CHAPTER VIII

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CHAPTER VIII

Multilateral Export Control Policy: The Coordinating Committee (CoCom)

THE HISTORY OF COCOM

The Coordinating Committee for Multilateral Export Controls (CoCom) is the informal multilateral organization through which the United States and its allies attempt to coordinate the national controls they apply over the export of strategic materials and technology to the Communist world. It was originally conceived in postwar discussions between the United States, Britain, and France. By 1948, the U.S. Government had begun to enlist the cooperation of its West European allies for a coordinated embargo policy against the Communist bloc. Early negotiations on this matter were private and informal, but they were lent impetus by the events of 1947-49: the proclamation of the People's Republic of China (PRC), the Berlin crisis, the Tito-Stalin split, and the explosion of the Soviet atomic bomb. As East-West tensions grew, the coordination of export controls took on increasing importance.

Nonetheless, there was far from universal or enthusiastic agreement on the extent of the economic blockade that should be undertaken. After consensus had been reached by the United States, Britain, and France on the general direction of export controls, careful, delicate—and secret—discussions began with other European nations, several of which had doubts about the legality of the proposed embargo measures and many of which were pursuing neutral policies which seemed threatened by participation.

The formulation of the framework of the organization, completed in November 1949, is thus shrouded in secrecy. It is, in fact, doubtful whether any written understanding has ever existed; most likely, a “gentlemen’s agreement” was undertaken, members agreeing to follow the licensing rules laid down by unanimous decisions among the group. CoCom began operations on January 1, 1950, with a membership consisting of the United States, England, France, Italy, the Netherlands, Belgium, and Luxembourg. In early 1950, Norway, Denmark, Canada, and West Germany joined, followed by Portugal in 1952 and Japan, Greece, and Turkey in 1953. Nonmembers, Western countries that chose not to compromise their neutrality, include Sweden, Switzerland, Iceland, Austria, and Finland. Of these, Switzerland and Sweden are recognized as major alternative sources of some products and technologies on the CoCom lists. Their relations with CoCom involve an informal, albeit a somewhat unpredictable, cooperation. Neither seems desirous of allowing a sale that would push its relations with CoCom members to a serious confrontation, but neither is particularly...

larly interested in formalizing its cooperation. Generally, these non-CoCom countries favor a liberalization of multilateral export restraints, a view they share with important CoCom members (see chapter IX).

Initially, the organization had two operating entities, the Consultative Group (CG) and CoCom. The function of CG was to set the broad outlines of policy and settle issues of principle. It consisted of ministerial level officials or their personal representatives from all member countries. It was expected that CG would meet only rarely. In fact, it soon ceased to operate at all, and the entire multilateral organization has now come to be known simply as the Coordinating Committee or CoCom. Originally intended to be the operational arm of the system, CoCom was to implement the broad policy decisions made by CG. CoCom now meets in continuous session in Paris. Its representatives are midlevel diplomatic and technical specialists, who deal with the day-to-day problems of the export control system.

During the Korean war a special China Committee (ChinCom) was established to administer restrictions on trade with China and North Korea. For a time, these restrictions were more severe than those that applied to the Soviet Union and its European allies, but this “China differential” was eliminated in 1957 and ChinCom ceased to operate as a separate entity. Now the same CoCom controls apply to both the Soviet Union and PRC.

Because it is an informal and voluntary organization, CoCom has no power of enforcement. It is based neither on treaty nor executive agreement. Its members have no legal obligation to participate in its deliberations or to be bound by its recommendations and decisions. Furthermore, its operations have from the outset been highly confidential and its activities, at least in Europe, attract little or no publicity. It has been suggested that if this were not the case, some non-U.S. members might be forced to withdraw from CoCom, either because of internal domestic pressures or the incompatibility of individual country domestic laws with its controls.

The force that initially brought CoCom into being and held it together through its formative years was the enormous economic leverage the United States could exert on its Western allies in the immediate aftermath of World War II and the early years of the cold war. But as table 22 demonstrates, the amount of U.S. economic and military aid to the West began to decline seriously after 1955. As it decreased, Western European trade with the East was beginning to rise. In 1949, the combination of U.S. military and economic aid to Western Europe amounted to almost $6.3 billion while the total volume of trade of these Western European countries with Eastern Europe was only about $1.8 billion. It was not until 1955 that the balance shifted and this trade turnover exceeded the amount of U.S. aid. The Battle Act (see chapter VII) had attempted to use U.S. aid as a lever to compel allied compliance on export controls by providing for the discontinuance of U.S. financial assistance to countries that exported restricted commodities to Communist countries. Its sanctions have never been invoked, but whether this was due to its success in limiting East-West trade or to high-level policy decisions to avoid sensitive confrontations is unclear. In any case, the increasing interdependence of all CoCom members with the East at economic, political, and diplomatic levels has by now eliminated whatever leverage actually existed. It is significant, therefore, that in Europe and Japan CoCom is still perceived as a useful institution. This point is discussed further below.

---

Table 22.—U.S. Aid to Western Europe Compared to East-West Trade 1949-55
(in millions of dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>Economic aid</th>
<th>Military aid</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1949</td>
<td>$6,276.0</td>
<td>37.1</td>
<td>6,313.1</td>
</tr>
<tr>
<td>1950</td>
<td>$3,819.2</td>
<td>604.6</td>
<td>4,423.8</td>
</tr>
<tr>
<td>1951</td>
<td>$2,267.8</td>
<td>1,013.9</td>
<td>3,281.7</td>
</tr>
<tr>
<td>1952</td>
<td>$1,349.1</td>
<td>2,866.8</td>
<td>4,215.9</td>
</tr>
<tr>
<td>1953</td>
<td>$1,264.9</td>
<td>2,225.9</td>
<td>3,490.8</td>
</tr>
<tr>
<td>1954</td>
<td>$464.4</td>
<td>1,541.2</td>
<td>2,005.6</td>
</tr>
</tbody>
</table>

Western European exports to
East European countries: 832.4 653.3 745.9 742.5 790.9 973.8 1,100.1
Western European imports from
East European countries: 1,011.7 812.9 1,009.8 995.4 908.7 1,039.4 1,357.9


THE OPERATIONS OF COCOM

Obtaining a clear picture of CoCom’s daily operations, to say nothing of assessing their effectiveness, is complicated by the secrecy which generally pervades the organization and its workings. Basically, the representatives of CoCom engage in three kinds of activities: the development of lists of technologies and products that will be embargoed, controlled, or monitored; weekly consultations on exceptions to these lists; and consultation on enforcement.

THE COCOM LISTS

There are three CoCom lists, organized according to the technical specifications and applications of the items contained on them:

1. a munitions list that includes all military items,
2. an atomic energy list that includes sources of fissionable materials, nuclear reactors, and their components, and
3. an industrial/commercial list.

Most of the activities of CoCom emanate from the last of these. By their very nature, munitions and nuclear materials have clear military purposes and strategic importance, and there is generally little debate over the wisdom of restricting their sale. The industrial list, on the other hand, contains those dual-use items (e.g., jet engines, air traffic control equipment, computers) that, although nominally civilian, have military potential. The technological content of these items is usually high.

The industrial list is subdivided into three categories: International List I (embargoed items); International List II (quantitatively controlled items); and International List III (exchange of information and surveillance items). List I contains those items that member nations agree not to sell to the Communist bloc unless permission is specifically granted after a request for an exception. List II contains items that may be exported, but only in specified quantities. Licenses to export more than the quantity specified for a given item—which may be expressed either in value or in number of units—require special exceptions. List III contains items that may be sold, but over which the exporting nation must maintain surveillance of end use. This information as well as the fact of the sale must be reported to CoCom.

Most of the dual-use items that pose the greatest problems for export controls are contained in List I, which is divided into 10 individual groupings. These conform closely to those on the Battle Act List and the U.S. Commodity Control List (CCL):

1. metalworking machinery;
2. chemical and petroleum equipment;
3. electrical and power-generating equipment;
4. general industrial equipment;
5. transportation equipment;
6. electronic and precision instruments;
7. metals, minerals, and their manufacture;
8. chemicals and metalloids;
9. petroleum products; and
10. rubber and rubber products.

The CoCom list itself is not public information, but it is virtually identical to the national lists of controlled items published by some CoCom members. Furthermore, the American CCL distinguishes between multilaterally and unilaterally controlled items, and the content of the CoCom industrial list can be inferred simply by subtracting the former from the latter.

At the outset, CoCom controls, at least as measured by the number of items on the lists, were quite stringent, although never as restrictive as U.S. unilateral controls. Debate among and within member countries on the relative weight that should be given to security concerns and trade advantages has been continuous. In order to accommodate this debate and to keep lists current, periodic list reviews for purposes of deletion, addition, and amendment were undertaken in 1954, 1958, 1961, 1964, 1967, 1971, and 1974-75. Another review is presently (1979) underway. No details of the decisions made in these reviews or the debates surrounding them are ever published. However, a comparison of U.S. and other national lists indicates that the overall trend in CoCom has been toward liberalization of controls.

Table 23 summarizes one attempt to estimate the changes in the magnitude of the list from its inception through the last completed review. This information was compiled from a variety of sources, including published national lists and private interviews.

As is evident from this table, the length of the list has fluctuated over the years, but the greatest single alteration was the elimination of large numbers of items after the cessation of hostilities in Korea and some easing of U.S./U.S.S.R. tensions. The changes in numbers may be attributed both to shifts in East-West relations and to increased pressures from European members to decrease the definition of strategic goods to a minimum in order to foster East-West trade. The stabilization of the numbers that has characterized the list since this time may be interpreted as a sign that drastic reductions are unlikely in the future. According to a 1978 administration statement:

The process of considering which items meet the strategic criteria has been repeated many times over the years. As a result, changes during list reviews are now seldom dramatic. A few items are deleted and a few new ones added. But most of the changes consist of modernizing the technical descriptions to reflect technological progress.

The procedures by which the 1979 review is being accomplished include the following steps:

1. Original proposals for items to be added or deleted were due from member na-

<table>
<thead>
<tr>
<th>List as of</th>
<th>Number of items</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 1949</td>
<td>86</td>
</tr>
<tr>
<td>November 1951</td>
<td>270</td>
</tr>
<tr>
<td>January 1952</td>
<td>285</td>
</tr>
<tr>
<td>March 1954</td>
<td>265</td>
</tr>
<tr>
<td>August 1954</td>
<td>170</td>
</tr>
<tr>
<td>March 1958</td>
<td>181</td>
</tr>
<tr>
<td>July 1958</td>
<td>118</td>
</tr>
<tr>
<td>April 1961</td>
<td>NA</td>
</tr>
<tr>
<td>July 1962</td>
<td>NA</td>
</tr>
<tr>
<td>June 1964</td>
<td>1507</td>
</tr>
<tr>
<td>August 1965</td>
<td>151</td>
</tr>
<tr>
<td>March 1967</td>
<td>NA</td>
</tr>
<tr>
<td>September 1969</td>
<td>156</td>
</tr>
<tr>
<td>September 1972</td>
<td>151</td>
</tr>
<tr>
<td>March 1976</td>
<td>149</td>
</tr>
</tbody>
</table>

Ch. VIII—Multilateral Export Control Policy

The Coordinating Committee (CoCom)

• Counterproposals could be submitted by any member on any item for which an original proposal was submitted, preferably 45 to 60 days before the beginning of the review.

• The review is then completed in two rounds. A draft document is distributed incorporating the proposals and counterproposals agreed to. If this is acceptable to the member nations, the revised list becomes effective after 60 days. Revisions to this draft may be submitted if two countries concur on an item.

• Additional proposals for changes that help achieve consistency among the items may also be submitted at this stage.

The main responsibility for the U.S. contribution to this procedure lies with the Department of State, but each principal department in the export control system is involved in developing U.S. proposals. Interagency Technical Task Groups (TTGs) provide technical analysis and evaluation of all items to be considered. This evaluation is based on the following:

• a laymen’s description of items to be considered;

• a comparison of U.S., CoCom, neutral, and Communist country manufacturing capability and availability for each item;

• the potential civilian and military uses of the item and their significance, e.g., their strategic role;

• the technical feasibility of controlling the item including the possibility and ease of substitution;

• changes in use parameters resulting from technological progress and the rate of these changes;

• the present controls on design and manufacture of the equipment;

• the feasibility of reverse engineering, i.e., of extracting the technology from the product and the principal military and civilian uses of the result; and

• identification of critical technologies and keystone equipment.

TTGs draw on both public and private sources for their information, including the Government-industry Technical Advisory Committees (TACs) established to provide private sector guidance on the implementation of the Export Administration Act. One problem with this procedure, however, is that the apparatus of the review system tends to disappear between reviews, sometimes resulting in a substantial delay in generating U.S. positions for the list review.

EXCEPTION CASES

Once a week, representatives of each member nation meet in CoCom headquarters in Paris to consider exception requests. These are, in effect, petitions from firms in member countries to exempt from CoCom control, on a one-time basis, an item that appears on the CoCom embargo list and would otherwise be prohibited from sale. Each member government reviews all such requests and recommends full or partial approval or denial to CoCom, which in turn advises the petitioning nation. Decisions must be unanimous.

In the United States, exception requests from other CoCom countries, as well as applications for exceptions from U.S. exporters, are first sent to the Office of East-West Trade in the State Department. The administration of these requests is handled through the Economic Defense Advisory Committee (EDAC) structure described in chapter VII. This involves a multiagency review that begins in Working Group I with consultation among office director-level representatives of the Departments of State (which chairs the Group), Defense, Commerce, Energy, and the Treasury, with the Central Intelligence Agency (CIA) advising. If consensus on the application cannot be reached in the Working Group, the request is appealed to the sub-EDAC or Deputy Assistant Secretary level and ultimately to EDAC itself on which the Assistant Secretaries of each
Department sit. The criteria for granting these exceptions and the system for evaluating the requests are the same as those applied in the Advisory Committee on Export Policy (ACEP) structure for granting U.S. validated licenses, i.e., the case rests on the technical specifications of the proposed export, the proposed end use and end user, availability outside CoCom, etc.

As tables 24 and 25 demonstrate, both the value and number of CoCom-approved exceptions have risen substantially over the past several years.

The exceptions procedure has played a variety of roles in U.S. policy toward CoCom. In the early years of the organization, U.S. acquiescence in exceptions requests was a means of fulfilling the conditions of the Battle Act without actually having to impose sanctions on Western allies. The Battle Act allowed U.S. aid to be continued to those countries shipping embargoed items to the Communist bloc if a Presidential determination stated that “unusual circumstances indicate that the cessation of aid would be clearly detrimental to the security of the United States.” Exceptions granted by CoCom thus became grounds for determinations which in turn obviated unpopular and possibly divisive U.S. actions against its allies. The fact that no U.S. aid was ever terminated under the Battle Act, therefore, reflects policy decisions on the part of the U.S. Government and does not necessarily indicate that no U.S. ally ever violated the terms of the Act by selling goods and technology unilaterally embargoed by the United States. At the sometime, allied sales of U.S. unilaterally embargoed items were possibly deterred by the knowledge that details of the countries of destination, products, and values would be published in the State Department’s annual Battle Act Report which provides details of all Presidential determinations to Congress.

The character of the exception procedure has now changed; it is the channel through which export controls can be waived in favor of the requests of U.S. exporters to conduct business with the Communist world. As table 25 also demonstrates, the United States itself generates approximately half of all exception requests; at the same time, it has the reputation of being the CoCom member most concerned with maintaining the strictest possible embargo. Although other nations may have national control lists (see chapter IX) slightly more rigorous than CoCom’s, the United States has the longest and strictest unilateral list. It is ironic, therefore, that since the early 1970’s the United States has emerged as the major source of CoCom exceptions requests. One reason for this may be in the substantial worldwide technological lead the United States has in computers; computers and computer-related technology are among the most frequent entries on the CoCom embargoed list, and the United States is a preferred or sole supplier of many of these items. U.S. firms have therefore more often had the occasion to seek exceptions for these items than have firms in other countries.

Table 24.—CoCom Approved Exceptions (from all sources, in millions of current dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value of exceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1967</td>
<td>$11</td>
</tr>
<tr>
<td>1968</td>
<td>8</td>
</tr>
<tr>
<td>1969</td>
<td>19</td>
</tr>
<tr>
<td>1970</td>
<td>62</td>
</tr>
<tr>
<td>1971</td>
<td>56</td>
</tr>
<tr>
<td>1972</td>
<td>124</td>
</tr>
<tr>
<td>1973</td>
<td>106</td>
</tr>
<tr>
<td>1974</td>
<td>119</td>
</tr>
<tr>
<td>1975</td>
<td>185</td>
</tr>
<tr>
<td>1976</td>
<td>162</td>
</tr>
<tr>
<td>1977</td>
<td>214</td>
</tr>
</tbody>
</table>

SOURCE: Special Report on Multilateral Export Controls, submitted by—President pursuant to sec. 117 of the Export Administration Amendments of 1977

Table 25.—Volume of CoCom-Approved Exceptions

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>United—States</th>
</tr>
</thead>
<tbody>
<tr>
<td>1971-75</td>
<td>4,423</td>
<td>2,178</td>
</tr>
<tr>
<td>1976</td>
<td>884</td>
<td>432</td>
</tr>
<tr>
<td>1977</td>
<td>886</td>
<td>358</td>
</tr>
<tr>
<td>1978</td>
<td>1,035</td>
<td>500</td>
</tr>
</tbody>
</table>

Table 26 shows the dominance of computers in the exception process.

The vast majority of exceptions requests submitted to CoCom are approved. For example, of the 1,380 cases considered in 1974, only 12 were disapproved; in 1977 of 1,087 requests, 31 were rejected. The United States objected in 30 of the 31 disapproved cases. This information for the years 1974-77 is summarized in table 27.

One of CoCom's major problems in dealing with exception cases has been the delays involved in reaching decisions—delays that originate most often in the United States. CoCom procedures call for a decision on an exception request 18 days after it has been submitted, with an automatic 2-week rescheduling in the absence of a decision, and additional weekly extensions at the discretion of the requesting member. The United States has been the major violator of these procedural rules and the elaborate EDAC review process may very well preclude U.S. compliance with the time constraints.

U.S. delays in dealing with CoCom have involved both exception requests initiated by U.S. exporters and those initiated by other CoCom members. The latter category of cases includes not only exceptions but licenses for the reexport of U.S. origin products. This is the result of the fact that in U.S. export administration law, the Department of Commerce retains jurisdiction over the resale of goods and technologies even after they have been sold abroad. If, for instance, a French firm wishes to reexport an item that it obtained through a U.S. validated license, it must apply to the Office of Export Administration (OEA) for a new license, just as though it were a U.S. firm.

The draft report of the President's Task Force to Improve Export Administration Licensing Procedures has noted that the necessity to obtain CoCom approval added an average of 40 days to the processing time of most U.S. export cases. Delays in deciding exceptions requests submitted by other nations may last even longer. The General Accounting Office (GAO) recently examined 76 test cases of CoCom exception requests submitted to the United States in 1977 and found not only that the United States is the perpetrator of inordinate delays, reserving

Table 26.—CoCom-Approved Computer Requests
(in millions of dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value (in millions)</th>
<th>Percent of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1971</td>
<td>.</td>
<td>23</td>
</tr>
<tr>
<td>1972</td>
<td>.</td>
<td>39</td>
</tr>
<tr>
<td>1973</td>
<td>.</td>
<td>50</td>
</tr>
<tr>
<td>1974</td>
<td>120</td>
<td>66</td>
</tr>
<tr>
<td>1975</td>
<td>147</td>
<td>52</td>
</tr>
<tr>
<td>1976</td>
<td>168</td>
<td>63</td>
</tr>
</tbody>
</table>

*Omitting two exceptionally high-value cases in 1973 and one each in 1974 and 1975 which would distort the figures. None of the four proposed exports actually took place.

SOURCE: Special Report on Multilateral Export Controls, submitted by the President pursuant to sec. 117 of the Export Administration Amendments of 1977.

Table 27.—Disposition of CoCom Exception Cases

<table>
<thead>
<tr>
<th>Year</th>
<th>Approved</th>
<th>Disapproved</th>
<th>Withdrawn</th>
<th>Pending</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>By number</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1974</td>
<td>1,243</td>
<td>12</td>
<td>16</td>
<td>1,09</td>
<td>1,380</td>
</tr>
<tr>
<td>1975</td>
<td>1,646</td>
<td>22</td>
<td>36</td>
<td>94</td>
<td>1,798</td>
</tr>
<tr>
<td>1976</td>
<td>884(432)</td>
<td>36(0)</td>
<td>36(7)</td>
<td>101(18)</td>
<td>1,057</td>
</tr>
<tr>
<td>1977</td>
<td>836(358)</td>
<td>31(0)</td>
<td>44(5)</td>
<td>176(55)</td>
<td>1,087</td>
</tr>
<tr>
<td></td>
<td>By value (dollars in millions)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1976</td>
<td>$162 (71)</td>
<td>$24(0)</td>
<td>$187(1)</td>
<td>$73(7)</td>
<td>$446</td>
</tr>
<tr>
<td>1977</td>
<td>214(55.2)</td>
<td>9(0.03)</td>
<td>9(0.03)</td>
<td>74(20.5)</td>
<td>317</td>
</tr>
</tbody>
</table>

*U.S. cases are in parentheses.

opinion on more requests than other members and for longer periods, but that the U.S. CoCom delegation is often unable to explain why the system takes so long. It concluded that “the elaborate U.S. review process isn’t designed to provide a response within the required time frame; indeed, some U.S. export control officials are not (even) aware of these deadlines.”

Delays not only fuel the criticisms of U.S. exporters, but subject the United States to antipathy from abroad. Foreign governments and businessmen have attributed delays by the United States in deciding their exception requests to a number of motives. These range from allegations that the U.S. Government is attempting to provide a commercial advantage for U.S. business by holding up the competition, to recognition of the fact that the cumberliness of the U.S. export control system itself is responsible for the tardiness with which the United States processes the requests. In neither case are friendly relations promoted within CoCom. This subject is discussed in greater detail in the concluding sections of this chapter.

ENFORCEMENT

Because no CoCom decision is legally binding on a member nation, all its decisions must be unanimous. Given the informal nature of the organization and the sensitivity of the issues with which it deals, however, little is known and less is publicized about the extent of overt or covert violations of CoCom rules by members. Violations of individuals and firms can only be punished by national legislation; in the United States violations by other member countries are dealt with, if at all, out of the public eye in high diplomatic circles.

CoCom provides for the possibility that a country may determine that it must proceed with a particular export even in the face of a negative CoCom decision by allowing “national interest exceptions.” These have been used very sparingly. According to a well-informed State Department official, they have been invoked about 12 times over the past 30 years, with each case having its own unique history and characteristics. It is far more common for problematic cases never to appear before CoCom at all, either because the Government determines that there is no need to submit them or because it prefers to deal with other member governments directly at the highest political levels. This occurred, for instance, when Great Britain first proposed selling Harrier jets to the PRC.

Language differences and the complex technical nature of same exports complicate the issue of compliance but, undoubtedly, covert exports do leak through the CoCom net. Although it is impossible to quantify the extent of this problem, there is a widespread perception among U.S. businessmen that CoCom regulations are not applied equally within all member countries. An often cited example is the sale of French semiconductor technology to Poland, a technology transfer that has probably already benefited Soviet efforts to manufacture semiconductors and that could not have taken place under U.S. export controls.

US. AND ALLIED VIEWS OF COCOM

Like any multilateral organization, CoCom is subject to the strains occasioned by the differing perceptions and interests of its sovereign members. But CoCom’s unofficial status makes it particularly vulnerable to internal tensions. U.S. businessmen frequently remark on the “laxity” of export controls in other member nations, and charges of deliberate evasion of CoCom restrictions by firms in other countries are not uncommon. But America too is the subject of often heated criticism from its partners.
As part of an investigation of the differing export control policies of major U.S. allies (see chapter IX), OTA has also assembled information on the attitudes of businessmen and Government officials in West Germany, France, and Japan toward the utility of CoCom and America’s role in it. The following discussion is necessarily impressionistic; no attempt was made to question a statistically significant sample of officials or industrial representatives in either the United States or abroad. The uniformity of response encountered, however, indicates that the generalizations that follow represent, if not every point of view, at least widely shared opinions.

**UNITED STATES**

Chapter VII has discussed the fact that many U.S. firms feel that they are under a competitive disadvantage in their dealings with the East. Not only does the export-licensing procedure sometimes subject them to excessive delays in the fulfillment of their contracts, but there is a widespread perception that the domestic control policies of America’s major CoCom allies are significantly more liberal and more flexible than those of the United States. This is borne out in OTA’s own studies of the export control policies of West Germany, France, Britain, and Japan that appear in chapter IX.

But the operations of CoCom are also discriminatory in the eyes of some U.S. executives who believe first, that the policies of other members give their industries advantages over the United States; and second, that CoCom regulations are not equally or consistently applied among all the member nations. Although American businessmen perceive the need for controls of militarily significant items, they contend that European and Japanese interpretation of this “significance” is much more liberal than that of the United States. This allows foreign firms to export to the Communist world items that U.S. exporters may not sell. In the view of U.S. business, the result is that the Communist nation gets the technology, and the United States loses the sale. In addition, France, Japan, and West Germany are mentioned frequently as “unfair competitors” because it is thought that firms there often manage to evade or avoid CoCom regulations. Evidence for these allegations is usually circumstantial or anecdotal, and the charges may well be unfounded. Nevertheless, a significant number of highly placed U.S. executives appear to believe that firms in other Western countries consistently flout CoCom regulations, and that this often occurs with the active or passive connivance of the Governments involved.

Sources in several U.S. Government agencies have privately expressed similar views, but documentation of CoCom violations by member governments is universally regarded as highly sensitive material. The common position expressed by U.S. Government officials is that, given its informal nature and the constraints under which it operates, CoCom works surprisingly well. Problems between governments have traditionally been worked out quietly at very high policy levels, and this practice should continue. Attempts to formalize or significantly strengthen the organization are generally regarded as unwise, for they would almost certainly be resisted. As the following sections indicate, this apprehension was amply confirmed in discussions with individuals in other member countries. The impression gained is that pressure for any major changes in the organization might precipitate its demise.

**WEST GERMANY**

West German officials agree that CoCom is a necessary and useful organization, inasmuch as it prevents the export of strategic technology to Communist nations. No one in Bonn questions the need to embargo exports of military technology. Moreover, some officials feel that, were it not for CoCom, the Japanese would be less vigilant about preventing strategic technology exports to the Eastern European nations—Tokyo does not feel threatened by such distant countries.
The Germans also support the principle of coordinating Western export policies in a multilateral organization. Despite the approval of CoCom's aims, however, there is widespread feeling that CoCom must be reformed and made less cumbersome, that there must be more genuine equal competition on the industrial list, and that this list must be modified to take into account considerable technological progress within Eastern Europe.

The most frequent criticisms expressed were not of CoCom itself, but of the American role in CoCom, in particular the delays involved in reexport licenses, and inconsistencies in U.S. policy. The reexport-licensing process is often unpredictable because not only are the American national export control lists more restrictive than the CoCom lists, but licenses can be denied for ad hoc political reasons, which may be incomprehensible abroad. Officials cited with some bewilderment, for instance, President Carter's decision in July 1978 to deny Sperry-Univac an export license, and his subsequent reversal of this policy in April 1979, suggesting that these developments do not help the functioning of CoCom.

Moreover, there is a general feeling in Bonn that the various agencies of the American Government that deal with licensing questions are uncoordinated, further exacerbating the problem of delays and unpredictability and giving the impression of lack of policy direction, and that the American criteria for granting licenses are unclear. Regardless of the accuracy of these perceptions, the predominant view in West Germany seems to be that the American lists should be brought more in line with the CoCom lists; the license-granting procedure in Washington rationalized; and the criteria for making decisions on reexport licenses not be determined by the current state of human rights in the U.S.S.R.

Another German concern is the future treatment of the PRC within CoCom. There is a fear that if there is a new "China differential," this time to China's advantage, CoCom may well disintegrate. This is based on the feeling that, in order for CoCom to be a viable organization, all Communist countries must be treated equally. By the same token, therefore, there should be no differential for Eastern European countries (for instance, Romania) within CoCom, because any technology exported to Eastern Europe may find its way to the U.S.S.R. German spokesmen emphasize that they favor more discussion in CoCom of these issues. Finally, there is a general belief that German corporations, out of purely commercial motives, often act as unofficial watchdogs to ensure that controlled technology is not exported by a company from another country that has evaded CoCom rules. Thus, there are mechanisms other than CoCom for ensuring that the latest technology does not leak to the East, not the least of which is the Western companies' concern not to create potential competitors for their domestic markets in the U.S.S.R. This is an argument that has also been made by U.S. firms. As chapter III demonstrates, however, it is not indisputably clear that such "enlightened self-interest" always does protect domestic industry from economic, let alone strategic, repercussions.

German officials agree that if CoCom were to be made a formal organization it would probably collapse, because other members (notably the French) would not agree to acknowledge it publicly. If CoCom had to be ratified in national parliaments, the embargo policy would have to be openly discussed and justified, which would be counterproductive to its effectiveness. Thus, to the Germans at least, CoCom must remain informal.

FRANCE

Despite often vociferous criticisms made by French officials, the attitude towards CoCom in Paris is not uniformly negative. One CoCom official characterized it as a "useful organization because it acts as a brake on technology transfer." Most officials agree that it works as a "gentlemen's club," and that, in view of its unofficial
status, it functions rather well. No Government official questions the need to control weapons exports to the Communist nations for reasons of national security; the bulk of the criticism of CoCom arises from its attempts to limit dual-use technology exports, particularly in light of the current industrial list reviews.

Apart from the more general problem of complying with American-inspired controls, French spokesmen make a variety of other criticisms of CoCom. It is, according to some, a cold war vestige, which is "against the spirit of detente." Moreover, they claim, it is politically counterproductive to have a multilateral strategic embargo directed against the U.S.S.R. More specifically the French regard the whole CoCom procedure as overly burdensome with far too many detailed technical discussions. The general French preference would be to change the system and make CoCom a loosely structured framework organization with general guidelines, avoiding case-by-case discussions of specific license requests. This would give the individual members of CoCom more autonomy within the organization and make it more acceptable. As one spokesman said, "We want to be able to judge for ourselves about how to protect France from the Russians.

Like the Germans, French officials are concerned about how CoCom will deal with China in the future, but in general the U.S.S.R. is a more important market for France than is China. There was some criticism of Britain's eagerness to sell "defensive" Harrier jets to China, since the difference between offensive and defensive planes was considered to be academic. There was a general feeling that it would be counterproductive to give China special treatment in CoCom, because this would make a mockery of the security interests that the organization is supposed to protect.

Most French officials feel that there is a large element of commercial rivalry that influences CoCom decisions. As one spokesman put it, "When the real interests of a country are concerned, CoCom doesn't matter." While other CoCom members cite France as the most frequent violator of CoCom regulations, French officials deny this charge and claim that other countries find ways of avoiding CoCom regulations—especially Great Britain. In addition, according to some French spokesmen, American multinational corporations use their subsidiaries in Europe to produce goods that are exported to Communist nations with European credit support and are not affected by the more stringent American national export controls.

Since much French technology is of American origin, French corporations are often dependent on American reexport licenses. A frequent complaint is that U.S. corporations have a double advantage—they can avoid American credit restrictions by exporting through European subsidiaries, while the U.S. Government can delay French exports through the reexport license system, thereby giving American corporations a competitive edge. Moreover, a Soviet predisposition towards American technology is thought to enhance the lead of U.S. firms. In light of these perceptions, it is perhaps surprising that there was so much French criticism of President Carter's initial decision to deny Sperry-Univac an export license for the Tass computer. The French, after all, profited from this decision when the contract eventually went to a French firm.

Some officials also claim that CoCom can be used by those whose products are less highly developed to prevent other members from gaining commercial leads. For instance, if Japan has a monopoly on a state-of-the-art piece of technology and wants to export it, another CoCom member may object to granting the Japanese CoCom permission to export the product. When that country itself has developed the technology, however, it may reverse its position. Thus the French feel that there is much hypocrisy in CoCom: "If I do not have what you have, I shall prevent you from selling it until I acquire the product too."
Finally, the French agree that commercial rivalry can be one of the best guarantees against exporting the most sophisticated technology to the U.S.S.R., and a more effective deterrent than CoCom. The threat of potential competition is a built-in economic incentive for corporations to guard against selling the U.S.S.R. the latest technology, and will cause them to carefully watch companies in other countries. There is therefore a self-regulating international mechanism based on commercial interest, which can detect violations of CoCom regulations. However, the motives for this vigilance are purely commercial; French corporations are not generally concerned about the security aspects of technology exports.

According to all those interviewed, the opinions expressed here represent the current consensus of interested parties, and a new government, whether leftist or rightist, would not implement fundamentally different policies with regard to the transfer of technology to Communist countries. The desire to secure French jobs through exports and to maintain good relations with Communist nations is shared by all elements of the political spectrum.

**JAPAN**

Japan has historically evinced a willingness to adhere to CoCom and to incorporate the CoCom list of embargoed goods into its own list of licensed exports. This policy can be traced in part to the forces that propelled Japan into CoCom at the outset. The role of U.S. aid in Japanese postwar economic recovery, the importance of the American political and military “umbrella” for Japanese security, and the psychological dependence bred by the trauma of wartime defeat left their impression on successive Japanese Governments until well into the 1960’s. Each followed the American lead in basic matters of foreign policy, sometimes under other pressure, sometimes not. Such factors were reinforced by legitimate security concerns on the part of the Japanese, given the absence of a peace treaty with the Soviet Union; ongoing political disputes with the U.S.S.R. over the Northern Territories and fishing grounds; and relations with the PRC, which were erratic at best.

But it is by no means certain that Japan will continue to accept CoCom constraints on its trade with the U.S.S.R. and China. The expansion of trade with both the Soviet Union and the PRC since 1968, the Nixon “shocks” of 1972, and the diplomatic rapprochement with China in 1978, have probably weakened many of the forces that led Japan to initially adhere to the CoCom system.

Another important consideration is the strong Japanese “policy sentiment” against exporting arms, nuclear weapons, or anything of obvious military significance. Such sentiments, rooted as they are in the postwar psychology of leaders and masses alike, are reinforced continually by eminently pragmatic considerations. The Asian nations, which in 1977 accounted for fully one-third of Japan’s export market and over one-half of its sources of imported commodities, would react economically as well as politically to any signs of revived Japanese militarism or other elements of a “Greater East Asia Co-Prosperity Sphere.” The point here is simply that CoCom or no, Japan probably cannot afford to export obviously militarily relevant products. Further, the “unilateral” controls imposed on any export mix by the characteristics of Japan’s own history may mitigate whatever opposition to CoCom restrictions of exports otherwise exists.

A case can also be made that CoCom is useful to Japan in a variety of ways that have little to do with U.S. perceptions of security. It fits well with Japan’s efforts to develop a policy of “even-handedness” in dealing with its two powerful Communist neighbors. In the event of pressure from either (more likely from the Chinese) for Japan to sell ships, aircraft, or machinery with clear strategic significance, the CoCom list provides a handy rationale for a refusal.

Second, the Japansese still have genuine policy interests that lead them to tread warli-
ly so far as the Soviet Union is concerned. If anything, to judge from Prime Minister Ohira's statements on the eve of his visit to the United States in May 1979, political concern over the U.S.S.R. military posture in the Far East is becoming increasingly pronounced among the Japanese leadership. The Northern Territories have taken on increasing strategic as well as economic importance in the eyes of both parties to the dispute. Thus, despite their principled refusal to use trade for political leverage, successive Japanese Governments have resisted the kind of long-term trade commitments that the Soviets have been urging on them. Further, according to Soviet sources, the Japanese have been dragging their heels in implementing an intergovernmental agreement on scientific and technical exchanges. The agreement was signed in 1974, but no timely steps were taken to implement it.

In the last resort, CoCom arrangements may be maintained, primarily because there is no effective domestic political coalition pushing for their elimination. The historically pro-Soviet stance of the Japanese Communist Party is now balanced by the anti-Soviet posture of the Japanese Socialists, and Japan's enormous quasi-public corporations present a consensual front regarding trade policy—at least as far as can be detected by the outsider. There is no Japanese equivalent of the public debate on East-West technology transfer that has occurred in the United States.

But other factors may be at work undermining the CoCom consensus from the Japanese perspective. Japan's economic recovery has generated new areas of economic competition between itself and other Western nations, especially in areas where U.S. goods and technology have been predominant (e.g., large computers). It is possible that the Japanese will be increasingly disposed to interpret American behavior in CoCom as motivated more by economic considerations (i.e., preserving U.S. markets in the East) than by intelligible security-strategic calculations. Meanwhile, growing Western protectionism against Japanese goods and import restrictions now arising in Western Europe may render the Communist bloc increasingly important as a market for Japanese exports.

In terms of domestic economic forces, the depressed state of Japan's shipbuilding industry may have already inclined certain Japanese firms to push for a relatively more liberal approach on the part of the Japanese Government towards the export of vessels with possible military application. Japanese firms as a whole have made a major contribution to the aggregate of the Soviet merchant fleet, as well as contributing to increases in the mean size of its vessels (one indicator of a successful modernization program). As American naval strategists have frequently noted, a major ingredient in Soviet strategic thinking in the area of naval warfare is provision for rapid conversion of its merchant marine to military purposes. Under such circumstances, controversies over naval exports may become more frequent.

Such factors, when combined with a diminished American presence in Asia (the return of Okinawa, the withdrawal from South Vietnam, the reduction of the military presence in South Korea) and Japanese rapprochement with the Chinese may sooner or later yield a situation in which traditional American arguments regarding the need for bolstering security arrangements against Communist States in all areas, including trade, will ring with decreasing conviction on Japanese ears. At the same time, growing Japanese self-reliance in defense matters may engender an increased R&D effort to develop a homegrown weapons technology and an adequate production base. Western experience in this area has shown that under such circumstances the impulse to recoup investments through the sale of related products, abroad as well as at home, subsequently becomes quite strong. How compatible this impulse might be with CoCom restrictions remains to be seen.

All the same, it is far too early to speculate that the balance will shift decisively in the direction just described. A number of countervailing factors still operate and their com-
Combined impetus promises to maintain the CoCom arrangements, including Japanese participation, intact. Whether or not such forces are adequate to sustain any U.S. attempts to formalize the consensus is a separate question. The first such factor is the comparatively small proportion of Japanese trade with the Communist countries. Although the absolute amount has been growing steadily, the percentages have remained generally stable at a low level (see chapter IX).

In sum, the future of the Japanese position on the subject of export controls, while laced with a number of uncertainties and contradictions, still shows no firm evidence of a collision course with American policy as it stands today. By the same token, there appears to be little or no sympathy for the idea of tighter controls over either end products or technology.

THE FUTURE OF COCOM

Any assessment of CoCom must acknowledge its surprising longevity. Despite its informal status and the increasingly divergent interests of its members, it has functioned—and functioned with reasonable success—for nearly 30 years. If many nations regard the continuance of CoCom with little enthusiasm, there at least appears to be similarly little enthusiasm for its dismemberment. In the face of the military risks that might accompany its disappearance, CoCom is tolerated.

But it is undeniably the predominant U.S. interest in CoCom that holds it together, and it has become an increasingly controversial organization in the last decade, its purpose and methods questioned. The preceding discussion has explored some of the important issues and strains within CoCom. It is useful to summarize the current state of debate within the organization in order to consider the directions it may take in the future.

Japan, Germany and, with more ambivalence, France continue to accept CoCom as a necessary and useful organization for the control of military exports to Communist nations. Even if there were no CoCom, they would restrict armament exports for national security reasons.

On the question of nonmilitary technologies, however, there is more skepticism about U.S. motivation and the efficacy of CoCom. None of the foreign countries investigated has an explicit technology transfer policy toward Communist nations; in none is East-West technology transfer a matter of public debate. There is a general feeling that no Western country has a monopoly on any form of technology; there are always alternative suppliers for Communist nations. Officials in each country argue that if they are not allowed to sell a technology to the U.S.S.R., it will purchase the equivalent elsewhere. Furthermore, given the lack of a coordinated Western technology transfer policy, the perceived impossibility of arriving at a general agreement in the West on which nonmilitary technologies should be controlled, and CoCom's inability to invoke sanctions against violators, the overall inclination is to export most nonmilitary technologies to the East.

This, according to U.S. businessmen, is the point at which official U.S. policy diverges from that of its allies—to the detriment of the interests of the U.S. economy. The United States has always maintained a wider interpretation than its allies of military significance, and has at times attempted to control a large range of items...
because of what might seem very indirect military implications. (For a complete discussion of the gamut of military relevance, see chapter V.) So long as these differences continue, U.S. firms will be prohibited from exporting items that, in Europe or Japan, would raise no national security problems.

Further, most European officials agree that there is no satisfactory all-purpose definition of technology that can be applied to export controls in a realistic operational way. U.S. attempts to shift the emphasis of control from end products to design and manufacturing know-how have led other CoCom members to object that their Governments lack the legislative authority to control the sale of “know-how,” as opposed to equipment. The general view is that one cannot separate technology from the product and that attempting to switch from end product to technology control will aggravate CoCom’s problem.

Some businessmen in Europe remain skeptical about the value of the end-use statements and safeguards demanded by CoCom. It is difficult to take action against a Communist end user who violates the signed consignee statement, and even harder to detect possible diversions of equipment from civil to military use. Many businessmen would prefer a less elaborate system with fewer safeguard obligations. An American official discussing these problems admitted that end-use statements may have limited effectiveness, but said “it makes us feel good” to receive the signed end-use letters. Moreover, there is a general agreement that there are various ways for corporations to evade CoCom through American multinational subsidiaries in Europe and through third countries, although it is obviously impossible to fully document these evasions.

Both the Europeans and Americans accuse each other of hypocrisy in CoCom. The Europeans claim that, on the one hand, the United States upbraids them for not being vigilant enough in their export control, for being too crassly commercial, and for not considering political factors enough in their export policies; on the other hand, America, which possesses the most advanced technology, submits more exception applications to CoCom than any other country. Moreover, cases such as that of the TASS computer inevitably lead to charges of U.S. commercial motivation in first holding up an export license and then granting it after corporations in other countries have been deterred from pursuing it. American officials point out that while the Europeans criticize the United States for its overly political attitude towards East-West technology transfer, they profit commercially from its more restrictive East-West trade policy by securing orders that might otherwise have gone to U.S. firms.

The skepticism about the degree to which one can or should control the transfer of technology to Communist nations is reinforced by other lingering suspicions of American motivation in Western Europe. A brief discussion of two separate cases—the 1962-63 North Atlantic Treaty Organization (NATO) pipe embargo and a West German nuclear powerplant deal—highlights these concerns.

In November 1962, the United States attempted to impede the completion of the Friendship oil pipeline from the U.S.S.R. to Eastern Europe by preventing its allies from exporting large-diameter steel pipe to the Soviet bloc. The pipe embargo order was passed in NATO because the United States knew that the British would not agree to it in CoCom. Several instructive points emerged from this attempt to prevent export to the U.S.S.R. Washington was able to prevail on the West German Government to force several German corporations to cancel already concluded deals for the sale of pipe. This naturally caused an outcry in the German business community. However, since the United States did not have as much political leverage over its other allies as it did over Bonn, it was unable to prevent Great Britain, Italy, or Japan (which, of course, was not in NATO) from selling similar pipe to the U.S.S.R. Britain, in particular, chose to ig-
n the NATO directive. Ultimately, not only did the U.S.S.R. find alternative sources of supply for pipe, but the embargo induced it to step up the development of its own pipemaking capacity. The completion of the Friendship pipeline was delayed by only a year as a result of the embargo. Moreover, there was a strong suspicion in most European capitals that the real American motivation for the embargo was not fear of enhancing Soviet military capabilities, but rather the wariness of U.S. oil companies about the U.S.S.R. dumping cheap oil on the West European market. Whatever the truth of this allegation, and it may well have been utterly unfounded, it made a powerful argument. The net result of the pipe embargo was damage to U.S.-West European relations and only a marginal effect on the Soviet ability to complete an oil pipeline that supplied Red Army troops in Eastern Europe.

The pipe embargo has not been forgotten in Western Europe and the issues it raised remain important to the perceptions of Western Europeans of the utility of export controls and of the U.S. role in them. The basic themes that recur are the suspected hypocrisy of the United States, its overzealousness in enforcing stricter controls than necessary, and the basic ineffectiveness of such controls in preventing the acquisition of technology or technical capacity in the Communist bloc.

Similar issues resurfaced in 1973, when West Germany and the U.S.S.R. settled the economic aspects of a major project in which the West German Kraftwerkunion would build a $600 million, 12,000 megawatt nuclear powerplant in Kaliningrad. The Soviets undertook to supply West Germany with electric current from this plant. Both the United States and Britain raised objections to the deal in CoCom in January 1975, claiming that the issue at stake was inspection of nuclear facilities by the International Atomic Energy Agency: the Soviets had never agreed to onsite inspections as part of the nuclear nonproliferation treaty. The United States also raised doubts about the security aspects of selling nuclear technology to the U.S.S.R. West Germany, however, claimed that the Soviets already possessed nuclear power technology. The situation was complicated because West Germany imports enriched uranium from the United States, and it feared that Washington might embargo exports of uranium to West Germany as a means of preventing the deal.

In March 1976, the West German Government announced that the Kaliningrad project had been abandoned because of insuperable difficulties. The ostensible reason was the failure of West Germany and the U.S.S.R. to agree over electricity supplies from the plant to West Berlin. However, there was much speculation that the real reason for the cancellation of the deal was American objections in CoCom. Moreover—and here similarities to the 1962 pipe embargo case are clear—there was speculation that the real reason for U.S. objection was not fear of enhancing Soviet nuclear capabilities, but commercial rivalry. Westinghouse had outbid the German Kraftwerkunion (jointly owned by Siemens and AEG-Telefunken) in reactor sales to Spain and Yugoslavia, and was reportedly also interested in the Soviet deal. It is equally obvious, of course, that if CoCom prevented the sale, Westinghouse stood less chance of selling nuclear reactors to the U.S.S.R. in the future. Nevertheless, whatever the truth of the matter, it is significant that American motives in CoCom were still perceived as dominated by an interest in controlling commercial competition rather than retarding Soviet technological development and protecting Western security. Some have even argued that the CoCom procedure consti-
 constitutes a forum for intra-Western commercial espionage by providing market opportunity information.

These charges may have been politically motivated and entirely unfounded. It is significant, however, that U.S. behavior has permitted this kind of interpretation, although recently Europeans seem increasingly willing to attribute U.S. recalcitrance and delays to the complex and time-consuming U.S. export control procedures rather than to sinister commercial reasons. This may or may not be regarded as a positive step in U.S. relations with its CoCom partners.

In a larger context, many European officials question the utility of embargoes in general, and of the CoCom embargo in particular. Some argue that the most effective embargo against the U.S.S.R. would be an embargo of wheat as opposed to technology. The Soviets cannot produce wheat if there is a bad harvest, but they can always manufacture equipment, however primitive. Disagreements about the effectiveness of embargoes depend not only on one's evaluation of the U.S.S.R. ability to absorb and diffuse technology (see chapters IV and X). They once again invoke the problem of defining national security and determining how directly useful to the military sector a technology must be before it is considered "significant." In addition, some argue that, were it not for CoCom, the U.S.S.R. today would be a more formidable antagonist militarily, and that it has made most of its technological breakthroughs by obtaining Western technologies. A counterargument holds that it is better to create interdependencies through the export of technology to the U.S.S.R. than to force it to become more technologically self-sufficient through a strategic embargo. According to this view, technology transfer to the East is a factor for stability to be balanced against the potentially destabilizing economic effects of a continued complementary trade structure between East and West.

If there were no CoCom, would things be different? In Europe and Japan, the general answer appears to be "yes, but not much." Government officials in West Germany, France, and Japan insist that they would have their own national controls on the export of military technology. Granted, the absence of multinational controls might mean that some military hardware would leak through to the Communist countries. In addition, European governments would probably lessen controls on industrial exports that contain dual-use technology. Most important, the value of regular and continuous channels of communication between exporting nations would be lost. However, given the problems of trading with Communist nations and their lack of suitable exports to pay for Western imports, the economic limits to East-West trade would act as a barrier to any great increase in technology exports to Communist nations (see chapter III). Businessmen in all countries agree with this assessment. Even if export restrictions were removed, they say, the problems of selling to the U.S.S.R. would limit the amount of technology exported. One computer executive gave as an example of this problem a Soviet offer to have his firm build a computer in Sverdlovsk. Even if there was no CoCom, he claims, the logistical problems of dealing with the Soviet bureaucracy and installing machines in the provinces would deter him. Thus, there are economic deterrents to East-West technology transfer that exist regardless of the political environment.

In sum, so long as the Soviet Union is perceived as presenting a threat to Western security, there will be general agreement in Western Europe about the need to embargo exports of directly military technology. However, the question of the transfer of
dual-use technology may become more controversial. The crucial issue to the future of controlling technology for national security purposes will therefore center on the question of the ultimate contribution of such technologies to Communist military and strategic capabilities. It appears that America is at present more seriously concerned than its CoCom allies over this problem. Certainly, the German approach to detente is somewhat different from that of the United States, as the recent U.S.-West German disagreements at the Belgrade followup to the Conference on Security and Cooperation in Europe showed. In the current international climate, exports of technology are seen as good business in West Germany, beneficial to the economy, and helpful to West German foreign policy inasmuch as they promote a better atmosphere in relations with Communist nations. They are not portrayed as a potential threat to national security; indeed uncertain U.S. leadership is perceived by some as a greater security danger than the transfer of technology. The French and Japanese take a similar view, and go even further in divorcing technology transfer from political considerations. The fact remains, however, that CoCom has remained a viable, albeit imperfect, institution for some 30 years, weathering disagreements among its members over both practice and policy. The United States may continue to depart from its partners, but in the absence of attempts to drastically alter the organization or of events that dramatically affect allied foreign policy, there is little reason to expect much change in CoCom—if it is unlikely to adopt more stringent restrictions, so too is it unlikely to disappear.