical and developmental problems associated with the missile or the nuclear age. Such companies could not easily be left to sink or swim in the free market place. In fact, the entire management of these companies is geared to serving only one or, in the best of circumstances, only a few customers. Therefore, there are not many of these companies, but individually their size is tremendous, and I submit that about the 15 largest of them account for some 45 per cent of the entire defense procurement.

Research and development allocations of the government, I might add, are not very well distributed either. This does not make much sense from a defense point of view not to mention an economic point of view. I do not happen to believe that one or the other seacoast has a monopoly upon either weather or brains. What is more, in my part of the country it is cold, and I gather that the Russians have a rather cold climate, too.

I am using as my general source of information some data selected from a recent study conducted by my Senate Subcommittee on Disarmament. About 15 companies did over $10 billion worth of defense work in 1959 and it is substantially more now. Moreover, they did little or no commercial business on the side, so what are you going to do about these companies if and when you get any form of arms control or disarmament.

If these companies are geared to serving only a few customers, then a large part of the answer is to create some new customers, to substitute for the loss of defense work. Where might such customers come from - from what fields of endeavor other than the commercial market? Where might these companies find a welcome need for their talents?

I think a few possibilities could be mentioned. First, there is space. The space effort will expand greatly in the coming years. I do not believe many of us appreciate how greatly it will expand. You can expect within five years a space effort of not less than $25 to $30 billions of dollars, if not more. That is a minimum estimate. Planets such as Venus and Mars will enjoy far less privacy in the years ahead than they enjoy today. Already there is keen competition between the civilian requirements for space exploration and the military demands for better and more reliable vehicles for destruction. Might I add to my civilian and military friends that we are not kidding anybody; this competition exists . I had a prominent civilian space scientist come to see me three months ago, and he tipped me off. He said, you can expect, Senator, a considerable amount of publicity in the next months ahead about the space operation being taken over by the Air Force. How right he was. Now do not misunderstand me. I think the Air Force has a vital role in space, but I do not think the military ought to own it. I believe that basically the National Aeronautics and Space Administration ought to be fortified. The military ought to have its role, but, like the Atomic Energy Commission, the space program ought to be essentially a civilian program with the military taking on the special aspects that are required for the defense of the nation. Time will tell whether the unsatisfied demands of NASA, Telstar, and the like will ever take precedence over

the legitimate necessity for improved military space technology. I have expressed my point of view on that, but in any event, there are too many un-met needs on earth to have all of these resources directed outside our atmosphere.

Our second area is atomic energy. Today, over 17 years after the first nuclear explosions in World War II, the then heralded peaceful applications of nuclear energy have still not proven economically feasible. Why has there been only one N.S. Savannah? One of the reasons I would suggest is that a concentrated effort to develop widespread peaceful uses of atomic energy has been of comparatively low priority. With the elimination of overriding defense needs, the peaceful application of nuclear energy should rank high among the tasks to be assigned our defense-oriented industry.

And finally, there is the area of water. I might say to my scientist friends that it just seems to me that instead of trying to find out how dry it is on the moon, we should try and find out how to put some water on the soil, or do both. Every place I have gone there is nothing but rocks and dust and we are pouring in billions of dollars of American capital, and they have no water. It seems to me that a concentrated program on the study of water supply or on converting sea water into potable water - not just a little half-baked effort, but a tremendous effort - will produce this result. I predict that the first nation that can convert sea water into sweet water will be the most powerful nation on the face of the earth in the next century or half century.

This is even more important than getting to the moon. I gather that is going to be interesting, and I would like to see us get there first, but I will tell you if you could get to the Sahara Desert first with water, you would beat everybody.

You have just witnessed the danger of having a layman talk to you on scientific matters. One of the needs in this society, I think, is that we tell the scientists what to do and not let them tell us what to do. I will never forget what Paul Henri Spaak had to say about the Common Market. He listened to all the lawyers for five years and they told him what you could not do. It just could not be done; international law would not permit it, sovereignty would not permit it, etc. He and the Dutch Foreign Minister got together one day and they called in the experts and said, "Now look, old chums, we have decided on a Common Market. You figure out how to do it." That is how they got the Common Market. A year ago just last month Henri Spaak told me this very story. I think it is about time we called in some of the scientists and say, look, we have decided we want to do something. That is what they did in World War II about the atomic bomb. I think that if we decided we wanted some water we would find a lot of it around. Three-fifths of the surface of the globe is made up of it, and of the the other, two-fifths, one fifth is arid.

Now, not only is there a problem of water in other parts of the world, but also in the United States. Floods wreak their destruction in some areas; there are water shortages in others. Disputes over water have created grave political problems between nations. There is one right now between Mexico and the United States.

All of this suggests to me that one of the current needs in the world is the creation of an international water development authority. I do not care particularly whether this is one institution, or whether it consists of regional institutions, but if the major regions decided to make a massive assault on all

our water problems and could utilize the genius of some of our best scientists we could be solving two big problems in a most satisfactory way - the adjustment of the problems of big defense contractors and the water problems of many scattered regions of the world.

I shall not outline this in any more detail. I merely add this. I attended the World's Fair in Seattle. I saw what they called the Century 21 exhibits. I saw what we could do with our scientific talents if we ever had a chance: how we could remake our cities; how we could literally remake our educational systems; what we could do in terms of communication, roads, ports, rivers development, telecommunications; what we could do in terms of our libraries and automation, and retrieval of information, automatic translations.

Ladies and gentlemen, if we had but the will, if ever we could get a program of arms control under verification or of disarmament under inspection and verification, there are unlimited possibilities.

One of the great tragedies is that we have never been able to fully dramatize those possibilities except in the most general terms. This is a limitation upon us. We have never been able to dramatize, it seems to me, what we are trying to do with a limited program like the Alliance for Progress. We have bankers who announce loans, but we never have anybody who announces what the loans will buy. We read that we loan $100 million to country X, and most everybody feels that half of it will be wasted, a quarter of it will be stolen, and nobody knows what will really happen with the money. It seems to me that what we ought to do is announce that we have arrived at an agreement with country X to build X number of thousands of homes, to rehabilitate one million acres, to build schools for two million children, to provide so many job opportunities. Let somebody else announce how big the loan was.

It seems to me that even as we discuss the economic aspects of disarmament we ought to face up to the fact that all of this is impossible unless there is a political decision backed up by science and technology. A political agreement. But what if there were a political agreement? What would be the end result, or better yet, how do you get a political agreement unless you start to outline what could be the end result - the advantages to all sides? If only we could convince the mass of humanity, through its political leaders, or directly, of the possibilities of a world without an arms race, I have a feeling that it would have some effect, even in the most restricted countries. Do not misunderstand me. I am a political realist. I know that a totalitarian regime has a very limited public opinion, but even the totalitarian regime is not immune to public pressure. At least an effort is worthwhile. This is why I have often believed that the behavioural aspects of arms control and disarmament ought to be stressed. I believe this, and I believe that more than just the scientific and technological aspects need to be emphasized. I happen to believe that when you seek out things like this, there is a basis for progress. Now some people may say that it is untimely to advertise the economic and social benefits of a world firmly at peace when this is far from being the case. This is not the same as counting chickens before they hatch. I like to think of it rather as the adventuresome spirit of foresight which has distinguished our nation throughout its history. We have the dream, the tangible possibility, of a world at peace or of a world that is at least in balance. That possibility ought to be something that we bring to the world and not leave for others.

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DENUCLEARIZED ZONES AND ECONOMIC ASPECTS

OF DISARMAMENT

Speech by U. S. Senator Hubert H. Humphrey

International Arms Control Symposium
University of Michigan
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My only regret in speaking to this distinguished audience is the fact that my talk is unavoidably ~~the curtain-raiser~~ pulls down the curtain on the ~~last~~ final act of ~~the last~~ Washington Star performance. I was not privileged to hear the many fine addresses by my predecessors on this platform. Neither did I have the benefit of taking part in the stimulating discussions that marked the technical sessions of the past three days. Yet from a second-hand acquaintance with the work of the Symposium to date, I can state categorically that this conference is a milestone in the history of public discussion of arms control and disarmament. The initiators and the organizers of the Symposium--the Bendix Systems

Division and the University of Michigan--deserve our thanks and praise for bringing together in this unique fashion men and women from the universities, ~~from~~ industry, labor and from government for a wide-ranging discussion of the most serious issues before the world today. Whether we like it or not, our society, for decades to come, will be shaped by the actions and inter-actions of the academic, industrial, and governmental communities. It is well that the members of these communities begin to think of themselves as a team instead of, so to speak, as an unharnessed troika.

Nowhere is this more evident than it is in the case of disarmament and arms control. As Kenneth Boulding so incisively put it at ~~the~~ your banquet Tuesday night, the major problem before our society today is a grievous misallocation of our intellectual resources. Coming from an important ~~dairy~~ agricultural state, of course, I cannot agree with him unreservedly that we know too much about agriculture.

We certainly could use some careful research into better ways of safeguarding our agricultural production, or, better still, into ways of bringing our farming techniques to peoples who still use the wooden plows of their ancestors. The point is well taken, however, that we have an embarrassment of riches in certain fields while our perception of social realities often seems to lag far behind. This Symposium, which would have been hardly conceivable when I became chairman of the Senate Subcommittee on Disarmament almost eight years ago, it evidence of our growing awareness of the dimensions of the job. I look for it to bear tangible fruit in the weeks and months ahead.

It would be futile to try to articulate a concensus of the diverse points of view which have found expression in your deliberations to date. The subject of arms control is essentially hypothetical and to the extent that a problem is hypothetical there is every reason to

avoid dogmatism or an artificial synthesis of opposing viewpoints.

Rather, what I should like to do today is to place before you my thoughts on certain economic aspects of arms control and disarmament. One aspect of these economic considerations is external to the United States; the other is internal. Neither, in my view, is given sufficient weight either among the policy-makers in Washington or among the many public groups directly concerned with arms control and disarmament.

Let me start with the external.

We have so accustomed ourselves to the arms race and have so passively accepted its cost in terms of resources and personnel, that we run the danger of assuming that other countries ~~are equally complacent and equally content with the status quo~~ can reconcile these costly budgets for Arms with their economies. Leaving aside for the moment the extent of the burden of the arms race on the United States, there is an undeniable burden on many other countries.

For evidence we need look no farther than the plight of democratic India, which finds itself in the toils of a military buildup just at the moment when every spare rupee should go toward the fulfillment of its economic plan. The current Indian five-year plan, never a sure thing even under the best of circumstances, looks increasingly like the main victim of Chinese aggression.

I believe Kenneth Boulding mentioned the fact that the $120 billion spent annually on the war industry throughout the world is greater than the annual income of the poorer half of the world. This is unquestionably a shocking waste of resources, the more so as none of the smaller, underdeveloped countries can buy with its military dollar more than passing security against a small neighboring power. It certainly cannot buy security against large-scale agression in the nuclear age.

What alternative is there for the underdeveloped country which wishes to avoid being drawn into the arms race, which wishes to

devote its resources to the benefit of its people? I submit that part of the answer lies in the encouragement of arms control agreements in specific parts of the world.

Arms control agreements might be pursued along two different but related paths. The major powers may try negotiating first among themselves and then encourage other powers to participate in whatever agreements are reached. This is the rationale behind the test ban negotiations which are going on at the present time. The United States, Britain, and the Soviet Union are attempting to agree first among themselves; if they finally resolve their remaining differences, the resulting agreement will be submitted to other countries for their signature and observance. The drawback to this approach, as we have seen since 1958, is the amount of time consumed in arriving at agreement among the great powers; time spent in attempting to bridge the small but vital differences over issues such as

and we shall continue

inspection has clearly diminished the chances for ready acceptance of a nuclear test ban by third and fourth countries.

(2) A second, virtually untested way of controlling armaments is one of special agreements among countries in a particular region. Such agreements would conceivably be backed up by commitments on the part of the major powers to observe the agreements: the major powers would either formally adhere to these pacts or perhaps would sign separate protocols to the same effect.

There is no point in my arguing that either of these approaches is inherently superior. My position is that we should try them both simultaneously, independently, jointly or by whatever means seems most likely to be successful. To date, at least one attempt has been made to carry out the first path--that of initial great-power agreement--whereas the path of regional arms control agreements remains untrodden. — a path I have repeatedly recommended

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Indeed, I am disturbed and concerned that the regional arms control approach has received so little attention from our government, other governments, students of arms control, and the public at large. It is high time to study the feasibility of regional arms control agreements--which among other things means sounding out the governments in the areas under consideration--and following up on those lines of approach which seem promising. With all due respect for the contention that the policy of this administration should be disarmament, not arms control, we would be guilty of gross neglect if we were to pursue the ~~utopia~~ objective of worldwide disarmament while ignoring the potential of arms control in a smaller spectrum.

We were not deterred from creating regional defense pacts ~~right and left~~ in small areas of the world only a few years ago. We did this despite the impossibility of creating a defense pact covering the whole world. First we joined the Rio Pact in Latin America; then came NATO

for Europe; this was followed by SEATO in Eastern and South-eastern Asia; and, finally, a Middle Eastern defense pact--CENTO--was formed with our active interest if not direct participation.

The United States was so "pact happy" that any country which did not want to join a defense pact with us was often looked down upon as being positively unfriendly or at least unwisely neutral.

With each new pact the United States shipped out more and more arms to its growing list of allies. Most, of course, went to Europe. But we have also supplied arms to many countries in Asia and to some extent also in Latin America and the Middle East. In the Middle East we have witnessed the frustration accompanying our efforts to hold down the local arms race with one hand while helping to feed it with the other.

Fairness compels me to say that these arms were never supplied indiscriminately; they were always intended to bolster the

ability of the recipient country to defend itself against external aggression, to maintain its threatened independence. The arms were not supposed to be used against other friendly powers, nor to suppress internal freedom, nor to give the recipient ~~monarch~~, ~~dictator or~~ nation any special prestige which it might otherwise have lacked. Yet it is no secret that sometimes these unwanted results sprang from our military assistance programs around the world. And once arms have been supplied to a country it is never easy to stop the demand if the need is no longer present or if there are other ways to meet it.

In my view, there is only one readily apparent alternative: the concept of regional security maintained by means of arms control in place of, or in addition to, a heavy armaments program.

By encouraging the concept of regional security we would be saying to other countries something we have been saying at home

over the past few years, namely, that arms control and arms production are two sides of the coin of national security policy. We have derived all that we can from armaments in the absence of arms control. What remains to be seen is whether arms control might in fact lessen the need for arms. ~~Kenneth Boulding, if I may refer once again to his address,~~ I understand that one of John speakers rightly pointed out the paradox involved in our Constitutional right as a people to bear arms and our de facto nationwide disarmament. This is an elemental kind of arms control which is at least analogous to my vision of arms control agreements among nations.

~~Since the first of December~~ In the past 3½ weeks I have visited some seven Latin American and Central American nations bordering on the Caribbean. ~~Probably the overriding~~ A primary topic of conversation with the leaders and people of these countries was the problem of the physical security of this vast region south of the Rio Grande. These conversations

convinced me that the overwhelming majority of the governments and people of Latin America do not want nuclear warheads and delivery vehicles stored on their soil or readied for use in any other part of Latin America. The conclusion is inescapable that the United States, in concert with its sister republics in this hemisphere, has a solemn obligation to encourage a hemisphere-wide agreement banning the manufacture, storage, testing, and combat use of nuclear arms and delivery systems in Latin America. The area is ripe for a pact embodying these principles.

Only recently the entire security of the Western Hemisphere was threatened by the deployment of long-range Soviet missiles and bombers in Cuba. Through firmness, a credible demonstration of our willingness to use force, and through skillful diplomacy the United States secured the removal of these offensive hostile weapons. We don't want them back. And I am willing to bet that no one anywhere in this half of the world wants them back either.

A denuclearized Latin America should be high on the priority list of Latin American diplomatic goals in 1963. Agreement on the establishment of a denuclearized zone should be worked out by the Latin American countries themselves, just as the formal proposal of such a zone was usefully made by Brazil. The United States, however, is just as concerned as any Latin American nation as to whether nuclear weapons are introduced into this hemisphere. We acted in Cuba the way we did because there was no alternative. But an agreement to keep nuclear weapons out of the Latin American area, and to subject this agreement to adequate verification offers a hopeful way of preventing further incidents like the recent Cuban crisis.

A denuclearized zone in Latin America could be negotiated through the Organization of American States. This is a functioning organization which has been surprisingly effective in handling hemispheric problems. The OAS, if it wished, might call upon the United Nations

and the United States, in particular, for special assistance or services in connection with the implementation of a denuclearized zone. The United Nations, for instance, might suggest some of the personnel for the Zonal Control Commission in the event that the OAS decided some non-regional personnel should be involved in implementing the agreement. The OAS ~~might~~ could give progress reports to the UN on the operations of the verification system so that other UN members could profit by the experience in Latin America.

The United States could assist the OAS by helping to train inspectors in verification techniques. This would present few, if any, problems, since the United States is already a leading member of the Organization of American States.

To be effective, any agreement on a denuclearized zone in Latin America has to be subject to adequate verification. I regret to say that of the many proposals for verification of arms control or

disarmament measures, none has yet advanced to the stage of adoption, not to speak of implementation. In Cuba, the United States and the Soviet Union successfully disengaged themselves from the mortal danger of nuclear war. But this restraint on the part of the two greatest powers may provide little more than a breathing spell unless an essential step is taken toward a permanent settlement of the Cuban crisis, namely, unambiguous verification of the removal of Soviet missiles and bombers as provided for in the historic understanding between President Kennedy and Chairman Khrushchev. If Fidel Castro is allowed to frustrate the will of powerful world leaders, if on-site inspection remains a dead letter in the case of Cuba, then how can we assume that it will succeed elsewhere?

4. A denuclearized zone in Latin America should if possible lead to creation of a zone emptied of conventional arms as well. Any curbing of the amount of arms going to Latin American nations, under effective

and balanced safeguards, would have a healthy impact on the economies of the countries of that area. The United States, I repeat, should encourage Latin American nations to make any arms control agreement as broad as possible so as to limit the large amount of funds which are often wastefully devoted to armaments. The current situation, in which smaller countries compete for military forces which are too large for their immediate needs and too expensive to be maintained without outside assistance is deplorable. All of the Latin American countries must expend great effort over the next several years in building sound and expanding economies. Agricultural production alone must increase several times in order to feed a population growing at an unprecedented rate. Also, most Latin American countries depend on the sales of one or two commodities for their foreign exchange. The entire foreign exchange savings of a country can be eliminated overnight by a sudden drop in the price of

products such as tin, coffee, copper, or bananas. Industry in these countries has to be diversified and expanded. These and other needs are priority items on the agenda of the Alliance for Progress. The longer the list of problems the more this observer is convinced that every penny spent for armaments detracts from the solution of critical economic and social tasks. These problems will not respond to a hasty, piecemeal approach which combines emergency economic aid with wasteful military expenditures. What I am advocating is a total approach which will strike at the multiple ills afflicting Latin America and similar underdeveloped regions.

Arms control is a basic ingredient of the best medicine now available for a very sick patient. If the patient takes it and lives, then we may look forward to conquering the most fatal brace of diseases in the history of mankind: the twin diseases of war and poverty.

I want to touch briefly on some of the arguments being advanced against the formation of a Latin American denuclearized zone. They need not detain us long.

(1) First, there are those in Latin America who believe that Cuba must be a party to any denuclearized agreement but who at the same time do not wish to "dignify" the Cuban government by sitting down at the same table with it. These people cannot have it both ways. The Cuban government ought to be a party to the treaty. The threat of armed aggression from or by Cuba is the chief reason why Havana should be included and not excluded from participation. The United States does not seek arms control agreements with the Soviet Union because we like or trust its government; it is for exactly the opposite reason. It is for this same reason that, despite my distaste for the Peiping government, I have always advocated Communist China's early accession to a nuclear test ban and to a comprehensive disarmament agreement.

(2) A second argument against a denuclearized zone in Latin America is that is should be negotiated only within the framework of the Organization of American States and not the United Nations. Frankly, I see no conflict here between the parent organization and a regional organization explicitly permitted under the UN charter.

(3) One frequently hears a third argument to the effect that ~~internecine~~ rivalries among certain Latin American countries would wreck any hope of a denuclearized zone agreement. Well, there are ~~internecine~~ rivalries in the Senate, too, as anyone would know who sat through the debate over the communications satellite bill this summer. In the Senate the best tack is often to start with broad sponsorship of a bill or resolution after quiet exploration of all points of view beforehand. I suggest that this is a method which might yield results in the context of the present discussion.

(4) A fourth "opposition" argument is that some Latin American countries would not want to relinquish their right to receive nuclear weapons if the opportunity to acquire them ever presented itself.

Of course, some countries look upon the possession of nuclear weapons as an indispensable attribute of their prestige, but let us not be taken in by it. There are other ways for a nation to acquire prestige, and I submit that two of these lie in promoting free and democratic political institutions and stable, expanding economies in concert with one's neighbors.

Perhaps the most cogent of all arguments against a Latin American denuclearized zone is either that it cannot be verified adequately or that Latin American countries will refuse to accept verification. From the experience of the Arms Control and Disarmament Agency to date, it is well known that the verification system for any conceivable regional arms control agreement presents no insuperable obstacles. Political acceptability is a horse of another color. Despite the intransigence of Castro's Cuba however, I see no reason why Latin America should not be a leader in

developing techniques and procedures for verification of arms control agreements. The continent has already taken the lead in developing methods of solving disputes among members of the region. A regional arms control agreement would be in keeping with Latin American traditions of promoting peace, international cooperation, and the observance of international law.

A final argument is heard more often outside the hemisphere than inside it. This is the contention that a denuclearized zone in Latin America may inspire proposals for similar zones in other areas where it would not be in our interests (or in the interests of someone else) to create such zones. This is a poor argument that ought to be dismissed out of hand. We have never treated all regions alike in terms of national or regional security. Even in the days of "pactomania" we were careful to design each defense pact with special regional problems in mind. There is no reason to treat the question of arms control any differently.

Nuclear weapons are placed in the heart of Europe to counter the superior conventional strength of the Soviet Union. Nuclear weapons are close at hand in Southeast Asia to counteract the large manpower reserves of the Chinese Communists. In the case of Chinese aggression against India there is reasonable doubt whether these weapons in Asia either act as a deterrent or would be used in the event of a major aggressive assault. However we should examine what kinds of arms control measures might best serve the legitimate security interests of all the countries in a region, as well as countries outside the region which have commitments to help defend countries in the region against aggression. I, for one, am not worried that an effective Latin American denuclearized zone would adversely affect the security of Europe or of Asia. I hope that the opposite would be true. Indeed, in the case of Africa I can readily imagine an enthusiastic response to

appropriate arms control initiatives by Latin America with the help and encouragement of the United States.

Before leaving the problem of a Latin American denuclearized zone, it is only fair to note that the creation of such a zone would present certain problems to the United States. There might be the problem of armaments in the Panama Canal Zone, of armaments en route through the Panama Canal to the East or West coasts of the United States or elsewhere, of the armaments stationed at our Caribbean naval and air bases, or armaments generally under the control of the Caribbean Sea Frontier. I would be greatly surprised, however, if these questions of particular interest to the United States should ever frustrate the will of the Latin American governments as expressed in the OAS. If the Latin American governments take the advanced political step of agreeing on a denuclearized zone, I am confident that the United States would make every reasonable adjustment in its policies so as to bring this agreement to fruition.

I have dwelt at particular length on the prospects for a denuclearized zone in Latin America. I have tried to make clear that I advocate this step from two overriding points of view: first, from the point of view of other countries and regions which may wish to follow suit, and second, from the point of view of a region which needs to devote the maximum amount of its resources for developing economies that generally are in a pre-industrialized state, in which productivity is low and diversification almost nil. Here the arguments in favor of a rational, adequately verified arms control agreement are compelling. also Africa - Middle East

In the United States, as everyone here would probably agree, disarmament and arms control are advocated for different reasons and they raise different problems of implementation and adjustment. For many years we have had ample resources to continue a heavy armaments program and also to produce an abundance of products

that the economy can use. In every study of the question thus far, there is convincing evidence that with proper planning, adjustments to arms control and disarmament present no insuperable difficulties.

The First Secretary of the Soviet Embassy noted in his speech on Monday that recent studies published in the United States "prove that general and complete disarmament is feasible from the point of view of the American economy." I am highly gratified that Soviet and American negotiators now have the beginning of a common language when they approach the broader problems of disarmament. It would seem that there is less reason than ever to suspect an alien system of being inherently inhospitable to arms control and disarmament.

Unfortunately, the fact remains that whenever the United States undertook large-scale reductions of military hardware and personnel in the past, it was quickly presented with the threat of new aggression. Rearmament immediately ensued at a frenetic pace which is now assumed to be normal.

But we have disarmed & proved it can be done

The highly-centralized totalitarian regimes, on the other hand, have never experienced voluntary disarmament. They have never produced solely for peacetime consumption, or peacetime construction. The Soviet Union has pursued a rugged, tragic course throughout its forty-five years of existence; intent upon building up its armed forces against real or imagined foes, it has chosen as the lesser evil a depressed standard of living for its people.

Thus in both countries, in both economic systems, there is undoubtedly an ingrained inertia which has to be overcome. Possibly there are groups in both societies which are afraid of the dislocation and the shifting of priorities which will be the hallmarks of the immediate post-arms race era.

I myself have never subscribed to the notion either that our economy depends on defense spending, or that powerful groups in the economy oppose disarmament because it would bring financial

loss and unemployment; nevertheless, I have detected an uneasiness in some groups whenever these subjects are mentioned.

With automation proceeding at a fast pace and causing dislocations among the unskilled and the untrained, every lagging element of the economy has a harmful effect in the absence of prompt and effective corrective measures. Moreover, the United States defense establishment has now become so concentrated that some individual communities, areas, and companies are completely dependent on a continuation of defense contracts. Since I remain convinced that with proper planning by government, industry, labor, and the communities involved, these adjustment problems can be met and solved, the time has come to remove whatever economic uneasiness remains.

Both the Executive and Legislative branches of our government have been derelict in not sitting down to study these problems in detail. The hopeful studies that Mr. Karpov mentioned are extremely useful,

but they are no substitutes for the exhaustive work that is required. With detailed studies and planning, I am confident that any doubts about our ability to adjust favorably can be shown to be groundless. We must overcome our reluctance to plan ahead. At the same time, I fully agree with Mr. Arthur Barber, Deputy Assistant Secretary of Defense for Arms Control, that planning is a joint venture, not a matter for the government alone.

One of the main reasons why studies of the economic adjustment to arms control are needed now is that some of the adjustments will require substantial innovations. Let me illustrate.

Many defense companies, even some with large defense contracts, are basically commercially oriented. They grew up serving a market where the customer was king and they are familiar with competition. Under an arms control situation, these companies could be counted on to renew their concentration on the commercial market. They would

undoubtedly get into new lines of products; expand abroad; increase production of regular commercial items in high demand. In the event of a substantial loss of military contracts, their main problem of adjustment would be that of making a smooth transition from defense to commercial projects. Their experience would be essentially a repetition of the adjustment which many companies underwent following the Korean War.

Many other defense companies, however, have had little or no experience with commercial sales. Created almost solely to fill defense contracts, they are not commercially oriented and their genius has lain in amassing impressive intellectual talent and resourcefulness to solve major technical and developmental problems associated with the missile and nuclear age. Such companies could not easily be left to sink or swim in the free market place. In fact, the entire management of many of these companies is geared to serving only one, or at most a few, customers.

There are not many of these companies, but their size is so great, I submit, that about the fifteen largest of them receive some 45 percent of the entire defense procurement, research and development allocations of the government. In other words, and I am using as my source information collected from a recent study conducted by my Senate Subcommittee on Disarmament, about 15 companies did over 10 billion dollars worth of defense work in 1959. Moreover, they did little or no commercial business on the side. What solution is called for in these circumstances?

If these companies are geared to serving only a few customers, then a large part of the answer is to create a few new customers to substitute for the loss of defense work. Where might such customers come from? In what fields of endeavor, other than the commercial market, might these companies find a welcome need for their talents? A few have occurred to me, and we must find many more.

Roads
Schools
Hospitals
Housing
Slum
Recreation
Electronics
Cities

First, there is space. The space effort will expand greatly in the coming years. Planets such as Venus and Mars will enjoy far less privacy in the years ahead than they enjoy today. Already there is keen competition between the civilian requirements for space exploration and the military demands for better, more reliable vehicles of destruction. Time will tell whether the unsatisfied demands of NASA, Telstar and the like will ever take precedence over the legitimate necessity for improved military space technology. But in any event there are too many unmet needs on earth to have all of these resources directed outside our atmosphere.

A second area is atomic energy. Today, over seventeen years after the first nuclear explosions over Hiroshima and Nagasaki, the then heralded peaceful applications of nuclear energy have still not proved economically feasible. Why has there been only one N/S Savannah to date? One of the reasons, I would suggest, is that a concentrated

effort to develop widespread peaceful uses for atomic energy has been of comparatively low priority. With the elimination of overriding defense needs, the peaceful application of nuclear energy should rank high among the tasks to be assigned our defense-oriented industry.

A third area is water. Not only the United States, but almost every country and region in the world ~~have~~ has water problems. Floods wreak their destruction in some areas. There are water shortages in others. Elsewhere there are problems of pollution; there are recreation and power needs. Disputes over water have created grave political problems between nations.

All of this suggests to me that one of the urgent needs in the world is the creation of an International Water Development Authority. I do not care particularly whether this is one institution or whether it consists of a few bodies organized on a regional basis. But if the

major regions decided to make a massive assault on all of our water problems and could utilize the genius of some of our big companies which have been geared to meet and solve such difficult problems, we could be solving two big problems in a most satisfactory way -- the adjustment problems of big defense contractors and the water problems of many scattered countries and regions of the world.

It is not my intention here to try to describe in detail how an International Water Development Authority would work. Obviously many political, technical, and economic questions would have to be worked out. But the concept, I think, has many intriguing possibilities.

But, some might ask, does the implementation of proposals to provide alternative employment for the non-commercially oriented defense industry have to await an arms control agreement? Obviously, if the countries of the world had the resources and funds with which to create, let us say, an International Water Development Authority, they

should go ahead now without waiting for arms control. In any case, now is the time to look into the problems of alternative employment and to come up with some contingency plans at best.

One thing we can be sure of: no matter what solutions are devised, there is going to be no panacea for the defense industry when arms control is upon us. Uncle Sam, I am sure, will be most anxious to help those who help themselves. He will be less anxious to help those who act as though they regard themselves as wards of the government. Roads, Schools, Slums, Recreation, Hospitals, Electronics, Housing, Universities, Cities

Plan

In conclusion, it is clear that we are in far greater need of planning, of devotion, intelligence, insight and realism than we are of material resources and techniques. In saying this, I understand that I am only repeating what has been a keynote of this Symposium in all its sessions to date. I cannot overemphasize my gratification at seeing such a large segment of our nation's intellectual and administrative reserves becoming

seized by the problem of arms control and by the necessity of taking timely action so as to maximize the economic and social benefits accruing to a world firmly at peace. This is not the same as counting chickens before they hatch; I like to think of it, rather, as the adventurous spirit of ~~forehandedness~~ foresight which has distinguished our nation in past decades.

END

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