

BILDERBERG GROUP

YESILKOY
CONFERENCE

18-20 *September* 1959

LIST OF PARTICIPANTS

CHAIRMAN:

H.R.H. THE PRINCE OF THE NETHERLANDS

HONORARY SECRETARY:

J. H. RETINGER

UNITED STATES HONORARY SECRETARY:

JOSEPH E. JOHNSON

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ALPKARTAL, NUREDDIN FUAD	TURKEY
ANZILOTTI, ENRICO	ITALY
ARIBURUN, TEKIN	TURKEY
ARLIOTIS, CHARLES C.	GREECE
ASTOR, DAVID	UNITED KINGDOM
AUKES, A. G.	NETHERLANDS
BALL, GEORGE W.	UNITED STATES
BELGE, BURHAN	TURKEY
BENNETT, F. M.	UNITED KINGDOM
BERG, FRITZ	GERMANY
VAN DER BEUGEL, E. H.	NETHERLANDS
BIRGI, MUHARREM NURI	TURKEY
BOHEMAN, ERIK	SWEDEN
BOVERI, WALTER E.	SWITZERLAND
BRANDT, KARL	UNITED STATES
BRAUER, MAX	GERMANY
BURGESS, W. RANDOLPH	UNITED STATES
DEAN, ARTHUR H.	UNITED STATES
DIKER, VECDI	TURKEY
DUNCAN, J. S.	CANADA
DUNLAP, CLARENCE R.	S.H.A.P.E.

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ESENBEL, MELIH
FERGUSON, JOHN H.
GIDEL, NAIL
GORDON, WALTER L.
HEILPERIN, MICHAEL A.
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HOCHSCHILD, HAROLD K.
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HOFFMAN, PAUL G.
KIESINGER, KURT-GEORG
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MENDERES, ADNAN
MOE, FINN
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MORISOT, GEORGES J.
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NITZE, PAUL H.
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PUGET, ANDRÉ
QUARONI, PIETRO
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RYKENS, PAUL
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SEGGERS, P. W.
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SLESSOR, SIR JOHN
SMITH, A. H.

NORWAY
GERMANY
TURKEY
UNITED STATES
TURKEY
CANADA
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UNITED NATIONS
GERMANY
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EUROPEAN COAL AND STEEL
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NETHERLANDS
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SPAARK, PAUL-HENRI
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IN ATTENDANCE:

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N.A.T.O.
UNITED STATES
TURKEY
TURKEY
NETHERLANDS
GERMANY
UNITED KINGDOM
BELGIUM
TURKEY

UNITED KINGDOM
GERMANY
NETHERLANDS
UNITED STATES
UNITED KINGDOM
N.A.T.O.
TURKEY

INTRODUCTION

The Yesilkoy Conference was the eighth of its kind, the previous ones having been held in various European countries and in the United States.

It is not the purpose of these conferences to attempt to make policy or to recommend action by governments. Their sole object is, by bringing together men of outstanding qualities and influence, in circumstances where discussions can be frank and where arguments not always used in public debate can be put forward, to reach a better understanding of prevailing differences between the Western countries and to study those fields in which agreement may be sought.

The discussions are so organized as to permit a broad and frank exchange of views to take place. They are held in conditions of strict privacy and neither the press nor observers are admitted. No resolutions are passed and no statements have to be approved by the participants, who are free to draw their own conclusions.

Those invited to attend the Bilderberg Conferences are chosen from different nations and from all fields of public activity and include statesmen, diplomatists, business and professional men, intellectuals, and leaders of public opinion. All participants attend the meetings in a purely personal capacity and the views they express do not necessarily represent those of the organizations or parties to which they belong. The various topics on the agenda are introduced by rapporteurs who have prepared papers on these subjects. These documents are as far as possible circulated in advance of the meetings.

In the following text the views expressed during the debates are briefly summarized under headings which correspond to the different points of the agenda.

I. REVIEW OF DEVELOPMENTS SINCE THE SEVENTH CONFERENCE IN SEPTEMBER 1958

Opening the Conference, the Chairman thanked the Turkish hosts for their hospitality and complimented them on the arrangements they had made. The meeting then started with a general review of events since the last Conference, introduced in turn by a European and an American participant.

The chain of events started by the Berlin crisis had dominated the international scene during this period. It was clear, said one of the opening speakers, that the primary Russian aim was the recognition of the existence of two Germanies: the Soviets no longer wished to talk about reunification. Another aim, in the opinion of one of the American participants, might be ultimately to force West Germany out of N.A.T.O. and American troops out of Europe.

Berlin had also proved a lever for Khrushchev to pry open the door to the United States. What were his reasons for wishing to be invited? Khrushchev's vanity undoubtedly played a part. He needed successes abroad to confirm his position at home. At the same time, recognition of his power and world status would also be reflected on the government and the party. But it should not be forgotten that he forced the door and is certainly unwilling to pay the entrance fee. We should also discard the myth of Khrushchev's softness. He might be more liberal at home but in foreign affairs one of the speakers thought him worse than Stalin, whose caution and cool calculation had now been replaced by a dangerously unpredictable brinkmanship.

It might be that Khrushchev's motives were to diminish tension and reduce the cold war, but this begged the question, how much do the Russians need international tension? It undoubtedly helps to justify the dictatorship of the party and an authoritarian government and, since the end of the war, it had enabled Soviet armies to occupy Eastern Europe and helped to establish Communist domination. Moreover, the cold war as a struggle with the capitalist system for world domination was a basic tenet of the Marxist doctrine and would not be discarded so long as the Russian leaders believed in Communism. Opportunism, however, was also an inherent part of Marxism-Leninism. That is why Soviet leaders, so long as their aims remained unchanged, believed themselves justified in adopting contradictory policies. In the opinion of one of the speakers, they have now realized that the cold war in the form of diplomatic tension combined with mili-

tary threats has ceased to be profitable. They have therefore adopted the slogans of "peaceful co-existence" and "economic competition". As this is only a change in tactics, the threat to ourselves has remained as great as ever, particularly since it might now be more difficult for us to react.

Only the U.S.S.R. and the United States hold the power to diminish tension and keep the cold war "cold". The smaller powers, as one of the participants suggested, had better keep in the background, for their intervention was likely to complicate rather than to help matters. He felt isolated in his opinion, however, as most people in Europe took a different view and it was important for the United States to bear this in mind.

The attitude of Europeans towards East-West dealings tended to divide along internal political lines and this was reflected in government policies. There was thus the danger that American policies might come to be identified with right-wing attitudes in Europe. This was one of those broad opinions which, though not important in itself, might well become so if it was held in conjunction with other prejudicial ideas. Thus, for instance, the same people also tended to doubt the certainty of American retaliation in the event of Russian aggression. An American participant strongly emphasized that America's determination was completely unaffected by Russia's manifest nuclear capabilities. The military aspects of this point were more fully discussed in the second part of the debate.

Another subject for speculation was the influence of China on the policies of Khrushchev. To what extent did Russia and China concert their policies? Various hypotheses could be made about the Chinese actions in Tibet, India, and Laos. While Moscow certainly wanted to play a leading part in international affairs, Peking seemed to prefer to remain outside, even to the extent, as some suggested, of keeping out of the United Nations in order to have a freer hand.

The problem of China was also discussed at a special session on Saturday evening when two of the participants spoke of their impressions during a recent visit to that country. For all its inhuman ruthlessness, the régime could claim undoubted achievements. Famine was largely banished, industrialization was proceeding at an impressive pace, education was being developed on a massive scale, and the whole country was mobilized along military lines for the fulfilment of government policies. Given the development of China and its place in the world, one speaker felt that the United States should modify its attitude towards that country. Its present policies could not be maintained indefinitely: they would either have to be scrapped or America would have to go to war in their defence. Even so, the problem was so complex that participants who shared this view were inclined to favour a cautious and gradual approach and no one ventured to urge the immediate recognition of China and its admission to the United Nations. On

the other hand, it was stressed that American policy could not have been changed under pressure at the time of the Quemoy and Matsu crisis and since then the situation has not improved much, with the islands still subject to periodic shellings. China has maintained her aggressive posture and a sudden change today would appear as a great victory for the Communist government and its policies. It was noteworthy, said one of the American speakers, that some Asians who had formerly advocated a change in American policies were now privately urging the contrary. In any case, there was no indication that recognition would not meet with a rebuff, let alone modify Chinese policies.

The development of the Berlin crisis and the consequent East-West diplomatic exchanges led some participants to comment on the political implications affecting N.A.T.O. N.A.T.O. needed political unity as much as ever before and it was regrettable that during the past year many divergencies had appeared at a critical time. A common attitude towards the Soviet had proved difficult to establish. In this connection, one of the speakers from the Benelux countries remarked that N.A.T.O. might be harmed if the "six" were to establish a common foreign policy as this might lead to the formation of blocs within the North Atlantic Alliance. The position and the shortcomings of France were also referred to and the hope was expressed that following President Eisenhower's visit to General de Gaulle the existing divergencies might be bridged.

Another source of division in Europe was in the economic field. Several speakers, both from the "six" and the "outer seven", hoped that a satisfactory association between the two would soon be established. They were encouraged by the success of the financial reforms in France and the manifest good intentions of the "outer seven". Scandinavian participants pointed out that their countries had a clear interest in bridging the gap between the two groups and assured the Conference that they were resolved to do so. They could only be reproached for having let matters drift too long during the preceding year. The proposal to establish the secretariat of the "outer seven" in Paris within the O.E.E.C. and the welcome given by Britain to the news of the Greek and Turkish request for association with the Common Market were cited as further proof of the good intentions of the "seven". On the other hand, one of the speakers associated with the "six" stressed that a similar spirit prevailed on his side. He believed that a clearer definition of aims would help in the choice of means. The Common Market attempted not to abrogate national sovereignties but to make them compatible with the necessities of modern economics. Common institutions were needed to ensure an indispensable economic solidarity and to apply the set of rules necessary for the functioning of large markets. The techniques evolved by the Common Market reflected both American and Commonwealth experience. He hoped that such suitable institutional techniques could be evolved for associating the "six" with the "seven" and

even looked forward to the enlargement of this association to include the dollar area, at least in certain limited fields.

Certain other subjects were also briefly mentioned. In Europe the Greek-Turkish settlement was heartening and the situation in the Middle East has slightly improved, the positive neutrality of some countries becoming less biased towards the East. Some misgivings were voiced, however, regarding South America.

II. UNITY AND DIVISION IN WESTERN POLICY

1. What are the positive and negative implications of recent strategic developments for the West?

Introducing the subject, one of the American participants outlined some of the basic facts underlying the problem on the agenda.

There were now three nuclear powers and many others might follow shortly, particularly if no disarmament agreement were reached. Considerable technical progress was taking place; missiles were fast replacing manned aircraft and a wide range of nuclear weapons was now available. The deterrent remained principally in the hands of the United States, although Britain contributed a small share. N.A.T.O. forces were being equipped with nuclear weapons, but at the same time the conventional forces were weaker than in the past and weaker than originally planned.

In order to narrow the debate the speaker then formulated some questions for the consideration of the participants. The first set of questions referred to the spread of the manufacture of nuclear weapons, i.e., the so-called *n*th country problem. How dangerous was such a development? Was the suggested non-nuclear club likely to stop it? How strong was the trend among N.A.T.O. countries to manufacture and possess independently nuclear armaments?

Although most speakers doubted the possibility of stopping the spread of nuclear arms, it was conceded that it would be easier to achieve now than later on when more countries had bombs of their own. Many speakers also doubted that the spread would entail great dangers. Even if smaller countries did have nuclear weapons there was no reason to think that they would behave in a more irresponsible way than the big powers and, in any case, the smaller countries would not embark on aggressive policies unless they had the backing of the big ones. There was a danger, however, that since governments could best use nuclear weapons as threats, their possession would encourage and put a premium on irrational behaviour. In the event of a spread of nuclear weapons some speakers envisaged situations where the big powers would have to put pressure on the smaller ones, even to the extent of depriving them of the gains they might make as a result of nuclear aggression.

It was also suggested that if the non-nuclear club were adopted it would lessen

the incentive for a disarmament agreement between the United States and Russia.

Considerations such as these cast a doubt on the possibility of reaching an international agreement on the *n*th country problem. This led one of the speakers to suggest that it would be safer to try to develop a strong world public opinion against nuclear aggression.

It was also suggested that nuclear weapons were a factor strengthening peace. Their introduction has, in the opinion of one of the participants, radically modified the very concept of war, for there could no longer be any victor. No aggressor could think that victory in a nuclear war would facilitate the solution of the problems which had originally confronted him. Again, even a modest nuclear deterrent in the hands of small countries would give them effective security, by raising the price an aggressor would have to pay. These considerations brought one of the speakers to suggest that disarmament could be more easily arrived at if conventional forces were tackled first. An attempt had already been made at the London Conference, but it had broken down on the question of control. Maybe this would now be easier to achieve.

The different reasons for the trend towards the independent possession of nuclear weapons by N.A.T.O. countries were examined. One of them was reflected in an extreme form in the difficult position of European countries which were not members of the North Atlantic Treaty. Small countries which were under the N.A.T.O. umbrella could contemplate resistance to an aggressor possessing nuclear weapons even if they themselves did not have them. The morale of the armies of non-nuclear neutrals could not, however, be expected to stand up to such a situation. The possession of nuclear weapons was therefore seen not so much as a power symbol, but rather as a prop for the morale of the nation and an antidote to neutralism. This was particularly important for those European countries where some sections of public opinion doubted the wisdom of a total and implicit reliance on the United States now that it had also become vulnerable to Soviet attack. This feeling of uneasiness was a matter for concern to some of the participants. One of the speakers saw the N.A.T.O. dilemma as an alternative between a much greater integration and a much greater degree of solidarity within the alliance and providing individual countries with an independent nuclear deterrent.

On the other hand, European states could not afford the cost of providing an effective conventional deterrent. The use of the nuclear deterrent was therefore justified on economic grounds. It was equally wasteful, however, for European countries to develop and maintain an independent nuclear deterrent of their own. That is why one of the American participants thought that the United States should share with its allies the manufacturing know-how and provide them with

the necessary nuclear armoury. Similar arrangements might even be made with some of the neutral countries, particularly as he believed that the spread of these weapons was inevitable. The present policy, he thought, was likely to lead to frustration and disappointment.

As regards N.A.T.O. strategy, another participant pointed out that there was no possibility of a limited war in Europe. Even a conventional attack would be met with tactical nuclear weapons. This had been decided upon long ago and was no longer a problem for the N.A.T.O. Command. In any case, every attack in Europe would in fact be aimed at the United States. An aggressor would therefore run the overwhelming risk of triggering off the full weight of massive nuclear retaliation. The only outstanding question was whether to meet a conventional attack with strategic retaliation, but then such a question could be decided by the N.A.T.O. Council.

The automatic use of tactical atomic weapons did not dispense, however, with the provision of conventional forces of sufficient strength. It might be argued that such forces were needed to make the threat of nuclear retaliation really effective. They were also necessary to protect allied and neutral countries outside of Europe, where N.A.T.O. powers might be called upon to intervene. The ability to do so effectively had an important psychological effect and would prove a powerful stabilizing factor in the international scene.

These considerations also bore some relation to the uneasiness, referred to above, felt by some people in Europe about American readiness to intervene in the present conditions of nuclear parity. If Korea had happened under such circumstances, would the United States have responded with equal promptness? One of the American participants pointed to the case of the Lebanon, which showed that the resolve of his country remained unchanged.

The effectiveness of the Strategic Air Command, the American deterrent, was discussed. The temporary lead the Russians may have acquired in the field of missiles was considered of no strategic significance since the ability of S.A.C. to strike a devastating retaliatory blow was unimpaired. The future development of Polaris and the Minuteman and also of the B70 bomber would bridge the gap, if any, that might exist at present.

The last question put to the assembly was to consider how far we can rely on Russian motives in our defence calculations rather than on their estimated strength. Although, as one of the participants said, a considerable evolution was taking place as a consequence of urbanization and education, which resulted in social differentiation and also in the "intellectualization" of the people, it could only have long-term effects. It was also noted that the concept of patriotism was changing—it contained less mystique and more pride in Soviet achievements and in being more like other people in the West. To be sure, the Soviet leaders had to

rely to a greater extent than before on the goodwill of the population, but it was unreasonable to expect that they would not be obeyed. Until the time when free elections were held one should not expect the government to be really influenced by public opinion. In the meantime, we should use to the utmost the opportunities for contact, which were greater than expected. This might involve, however, certain risks and therefore, as one of the speakers suggested, we should strive to prepare ourselves better to face these contacts, in particular through strengthening co-operation between the non-Communist parties and organizations such as the trade unions. It was also stressed that we should play on the desire of the Russian people for peace. If the Soviet people were to realize who the real trouble-makers were, they would exert pressure on their government. Maybe, therefore, President Eisenhower's visit could be used to explain the peaceful intentions of the West and, at the same time, tactfully point out what the real situation was.

2. What are the Western objectives in international economic development and how can we achieve them?

Discussing aid for economic development, some of the participants expressed concern about our whole concept of aid and its underlying philosophy.

The importance of the moral element and of the responsibility of the richer countries for helping the underprivileged was stressed. This element should be present not only because of its intrinsic merit but also because it tended to neutralize some of the existing prejudices against the West.

It was strongly emphasized, however, that for the industrial countries, with their fast-expanding production capacities and increasing dependence on foreign trade, immense advantages could result from a rapid acceleration of economic development throughout the world. Economic progress was a mutual process. The task was enormous and hopes have been raised high. If nothing was done some speakers feared that within a decade we would witness a great disillusionment with most painful consequences for ourselves.

We should avoid directing our aid primarily in reaction to Soviet moves. To try to beat the Russians to it whenever we suspected them of making a move or to let ourselves be drawn into bidding against them could only result in defeats and demoralization of the recipient countries. At the same time, we should maintain certain priorities and give preference to our friends. It was a question of judgement and of keeping a proper balance. As one of the American speakers pointed out, aid should be used to develop the kind of strength we want, which, incidentally, was also an argument against distributing it through the United Nations. It was further stressed that in this matter we should always strive to preserve the Western identity of the aid given, and not hide behind anonymous façades. For

these reasons the O.E.E.C. was favoured by some speakers as an agency for distributing aid, although it was pointed out that its future was clouded by the split between the "six" and the "outer seven". It was also recognized that aid, coming as it does from national budgets, was much easier to obtain on a bilateral basis. The supply was scarce, as in every country there were vast competing needs at home, and the amounts released were disappointingly small in comparison with the requirements of the underdeveloped countries.

The importance of the psychological aspect of the various forms of aid and economic co-operation was also emphasized. As in the case of M.I.D.E.C., experience has proved the value of an international approach. Politics were frequently involved and the recipient countries did not wish to feel dependent. This did not mean, however, that bilateral agreements were necessarily less welcome as they could be concluded simultaneously with several countries.

The particular value of international agencies such as I.B.R.D. or the United Nations Special Fund was that they were able to enforce a strict application of business and banking criteria to their operations which individual countries found difficult to do for political reasons, a point which was stressed by many speakers. Tribute was also paid to the personal ability and authority of the heads of these agencies—qualities which considerably contributed to their success.

The project for setting up the International Development Association was greatly welcomed. One of the participants who had played a prominent part in its promotion stressed that it would considerably enlarge the scope of financing facilities for the underdeveloped countries without impairing the standards established by the World Bank. It could make loans more cheaply because its borrowing costs and its operating expenses were relatively small. At the same time, like Marshall Aid it would promote convertibility among the soft currency countries. The provision of long-term loans at 2 or 2½ per cent interest rates based on purely banking criteria would meet an urgent and unfulfilled need. Furthermore, such loans could be combined with other forms of lending or aid. The danger was, however, that the funds originally put at the disposal of I.D.A. would prove too small.

The problem of aid has been much discussed and much studied. What was needed now was an act of will on the part of the governments and some speakers noted that this question was referred to during the recent European trip made by President Eisenhower. It was also pointed out that the United States, partly as a result of the drain on its stocks of gold and the growth of its national debt but also as a result of a lack of appreciation of its efforts, was cooling off on foreign aid. The United States would be much more willing and could be persuaded to do more if Europe were to play a greater part. In this connection it was pointed out that in Germany a greater awareness of this problem was apparent.

Among the material factors of economic development the provision of markets was considered more important than aid. The recession experienced by the industrial countries, resulting in the fall of commodity prices and reduced sales, inflicted on the underdeveloped countries a loss of earnings several times greater than all the aid and loans they were receiving. The necessity to find some means of reducing this fluctuation of commodity prices was referred to on several occasions. It was our greatest weakness and the reason for much recrimination against the West. Again, it was pointed out that our efforts were mainly directed at financing production facilities, particularly of commodities and raw materials, while at the same time much too little was being done to develop markets for these products.

On the other hand, the governments of the underdeveloped countries were primarily responsible for certain matters. Among these was the control of inflation which affected exports, and the creation of favourable conditions for foreign investments, which, as the example of Mexico proved, could achieve a remarkable degree of development over a comparatively short period of time. They must also foster the process of capital accumulation. This was an important problem which was frequently mentioned; in this connection it was pointed out that in an increasing number of cases because of the shortage of capital it was no longer sufficient to provide only the foreign exchange cost of development schemes; finance for local expenditures also had to be provided.

Political factors were as important to economic development as capital and techniques. One of the chief conditions of success was that the recipient countries should earnestly seek to develop their resources and should be ready to follow appropriate policies and make all the necessary sacrifices. In particular, it was strongly stressed that they themselves should assume moral responsibility for the development projects carried out on their territories. This was a precondition of success.

The hopeless position of small economic units was also mentioned and it was stated that every encouragement should be given to the formation of larger entities.

Some speakers referred to the problem of rapid population growth following in the footsteps of economic development and threatening to absorb all progress made in raising the real national income. One of the participants observed, however, that in this field forecasting was difficult and pointed to the encouraging example of Japan, where, if the trend of these last few years persisted, the population would remain stationary, and to India, which had a smaller proportional increase than the United States.

One of the participants stressed how little was known about the resources of most of the underdeveloped countries. We were only beginning to learn about

what could be exploited and how. This was the kind of work which would be best carried out through the United Nations Special Fund. This organization, which was doing a particularly important work in preparing pre-investment studies, received numerous expressions of support. This brought one of the speakers—who recalled the success of the International Geophysical Year—to suggest a similar year of study of world resources and requirements so that a budget of the present position and of the likely situation in ten and twenty years time could be drafted. It was pointed out, however, that so far we did not even have sufficient knowledge to undertake such a project usefully.

Economic progress in the poorer countries depended as much on the development of human as of material resources. This point was brought up by several speakers who stressed that there were vast potentialities in most people which were concealed by lack of education. Schools and training establishments were essential to economic progress and we seemed to be lagging badly behind in what could and should be done in this field. We only had to look at the Communist world to realize how inadequate were our efforts and this alone should spur us to envisage the problem on a much greater scale.

Having regard to the needs, all our efforts so far were grossly insufficient. The problem of poverty was not a new one, having been with us for centuries, but it has become more urgent and more dangerous, chiefly as a result of the Communist challenge. Some participants doubted whether it was altogether possible to achieve significant results rapidly enough. Money and techniques could be provided quickly but they were only part of the answer. It was contended that economic development depended to an even greater extent on the prevailing general level of culture and civilization. Our rationalist philosophy, which gave us intellectual discipline, and our moral philosophy, which provided the basis for our juridical concepts, were directly responsible for our material achievements. It was essential that we should make this point well understood. Also, as regards our economic system it should be made clear that it formed a whole and that it could not be made to work if only some of its elements were adopted while others were discarded.

At the same time, we should be cautious and pragmatic in our approach, for our experience of the processes of economic development is still limited. One of the participants cited the example of Italy, which was sometimes called a federation between a developed and an underdeveloped country. Here there were no frontiers, no political risks, a common currency, a high level of culture and civilization, and a fully developed institutional structure. A problem existed, nevertheless. In the southern part of the country the development of economic infrastructures was comparatively easy, but difficulties arose at a later stage. How could industry be made to follow? How to develop the process of accumulation

of local capital and stimulate local enterprise? But perhaps the greatest problem arose out of the sudden breaking up of the existing balances in the social and economic structures. Many delicate problems arose; in solving them the understanding and experience of local people proved much more useful than the counsels of the developed north, whose experience was frequently irrelevant. In these conditions it was difficult to foresee what kind of structures might finally develop. They would certainly not be Communist but equally well they would not be of the bourgeois type such as we have known in industrially developed countries.

3. What are the elements in the evolving picture in tropical Africa that may affect Western unity?

This subject was discussed on the third day of the Conference. In the field of economic development mention was made of the familiar difficulties, such as low productivity, an antiquated system of land tenure, lack of balance in the economy, the instability of markets for the main exportable products, and lack of investments.

A number of participants believed that the split between the "six" and the "seven" might have dangerous consequences for Africa. This opinion was widely shared. One of the speakers regretted the inclusion within the Common Market of overseas territories which was done to appease certain European political pressures. It affected adversely the relationship of the Common Market with third countries and burdened it with the illusion that a common policy could be pursued by the "six" towards their overseas territories. The present situation was unsatisfactory as the development funds earmarked for Africa were spent under the control of the colonial powers in support of particular forms of collaboration, often reflecting political considerations.

As for Africa, its development would suffer if it were to be divided on the same lines as Europe. On the contrary, as some participants stressed, we should try to promote the creation of large economic units. That is why regional organizations for economic co-operation and aid were often commended. There were, however, difficulties in that respect. One of the participants considered unrealistic all talk of African Unity. There was no cultural, linguistic, or even racial unity, nor were there any common traditions. Differences were numerous, while the only common factor was the attitude towards the white.

Generally speaking, the economic division of Africa which was likely to develop as a result of the split in Europe, strengthened as it was by a linguistic and cultural division between the French- and English-speaking territories, was considered to be a serious problem and a potential source of friction for the members of the Western Alliance.

In the economic field mention was also made of the shortage of administrative cadres and of entrepreneurial skill. In this connection the work of the Capricorn Society, which has set up a school in Nairobi for training in citizenship with a view to forming personnel for local government, was mentioned, and also the project of the Rockefellers Brothers Fund for developing small industry in Ghana. Numerous references were made to the great need for educational facilities, particularly for secondary education, but at the same time many participants were encouraged to find that Africans were not only willing to be taught but were also fast learners.

Two further points which were mentioned in the previous debate on the aims of economic development were also stressed. The Africans themselves must assume responsibility for the success of all development projects. Unless the new governments felt strongly about them they were likely to get bogged down and run into trouble. This applied to private ventures as well, which needed to enlist the support of the Africans. The second point was that economic development depended largely on raising the general cultural level of the country. In particular, our moral notions, which provided the basis of our laws of contract, had to be absorbed.

Illustrating the general problem of teaching Africans our techniques and our civilization, one of the participants mentioned how difficult he found it to suggest books which would explain the working of our economic and political system. Such literature existed on Communism, whereas he was hard put to suggest to Africans any suitably concise books dealing with democracy and free economy.

In the political domain one of the major questions was whether we could expect democracy, and in particular our parliamentary institutions, to function successfully in Africa where conditions were generally very primitive. On the whole speakers felt that it was more realistic to expect the emergence of authoritarian régimes and that, in any case, democratic institutions should not be the touchstone of our policies. Naturally we should uphold the democratic ideal but at the same time we should co-operate with the new African states whatever form of government they might come to choose. The democratic system in the new countries was subject to great strains, some of which were economic in origin. We could best help, therefore, by providing some relief in this field.

Perhaps, as one of the participants suggested, we should concentrate on fostering respect for civil and human rights, as regards which enormous progress has been achieved in Africa in the last fifty years, rather than insisting on political democracy. This was also directly relevant to the problem of the multi-racial societies we wanted to see established, and we should act while Europeans were still in a position to control or influence the administrations of the African states.

This idea met with large approval, and it was even suggested that we make the preservation of human and civil rights a condition of our aid.

Another problem was to establish co-operation with the new political leaders. It was stressed that we should accept the idea of working with the new men and strive to win them over to our side. Whoever they could now rely upon for help would become their friend. In this context several participants strongly favoured meetings and conferences between Western and African leaders which might greatly improve mutual understanding and help in establishing partnership. Although no such meetings could be organized within the Bilderberg Group, several speakers asked that members should individually support such projects whenever possible.

We should mention in this connection an observation made by an American participant that, in spite of all differences between Africans—and especially the language barrier—Africans kept in touch with one another and were keenly aware of developments throughout the continent, whereas it seemed that European settlers and governmental agencies were largely orientated towards their home countries and were far too little informed about the situation in other parts of Africa.

The new leaders, said one of the participants, were primarily out for power. Once they achieved it, the divergence between their aims and interests and those of the Communists was complete. Unlike the Communists, we did not seek their subservience and we could therefore find much ground in common. On the other hand, it was contended that we should not give indiscriminate support to all independence movements, as some of them, such as the Algerian rebels, adopted methods which held out little hope for the future. The situation in Indonesia should serve as a warning.

The links and similarities between the nationalist and Communist movements were mentioned in several speeches. While some speakers pointed to the identity of their immediate aims, others emphasized the necessity of drawing a line. It did us no good to speak too much of Communism, but, on the other hand, we should avoid creating conditions for its spread.

The Belgian Congo was also discussed. One of the participants said that the Belgians considered themselves "anti-colonialist" and felt that they had a right to be there in so far as they were promoting economic development and social and political progress. At the present moment, in view of the mounting pressure of the Africans for independence, the Government had to act quickly and accept risks in introducing reforms. In Leopoldville, in the centre, and in the north the problem was mainly social, but the Lower Congo was influenced by Brazaville and the problem there was mainly political. The Government was trying to speed up the

"Africanization" of the administration, to introduce political reforms, and at the same time to improve the standard of living. At the root of everything, however, was the problem of human relations. The participant who spoke on this subject hoped that these reforms would succeed and that violence could be avoided.

Some concern was expressed regarding the Federation of Southern Rhodesia, as it seemed to be a case of too little and too late and of having to change policies under pressure. As for Portuguese provinces in Africa, considerable effort had been made during the last decade to promote economic and social progress. These territories were considered to be part of Portugal and it was not envisaged that they should one day accede to independence. This made one of the participants observe that they were unlikely to remain for long outside the stream of developments in the rest of Africa, and in that case if Portugal were to persist in its policy it would find itself isolated and without support among the Western countries. On the other hand, it was pointed out that no nationalist movement existed as yet and the example of Goa in India gave some hope that it will not develop.

In Africa as much as elsewhere the progress towards independence was unavoidable and irreversible. But although this was generally recognized, it seemed that the European countries have not yet digested this fact or accepted all its consequences. This point was brought up several times. We were still thinking for instance in terms of zones of influence. It was a question of considerable importance for, as one participant emphasized, we had to win over these countries by political means and not rely solely on economic development, which was far from certain. Recent history provided telling examples of disastrous policies which were the result of having failed to accept all the implications of new situations. That is where the Russians who welcomed the progress of nationalism in colonial territories were often able to score over us.

It was also mentioned that we should pay more attention to the concept of Euro-Africa, which presented many advantages, including strategic ones.

Several participants spoke of the recent upsurge of interest in African affairs by the American public. Many new institutes had been set up, new publications had appeared, seminars were being organized throughout the country and particularly in the universities. In this connection one of the speakers appealed to the Europeans to make a greater effort to present their case as otherwise the American public would get a one-sided picture. It should be remembered, however, that in the past American interest in Africa had been scant and that at present therefore, even in spite of the boom, it was still proportionately marginal. Largely the result of a sudden increase in the interest taken by the American negro, it is now beginning to have political consequences. This in turn has aroused some suspicion on

the part of the Europeans. It was pointed out, however, that while Americans passionately believed in the right of self-determination and self-betterment, at the same time they recognize that there existed such a thing as premature independence.

Before declaring the Conference closed, the Chairman announced the retirement of Dr J. H. Retinger as Secretary General of the European Group. He paid tribute to the great work done by Dr Retinger who founded the Group and organized its activities in Europe. For the past two years Dr Retinger has sought to retire but his friends persuaded him to postpone such action. Now, however, much to the regret of all the members of the Group, they would have to accept his decision. The Chairman then proposed that Dr Retinger be made Life Patron of the Group. This proposal was warmly applauded.

Replying, Dr Retinger thanked the assembly for this honour and the Chairman for his kind words and expressed his appreciation for the friendship and support which he and all the members of the Group have shown him during these years.

The Chairman then announced that Dr E. H. van der Beugel had been invited—and, he was glad to say, had accepted—to be the new Honorary Secretary General of the European Group.

PRESS STATEMENT

A three-day conference of the Bilderberg Group has just been concluded at Yesilkoy, Turkey. The conference, which dealt primarily with economic and strategic problems of the Free World, was presided over by H.R.H. Prince Bernhard of the Netherlands.

This was the eighth meeting of the Bilderberg Group, which meets occasionally to analyse international problems. It has no official status and all participants attend in an unofficial capacity. Amongst those who participated in this conference were Prime Minister Menderes and Foreign Minister Zorlu of Turkey.

20 September 1959

ANNEXE

*Remarks by an American participant
who recently visited Africa*

Your Royal Highness, somewhere in the course of my recent quick tour through Africa a phrase of Ralph Waldo Emerson's came to my mind out of the depths of my memory: "Things are in the saddle and they ride mankind." It seems to me this phrase describes very aptly what is happening in Africa today.

Things *are* in the saddle and they ride mankind—they ride not only the Europeans, they ride the Africans as well. The competition within countries between Africans, the competition between Africans in different countries, to move ahead, this seems to me to be a part of what is happening there. I only say this to underline the point that was made by two of the rapporteurs in their papers and the points made by several others here about the speed of change that is taking place. I have a very real feeling that there is very little that can be done to stop "things", and that people have to try to ride them.

My second remark relates particularly to the multi-racial areas that I visited—and to a certain extent, even though I recognize that the European population in the Congo is nothing like the proportion that it is in Southern Rhodesia and Kenya, I think this applies a little bit to the Congo—and here I come to a point which was made by another American participant. It seems to me that one of the major problems of the Europeans (and this, I think, is a problem of the Europeans in Africa, the Europeans in the metropolises, and others, such as the Americans) is to do what they can to see that the ill will that has a danger of growing among the Africans does not get completely out of hand. If it does, both sides will suffer. And there are signs of ill will, unfortunately, at the present time—at least, I found a few.

And in connection with that, one idea occurred to me. I have no knowledge whether it is practicable, although two Europeans, one in Kenya and one in Rhodesia, seemed to think that it might be, to do something in this field. If the Europeans, while they are still a political majority, which they are, in fact, in Southern Rhodesia and in Kenya—I don't say a majority in numbers, but a political majority—can find some way of establishing the concept of civil rights and equality of rights *before* they lose power, then they may have some status afterwards.

One of the things that struck me was that all Africans equate the word democracy with "one man, one vote". Now all of us here know that the equation of democracy is a much more complicated one. All of us know that protection of the rights of the individual and a substantial degree of equality of rights is a part of that equation. We in the Western world had human rights or civil rights in some form and to some degree before we had "one man, one vote". Whether it is possible to modify the present easy equation of the Africans to get them to recognize that it must be a more complicated equation, I don't know. But I do suggest, especially to the members of the International Committee of Jurists, that it is something to think hard about in relation to Africa.

A second specific proposal I would have relates to the need for Europeans in Africa to know more about what's going on in other parts of Africa. The Africans, despite the language barrier, which is certainly there and very real, are in touch, very much in touch with each other: Africans in power, Africans out of power, who are political leaders or who hope to be political leaders. Sometimes it is difficult; at a recent conference Sekou Touré and Nkrumah had to have Moumier, the Communist from the Cameroons, as their interpreter because they couldn't get anybody else, but at least they were in touch. The Europeans are not in touch with other areas in Africa, they are in touch with the home country. The lines run from Leopoldville to Brussels, from Abidjan to Paris, from Lagos to London. They don't run across. The Europeans, it seems to me, are very ignorant of what is happening in the other areas of Africa. One African told me they were wilfully ignorant. I don't think so; I think they just have not seen the need of finding out what is happening in other areas than their own. The Africans *do* learn, and unless the Europeans have some awareness—I think one of the papers mentioned this briefly in relation to the Congo—it's going to be a very much more difficult problem for them.

One last point, Sir, I would mention. We talked yesterday at some length about the demographic problem that we are faced with in dealing with the underdeveloped countries. A friend of mine, a student of manpower training who knows India, Pakistan, and Egypt fairly well and who has been to Africa recently, said that he has some hope about the possibility of bringing about economic development in Africa, at least in the West African countries, because as yet the demographic problem there is not as acute as it is in Asia. In other words, it may be possible to bring about the shift into economic development before the "population bomb" hits them. This, it seems to me, is possibly an element of hope.