throughout the world, the small and medium sized European countries have only limited possibilities of influence on the development of the strategic situation on a global scale. However, also under the present circumstances they have certain possibilities which are far from negligible. Their suitable activity, their more initiative action in the strategic political "inter-field" might contribute considerably to the strengthening of all-European security.

The only realistic way toward all-European security is thus based on respecting the existing state of affairs. This state in Europe is primarily characterized by the existence of various social systems, two military and political groupings, and two German States. At the same time it is necessary to observe strictly the basic principles of peaceful co-existence, especially the principle of respecting the sovereignty and territorial integrity of every courty and the principle of non-intervention in internal affairs.

In solving the tasks of European security it appears desiderable to concentrate attention particularly on the following points:

1. To avoid everything which would sharpen or further complicate the contemporary situation in Europe.

2. To develop relations between European countries regardless of different social systems.

3. To strive for agreements in the sphere of partial security measures.

4. To elucidate ideas for a permanent securing of European security and peaceful co-operation.

Europe should not continue to hesitate. It is time to develop a constructive policy on an all-European scale. This is in the interest of all European countries.

THE FEDERAL REPUBLIC OF GERMANY AND THE WESTERN ALLIANCE AT THE TIME OF THE BERLIN CRISIS

BOŘIVOJ ŠVARC

The renewal of the strategic independence of the Federal Republic of Germany comparable with the position of power of the German Reich is — at least in the next ten to twenty years — unrealizable. The creation of a developed autarchy military system encounters not only political but also economic and other impediments. It is, therefore, fully possible to judge the possibilities of West German policy only by judging the possibilities of the Western Alliance and the extent to which it is identical with the basic interests of the West German ruling elite.

The Western powers although they have declared their support of the basic theses of West German policy many a time (re-unification, eastern borders, etc.) they have never supported it without reserves. They have become familiarized with the agreeable aspect of a divided Germany although they have protested against it. They were not interested in the military and political equality of the Federal Republic of Germany in the Alliance. The variance between the interests of the Alliance and the interests of West Germany quite expressively appeared in the course of the Berlin crisis, especially around August 13, 1961. At that time, in the shadow of a threat of a nuclear conflict, the reaction of the parties concerned corresponded most to their vital interests and it, therefore, offered an exceptionally valuable testimony to the objective relations of the Alliance to the Federal Republic of Germany.

The alteration in the military ratio of forces by the end of the fifties and the renewal of equilibrium on a qualitatively higher level have increased the United States' interest in modus vivendi with the Soviet Union. The Federal Republic of Germany seeks to escape from this zone of danger, among other things, by increasin its pressure on the German Democratic Republic, especially by means of Wes Berlin. With the ever more delicate strategic situation of the Western allies in West Berlin and with the overall ratio between strategic forces, the West German policy in Berlin is getting into conflict with the American policy which is not interested in being tied down in West Berlin and which, on the contrary, seeks ways how to proceed from the defensive to a more flexible policy.

The late American President Kennedy stood, after the Vienna meeting in June 1961,

against Soviet appeals for a solution of the question of West Berlin and demonstrated the military preparedness of the United States. However, he reconciled himself with the measures taken by the Government of the German Democratic Republic on August 13, 1861. He reconciled himself with these measures in spite of the fact that these measures expressively limited the possibilities of the Federal Republic of Germany to instigate the economic and political disintegration of the German Democratic Republic and in spite of the fact that they confirmed the sovereignty of the German Democratic Republic. The United States takes no measures to liquidate the Berlin wall, but it takes

steps to freeze the Berlin problem.

Informative negotiations between the USA and the USSR led to no result. The United States does not show any willingness for far-reaching concessions to the Soviet Union and, in spite of it, it has been continuously attacked in the Federal Republic of Germany. It can be deduced from parallel negotiations on NATO nuclear armaments (Paris, Athens) and their results as well as from further development of the NATO nuclear crisis that the ruling circles in the Federal Republic of Germany apprehended that the topic of negotiations between the United States and the USSR was not only the question of Berlin, but also the question of nuclear armaments of the Federal Republic of Germany. Thus in the course of the Berlin crisis they were able to persuade themselves that the Western Powers did nothing to keep open the border with the German Democratic Republic and thus to maintain hopes of an internal disintegration of the socialist regime in the German Democratic Republic and that they even continue to reckon with the military inequality of the Federal Republic of Germany and that they make it an object of international compromises of a greater extent.

An assement of these aspects of the relations of Western Alliance and of the Federal Republic of Germany from 1961 to 1962 is of exceptional importance for understanding the ensuing stage of French-West German relations, the disputes between so-called "Atlantists" and "Gaullists", for understanding Schroeder-Erhard eastern policy and for analyzing the possible development of West German policy at the present stage of the NATO crisis.

INFLUENCE OF AMERICAN CAPITAL ON THE PROCESS OF REPRODUCTION IN WEST EUROPEAN COUNTRIES

MIROSLAV NIKL

The foreign investments became an organic part of overall long-term strategic interests of the given monopoly group or of the given state in connection with the new method of internationalization of capital in the form of penetration of the production machinery of certain national monopolies into the economy of other countries. Under such circumstances, the motives of foreign investments consist in the fact that foreign investments are a part of overall strategy and not only of economic strategy.

The present stage of US economic expansion abroad is at the same time characterized by a transfer of the core of foreign investmens into advanced West European countries where the processes of integration have no doubt played their role.

From the standpoint of the influence of US capital on the reproduction process of West European countries, the state exports of capital from the United States had primarily an influence in the period of European postwar recovery. As to the influence of exports of private US capital, the penetration of the production machinery of the American monopolies into the national economies of West European countries became typical along with the predominance of direct investments. These investments involve the key and most prospective branches of the national economies. The specific features of US capital investments in the individual West European countries are connected with the specific features of the structure of the national economies of the countries in question.

The analysis of the influence on the technical progres is one of the most important problems in evaluating the influence of US capital on the process of reproduction. This influence is considerable and is connected with the circumstance that American capital is concentrated in the most prospective and thus technically most prosperous branches.