

The Forbidden City

EDMOND TAYLOR

WEST BERLIN
IF THERE IS one lesson to be drawn from the latest Moscow decision on Berlin," *Le Monde* wrote after the Soviets abolished their military command in the eastern sector of the city, "it is the urgent need for the western powers to cease standing motionless on positions that are being undermined a little more every day. It is high time they regain the initiative. They should reply to the latest Soviet proposals with counter-proposals which take into account the new realities of the situation—and not only those favorable to Moscow." Even the *Times* of London advised supplementing diplomacy at the next emergency along the Berlin wall with "first aid squads, smoke grenades, and brisk bursts of covering fire."

Quotations of this nature—they could easily be multiplied—reflect a growing conviction on this side of the Atlantic that western policymak-

ers should take greater account of the real elements of strength inherent in our seemingly precarious foothold in Berlin.

The key factor in the developing Berlin crisis today is the steady worsening of the politico-economic situation in East Germany. George Bailey's *Reporter* articles over the last two years demonstrate that this is not exactly a "new reality," but the German Democratic Republic's continuing economic decline during the past twelve months has a special significance.

WHEN the Berlin wall started to go up on August 13, 1961, it not only stopped the flow of refugees that was draining away the very substance of East Germany but dealt a blow to West German morale that many feared might prove fatal. The immediate effect was to heighten Walter Ulbricht's prestige inside the East German Communist Party, to

consolidate the shaky authority of the state, and to make a number of East Germans resign themselves to living indefinitely in a vast concentration camp. Eventually, however, the Berlin wall turned into a grave political liability. This spring, meat and potatoes, which in recent years had been freely available, were put back on the East German ration list. Shortly afterward Bruno Leuschner, East German deputy president for economic questions, glumly announced that in the first five months of 1962 meat production had fallen 34,200 tons short of the figure for the first four months of the previous year. Butter was down 237,000 tons over the shorter period last year, while the production of eggs dropped off by no less than 210 million units.

"You see," one American expert explained to me, "Ulbricht used to be able to blame all the East Zone's economic difficulties on the mass exodus of East German workers and

specialists through West Berlin. By plugging the Berlin escape hatch he has deprived himself of his best alibi for failure just when he needed it the most. Economic conditions have gotten much worse in East Germany, especially in the last few weeks, mainly as a result of the farm crisis that prevails throughout the Communist world. It is particularly noticeable in East Germany, where the determined enforcement of collectivization is quite recent and is proving even more disastrous than elsewhere. The result is that the party cadres are demoralized and Ulbricht's prestige has fallen close to zero in the minds of his own henchmen."

MY INFORMANT was particularly well placed to discern current political and psychological trends behind the wall. He was Robert Lochner, director of RIAS, the U.S. government-controlled radio and TV station in West Berlin, which over the years has established a unique relationship with its millions of listeners in the East Zone. The eight hundred or more letters that RIAS gets every month from East Germany, despite tightened censorship and police terrorism since the wall went up, are in themselves an indication of the continuing disaffection of the East German masses. And as Lochner pointed out, the fact that some two hundred of these letters are blatantly addressed to RIAS and mailed directly from postboxes in East Berlin or the East Zone suggests that there are singularly few party fanatics among East German postal employees.

"The fact is," Lochner said, "the East Germans, contrary to what was expected when the wall went up, are not trying to accommodate them-

selves to the régime. Anti-régime feeling grows steadily in the East Zone. One illustration of this is the extraordinarily high percentage of Vopos, the East German police, among the defectors who succeed in making it across the wall. Few of them are particularly sensitive or intelligent young men, but they are human after all, and they become demoralized by the hate that surrounds them, especially when they visit their home towns. I like to think our special programs for the Vopos encourage a few defections, but the decisive influence is the folks back home. "The girls won't dance with us—that's the reason most often cited by the young Vopos who come across to explain why they risked their lives."

Among the 12,300 East Germans who escaped to the West since the construction of the wall, approximately 1,000 were Vopos, and the percentage of military or militia defections seems to be rising. It was also considered highly significant that forty-one of the five-hundred-man hand-picked East German delegation to the Communist-sponsored World Youth Festival in Helsinki last month defected to the West.

'What Is There to Discuss?'

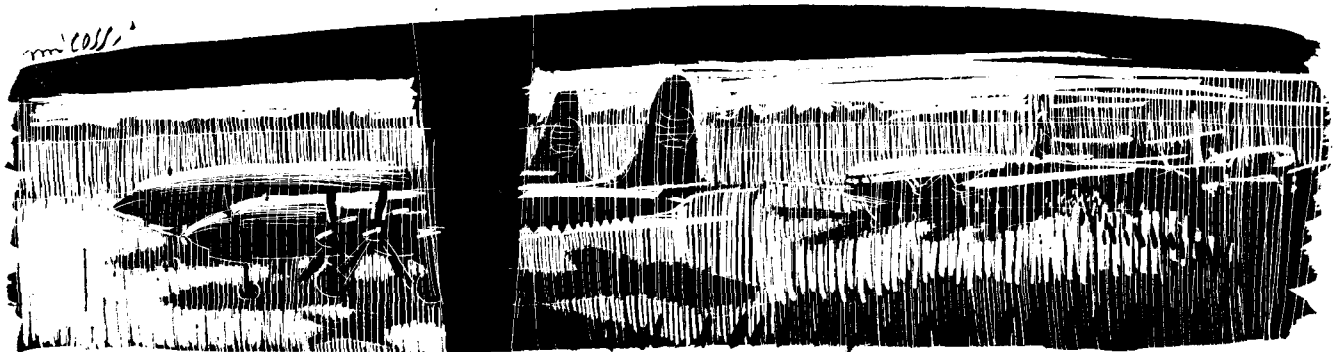
Few if any of the American or European specialists on East Germany believe that a revolutionary collapse of the Ulbricht régime will occur spontaneously or in the near future. But the predominant view is that the seemingly incurable wasting disease that afflicts the country worries Khrushchev more than the danger of a mass uprising like the one in Hungary. The worse conditions get, the more Khrushchev will have to worry about and, presumably, the more anxious he will become to

eliminate at least the external strains upon the Democratic Republic.

The French are particularly anxious to avoid negotiating within such a narrow frame of reference that discussion will be limited to how much the West is willing to give up. "What is there to discuss," asked Foreign Minister Maurice Couve de Murville during a press conference in Oslo, "if the only question is whether or not western troops are going to stay in Berlin? In our view, what is needed is a discussion of the Berlin problem in its whole context among the four big powers—America, Britain, France, and Russia."

The idea has been widely discussed that it might be advantageous to dangle the prospect of economic relief for East Germany in return for a satisfactory permanent accord on the status of West Berlin. Chancellor Adenauer himself adopted this approach in suggesting informally that the East German trade proposals of last February might be taken into consideration if the Communists would tear down the wall and pledge themselves not to obstruct traffic between West Germany and West Berlin.

But Adenauer's suggestion infuriated the East German authorities, thereby scotching for the time being any chance for liberalizing trade between the two Germanys. When publicized and supported by RIAS, it also infuriated anti-Communist listeners in the East Zone. For some time the station was deluged with indignant letters from East Germany asking whether both RIAS and Dr. Adenauer had not gone out of their minds in thus proposing to prop up Ulbricht when his hold was slipping. Most realistic French and German observers consider that the minimal political basis for any durable accord on Ber-



lin other than a straight western capitulation implies what Franz Thedieck, state secretary of the West German Ministry of All-German Affairs, in a recent press statement termed "a decisive change in political condi-



tions" in East Germany and East Berlin. Thedieck presumably had in mind the elimination of Ulbricht as well as Ulbricht's wall and the belated de-Stalinization of East Germany—something that Khrushchev should be interested in.

The fundamental issue underlying any solution to the Berlin problem is the capacity of the East German régime to become less cruel toward its subjects. Obviously the questions of western access to West Berlin and of permanent guaranties for the city's freedom must be settled, and no doubt any settlement will imply some measure of western recognition of the German Democratic Republic in return; but unless the pressures on the East German régime are reduced from within as well as from without, no purely diplomatic formula can permanently relieve the tension.

Boom Town

In sealing off their sector of the city, the Communists hoped that West Berlin would wither away. But far from withering, West Berlin is blooming more vigorously than ever. The chatter of pneumatic drills is the basic rhythm of West Berlin as in Manhattan—the clatter of a city growing so fast it has little time to sleep. Economically West Berlin continues to

grow at a faster rate than even West Germany. Despite an acute manpower shortage since the wall cut off the commuting labor force from the east, West Berlin increased its sales to West Germany during the first six months of this year by five per cent over the same period last year. Production of consumer goods increased by seven per cent, and iron and steel products by eighteen per cent.

East Berliners can watch the forbidden city of their dreams grow before their eyes. As long as this remains true, nothing will ever resign them to their fate. The unsettling impact of West Berlin's continued prosperity and dynamism on the East Berlin population is projected deep into the heart of East Germany by the West Berlin radio and TV stations, especially RIAS. Owing to the heavy concentration of population in the Berlin metropolitan area, RIAS television programs reach the screens of a substantial percentage of the East German families. The Berlin area is the only spot behind the Iron Curtain where western TV programs are watched daily by hundreds of thousands. Unless RIAS is forbidden to transmit any image of social, political, or economic life in West Berlin, these images will be picked up behind the wall and will continue to have a profound effect on those who see them.

To save East Germany, Khrushchev must insist on strangling West Berlin—otherwise he will have to fire Ulbricht and so soften the régime that the wall can be torn down without starting a new mass exodus. If the West were to acquiesce to the strangling of West Berlin, it could turn the city into a new Budapest—which would be a good way to lose a war but not necessarily to avoid one.

The Death of a Boy

Riotous crowds were surging around the Tempelhof Airfield when I flew into West Berlin. The demonstrations after a young man trying to escape from the east was shot down within a few feet of his goal and allowed to die there were undoubtedly marked by traces of hysterical emotionalism born of frustration, by cynical calculation on the part of some minority political elements, and above all by the emergence for the first time in many years of an anti-

western nationalist neutralism that recalls certain neo-Nazi trends in the early 1950's.

The most satisfactory formulation of this basically irresponsible viewpoint was furnished by an editorial comment on the riots in the *Berliner Montags-Echo*. "It takes a lot of arrogance and ignorance," the paper said, "to overlook what a dangerous psychological change is under way in Berlin these days. Unrest and distrust are growing daily. German-American Volkfests are no substitute for the Berliner's fading confidence in the Kennedy administration." The tone of the editorial was all the more significant because the *Montags-Echo* is affiliated with the nationalistic Free German Party, which is showing itself an increasingly restive member of the Bonn government coalition. Despite all such ominous undercurrents, level-headed eyewitnesses of the disturbances feel that they represented in the main a healthy reaction on the part of the Berlin masses against recent errors of western leadership—to a considerable degree the local leadership.

As the *Kölnische Rundschau* put it, the Berlin demonstrations might not have gotten so badly out of hand if responsible authorities in the city had taken the people more into their confidence. Even Mayor Willy Brandt, usually so sensitive to the mood of West Berlin, seems, under



heavy allied pressure, to have erred in trying to discourage any public commemoration protests, however restrained, on the August 13 anniversary of the wall. This psychological blunder set off the disorders, but failures of leadership and judgment on the part of U.S. representatives in Berlin, both military and civilian, were mainly to blame for

the ugly turn they eventually took.

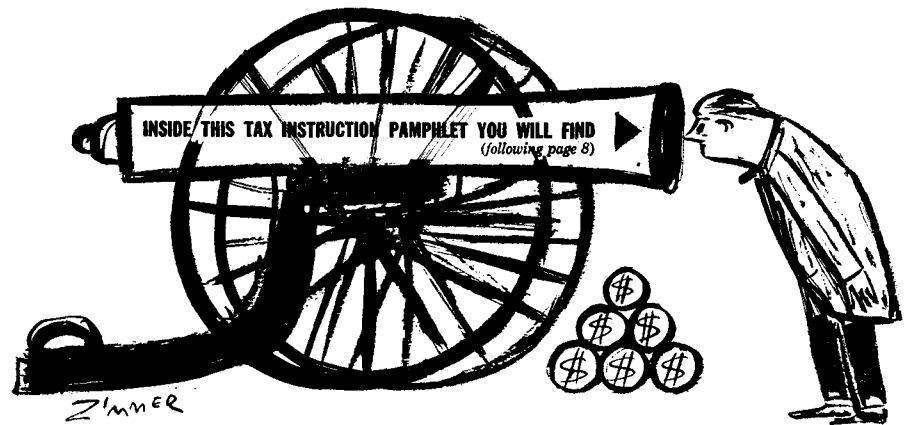
In the minds of thousands of Berliners, it was not an eighteen-year-old East German who lay bleeding to death as the U.S. Army looked on. It was "new evidence of how we can rely on the Americans," said a letter from a reader to the *Bildzeitung* that put into words the emotional reaction to the incident throughout much of Western Europe. "How long will it last until they let us all bleed to death?"

The pro-Christian Democratic *Kurier* argued that "Whoever for humanly understandable reasons gives vent to indignation against the Americans is playing Khrushchev's game without knowing it." But the same editorial continued: "That is one side; the other is a solemn warning to the U.S. that an apparent policy of wait and see includes considerable risks. Harsher measures of the kind taken by General Clay after August 13 [1961] are needed. U.S. policy is challenged and thoroughly tested daily. It is sheer negligence when Washington fails to see this context clearly."

An American who knows Berlin thoroughly put it this way: "I would say that the demonstrations were primarily against certain illusions that Washington had about the Berlin situation. One of the most dangerous was the idea of solving the Berlin problem by making West Berlin into a politically neutral culture city. The West Berliners' rejection of the culture-city concept gives an indication of how difficult it would be to impose on them the substitution of the United Nations for the three-power military occupation that some British and American circles favor. Violent resistance, in which the West Berlin population would undoubtedly be strongly supported by the West German government and people, could be expected if the attempt to impose the U.N. solution were made."

THE West Berliners have made it clear that they refuse to become political eunuchs no matter how pampered. What they want from Washington is not more theaters or art galleries but a firmer, clearer political will. And like all the rest of free Europe, they want to have a voice in determining their own destiny.

AT HOME & ABROAD



The Day Taxes Weren't Cut

BERNARD D. NOSSITER

WASHINGTON

ECONOMIC HISTORIANS may look back at the summer of 1962 in wonder and disbelief. The U.S. Chamber of Commerce and the AFL-CIO were lobbying for more or less the same goal, an immediate and substantial tax cut that would deliberately increase the budget deficit, and most economists, including those in the President's own entourage, agreed with them. There was, of course, strong disagreement over whose taxes were to be reduced. Labor wanted the cuts in the bottom brackets, to spur consumer spending by the lowest income groups, and it also wanted the cuts made on a temporary basis so that reduced government revenues could not be made an excuse later to choke off Federal spending. The Chamber wanted the cuts concentrated in the upper brackets and in business taxes to stimulate savings and investment, and it wanted the cuts made permanent to act as a clamp on Federal spending and to head off any effort to close tax loopholes, a move that Secretary of the Treasury Douglas Dillon had threatened for next year. Moreover, while organized labor was solidly for a tax cut, the business community was not. Those industrialists who oppose the idea that the government should exercise any influence over the nation's economy were against any action.

Nevertheless, there was a remarkable consensus among the central interest groups and a wide range of less partisan economists that the economy had been more or less stagnant for several years, that the fifth postwar recession could well be around the corner, and that taxes should be cut promptly to provide more funds to stimulate an increase in demand.

At this point, two months after Mr. Kennedy's speech at Yale calling for a fresh discussion of economic affairs free of sterile myths, the President took to the air to close off the debate over an immediate tax cut. He announced, with words and pictures, that the nation really was in pretty good shape; he emphasized that he was a fiscal conservative, wedded to the virtues of a small deficit in the same sort of conventional budget he had decried at New Haven. Finally, he promised that there would be a tax cut for everybody sometime, hopefully next year.

WHAT had caused the President to reach the decision—or perhaps more accurately, the non-decision—he announced on August 13? Among economists if not among politicians, it had been generally agreed that the sooner the tax cut was made, the better off the country would be. Walter Heller, chairman of Mr. Kennedy's own Council of Economic Ad-