The Nixon Administration's Initiatives for the European Community

An Overview and Analysis

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Abstract

This paper aims to argue that the Nixon administration (1969–1974) steadily reviewed U.S. relations with the European Community. With a documentary approach, this paper will show that the Nixon administration's new strategy toward the European Community implied a redefinition of U.S. policy towards European integration. The Nixon administration decided that the U.S. needed to reduce Europe's free riding on the United States and asked the European Community to be more responsible for its own defense. Four initiatives – the Reduction of Costs and Forces in Europe (REDCOSTE), offset agreements with the FRG, the Nixon doctrine, and the new strategy toward NATO – demonstrated the Nixon administration's attempts to carry out a new kind of diplomacy which aimed to look after U.S. national interests and leave the internal evolution of the European integration process to the Europeans.

Keywords: the Nixon administration; REDCOSTE; offset agreements; the Nixon doctrine; NATO; European integration process

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1. Introduction

This paper aims to argue that the Nixon administration (1969–1974) was engaged in a steady review of U.S. relations with the European Community and that this led to a redefining of U.S. policy towards European integration. Utilizing a documentary research approach, the paper has found that U.S. policy changes towards European integration were mainly reflected in the Nixon administration's initiatives to both reduce free riding on the United States, and to build a responsible European Community.

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First, the idea of reducing free riding on the United States was expressed in the Nixon administration's efforts to implement a program for Reduction of Costs in Europe (REDCOSTE) and negotiate agreements with the Federal Republic of Germany (the FRG) to 'offset' the cost of U.S. military presence in Germany. Second, the idea of a responsible European Community was indicated in the Nixon Doctrine and the new strategy toward the North Atlantic Treaty Organization (NATO). Together these initiatives showed that the Nixon administration desired to carry out a new diplomacy which aimed to look after U.S. national interests and leave the internal evolution of the European integration process to the Europeans.

2. Reducing Free Riding: REDCOSTE Program and Offset Agreements

In its first months, the Nixon administration showed its efforts in reviewing U.S. policy towards the European Community. The new President was particularly concerned with the serious deterioration of the nation's trade accounts. His administration sought to solve this problem by conducting the unilateral reduction program REDCOSTE which aimed to tighten logistics and redeploy U.S. miscellaneous support functions in Europe and by negotiating an agreement with the FRG to 'offset' the cost of stationing troops in Germany. In 1969, U.S. military spending overseas was seen by many members of Congress as a significant factor in the balance of payment problems.

On March 26 1969, Robert E. Osgood sent the memorandum 'Briefs for Secretary of State' to Henry Kissinger for review in the Senate Foreign Relations Committee on March 27 1969. This memorandum underscored the need to implement the REDCOSTE program and to negotiate a new offset agreement with the FRG in order to reduce administrative and logistics costs in Europe. Congressional pressures for reducing the U.S. troops which were deploying in Europe had been based on the justification that the United States was overstretched and shouldering a substantial proportion of the collective defense burden in Europe (U.S. Department of State, Office of the Historian 2001a). Congress put forth the argument that the balance of payment problems were caused by maintaining a U.S. military presence in Europe. These Congressional pressures had been demonstrated in Senator Mansfield's Resolution of 1966 and 1967 proposing considerable reductions of U.S. forces overseas (U.S. Department of State, Office of the Historian 2001a). The Soviet Union's invasion of Czechoslovakia had reduced the pressures on Congress to withdraw U.S. troops from Europe, however 'they could well revive if projected European defense contributions are not forthcoming and the offset problem is not resolved' (U.S. Department of State, Office of the Historian 2001a).

2.1 REDCOSTE Program

On May 26, 1969 the Under Secretaries Committee completed its study of the REDCOSTE proposals which aimed to streamline selected headquarters and withdrew some units from

Europe. These REDCOSTE proposals, according to the Committee, took into consideration the Nixon administration's desire to get U.S. European allies to enhance their defense efforts but not to reduce U.S. fighting strength. The Committee proposed to cut down on U.S. personnel and facilities in Spain and Turkey, to reduce activities at Athens International Airport (Greece), to reduce the Southern European Task Force and to withdraw the Army Sergeant Missile Unit from Italy (Richardson 1969).

REDCOSTE implementation was political in nature. In the event that the REDCOSTE program were to be fully implemented, almost ten percent of U.S. forces (a total of 26,000 troops) would be withdrawn from Europe (Hillenbrand 1969). Though many of these reductions would be mainly from non-fighting forces, the withdrawal of some fighting and fighting-support forces would be necessary. Such reduction in scale would make Europeans question U.S. capacity to participate in European defense and U.S. willingness to meet their NATO commitments (Hillenbrand 1969). Especially, Europeans were suspicious of President Nixon's statements on U.S. troops in Europe made in his 8-day visit to Europe in early 1969 (Hillenbrand 1969). Thus, four options for the implementation of REDCOSTE were proposed by the National Security Council (NSC):

1. Halt further implementation of REDCOSTE in place by stopping further reductions (without reversing actions already completed).
2. Proceed only with those REDCOSTE items already agreed to or under discussion with Allies and not consider any further cutbacks for the near term.
3. Proceed with entire REDCOSTE package.
4. Direct State and Defense to examine deferred REDCOSTE items based on additional guidance and make a recommendation on each. (Hillenbrand 1969)

On April 14, 1969 President Nixon made up his mind on how REDCOSTE proposals should be implemented:

> Items previously agreed should proceed. Items agreed in principle but subject to negotiation and items deferred should be examined on a case-by-case basis and we should proceed selectively. The examination should take into account our desire not to undercut our efforts to get our allies to increase their defense efforts as well as our desire not to reduce our combat capability. Those items which are approved should not be presented as a single package and we should avoid any step which would give a signal of any general reduction of U.S. forces. (Kissinger 1969a)

In response to this decision by President Nixon, the Chairman of the National Security Council Under Secretaries Committee (Richardson) sent a report on REDCOSTE to President Nixon on May 26, 1969 which outlined various scenarios for reductions in troop levels, budget savings, balance of payments, and the impact of such reductions on U.S. fighting capacity. Essentially, the National Security Council Under Secretaries Committee recommended that it would be possible to reduce around 27,400 U.S. military personnel, 1,800 U.S. civilians, and 7,100 foreign national personnel (Richardson 1969). This would result in an annual budget savings of $355 million after fiscal year 1972 (Richardson 1969).

The National Security Council Under Secretaries Committee also pointed out that those reductions would not considerably affect U.S. military operations. Eventually, the reductions were approved by President Nixon.

2.2 Offset Agreements

Furthermore, President Nixon sought to establish a new type of agreement with the FRG to compensate for the costs of maintaining U.S. troops in Germany. President Nixon desired to have offset negotiations with the FRG immediately in his first year in office. The April 7, 1969 Memorandum from Assistant Secretary of State for European Affairs, Hillenbrand to State Secretary Rogers clearly stated the U.S. position on the issue of offset negotiations with the FRG. The United States asked for cooperation from the FRG to reduce the costs of maintaining U.S. troops in Germany. Three options were proposed:

1. Push for a 'hard' agreement, seeking offset of foreign exchange losses through military purchases, FRG assumption of local support costs of our troops, and possibly non-military purchases clearly additional to those that would otherwise occur, but excluding measures such as loans and bond purchases.
2. Accept a 'softer' agreement, settling for an offset which included non-military and financial measures as well as military purchases.
3. Replace military offset concept with one of German cooperation on broader international monetary matters. (Hillenbrand 1969)

The domestic situation had showed the Nixon administration that U.S. resources were finite and it could no longer take ever expanding global responsibility. Meanwhile the FRG's economy had become more stable and prosperous (Schildt 2007, Spoerer, Streb 2013). The offset negotiations signaled to the Germans that they would have to shoulder more of the burden for Western Europe as well as their own defense. The Nixon administration made it clear that the United States would never abandon the FRG but it expected the Germans to take more responsibility. Nixon's determination to rearrange troop deployments in the FRG and reduce their accompanying costs showed that the United States wanted to disengage itself from some of its global obligations and commitments in order to solve its own economic problems.

The need to negotiate a new offset agreement with the Germans was indicated in a March 24, 1969 memorandum from C. Fred Bergsten of the National Security Council Staff to Kissinger. U.S. military expenditures in Germany were about $1 billion per year, which in the NSC's view negatively impacted on the U.S. balance of payments. As the U.S. balance of payments was the underlying concern of Congress, the NSC staff recommended to Kissinger that the United States had to seek a 'good agreement' in order to avoid pressure from the Senate for troop withdrawal and the worsening balance of payments deficits. This was embraced by the Treasury, Defense and State people who thought that these problems could be solved by asking Germany 'to spend in the U.S. roughly equivalent amounts of money, linked as closely as possible to military items (purchases of U.S. military equipment,

training of German military personnel in the U.S., support costs for U.S. military expenditures in Germany, etc.)' (Kissinger 1969a).

The Nixon administration idea of 'a good agreement' was that a German offset package would provide additional real support for the U.S. balance of payments. This was what the Nixon administration was really concerned about when it insisted on a new offset agreement with the Germans. The Nixon administration saw that an increased U.S. balance of payments deficit under the current international monetary system would lead to serious economic and foreign policy problems for the United States. The German government had offered a two-year offset package which was likely to offset up to 75% (around $700 million each year) of the cost of U.S. troop presence in Germany (Kissinger 1969a). This would consist of '$350 million of military procurement, about $70 million of non-military procurement, and about $300 million of loans of various types' (Kissinger 1969a). Yet, the Nixon administration was not satisfied with this offer as President Nixon and his administration saw 'no additional balance of payments benefits' from it (Kissinger 1969a). With the aim to connect the new offset agreement with U.S. international monetary policy, the Nixon administration indicated to Bonn that cooperation on monetary policy would have an impact on the U.S. position on the offset agreement. Towards that end, the NSC staff suggested that the United States had better (i) agree with the German offset offer for only one year, (ii) demonstrate to the German government that the United States would not insisted on military offsets if the Germans up-valued their currency which meant cooperating with the United States on international monetary matters (Kissinger 1969a). According to the NSC staff, the Germans might not be willing to up-value their currency, and they only offered military procurement, non-military procurement and loans to the United States. These offers would not help to reduce domestic pressures and the monetary crisis that the Nixon administration was facing. Thus, the United States would adopt a tougher line with the Germans as suggested in the Memorandum: 'We should thus change our offset policy to (a) reduce the political and security problems caused by demands for support costs and (b) to pursue positively our major international monetary objectives' (Kissinger 1969a).

At the April 14 1969 NSC meeting, President Nixon directed the Under Secretaries Committee to make preparations for the United States to embark on offset negotiations and take into consideration the possible effect on the political situation in the Federal Republic of Germany. His decision on a new offset agreement with the Germans affirmed that the Nixon administration desired to proceed with offset negotiations and move them into the wider context of the international monetary system.

> We should proceed with offset negotiations, for this year, taking fully into account their possible impact on the political situation in the Federal Republic of Germany. The subject of support costs should not be raised and we should not seek any substantial increase in the currently anticipated level of German military procurement and should not press the issue to the point of risking a possible row with the FRG. At the same time, we should seek to improve the value to us of other measures to be included in the package. We should indicate to the Germans our willingness to explore a broadening of the discussion in future years to include discussions of monetary cooperation in general. (Wildman 1969)

That the Nixon administration sought to link the Mark revaluation with an offset settlement would 'baffle' the Germans (U.S. Department of State Office of the Historian 2001b). However, the new offset agreement with Germany was finally signed on July 9, 1969. In the Nixon administration's view, this offset agreement was much better than the two previous ones (Bergsten 1969). The main features of this new offset agreement were as follows:

1. More than half the offset will be through German military purchases in the United States, compared with 10–15 percent in the last two agreements.
2. The German loans to us have maturities of 8–10 years compared with a maximum of 4½ years in the past.
3. The loans carry concessional interest rates of 3½–4 percent compared with market rates in all past agreements, which would be at least 6 percent now.
4. The agreement is for two years, for the first time since Erhard fell.
5. The total agreement exceeds $1.5 billion. (Bergsten 1969)

These features were what the Nixon administration expected and President Nixon was able to show Congress how well his administration had been doing in protecting U.S. interests in relations with Germany, particularly, and European nations, generally.

The second offset agreement that the Nixon administration signed with the FRG was on December 10, 1971. This was another two-year offset agreement for two fiscal years: 1972 and 1973 in which the FRG agreed to pay up to DM 3,950 million for the procurement of U.S. defense goods and defense services and DM 600 million 'for services and deliveries for the modernization, construction and improvement of barracks, accommodations, housing and troop facilities' of U.S. forces in West Germany (Rogers 1971). The negotiation process was not easy for the Nixon administration as West Germany and the United States stood far from each other on the issues.

In the offset negotiation in June 28–29, 1971, the FRG had offered a total of $1,730.3 million for offset (U.S. Department of State 1971). However, the United States had not agreed to this offer as they argued that the United States could not agree with the German proposal 'because it did not contain sufficient balance-of-payments benefit' (U.S. Department of State 1971). After months of difficult negotiations, the United States and the FRG finally reached a new offset agreement for two years, 1972 and 1973. This second offset agreement with the FRG showed that the Nixon administration's major concern remained the impacts of U.S. military spending in Europe on the U.S balance of payments. President Nixon and his administration hoped that this new offset agreement with the FRG would help to alleviate the U.S balance of payment deficit.

In the same logic, the third offset agreement that the Nixon administration signed with the FRG on April 25 1974, covering fiscal years 1974 and 1975, aimed to provide more substantial economic benefits to the United States. The dollar value of the agreement was roughly $2.22 billion for 1974 and 1975 (Nixon 1974). Like the previous offset agreements the Nixon administration signed with the FRG, this one not only helped to cover the cost of U.S. military forces in the FRG but also contributed to the alleviation of the U.S. balance of payment deficit.

The three bilateral offset agreements with the FRG represented the Nixon administration's efforts to show the European allies that the United States was an ordinary nation, thus the United States needed its European allies to contribute a larger share to common security. This underlying policy toward its European allies illustrated that the Nixon administration could not let the Germans and other Western Europeans free ride on the United States. It especially emphasized the Nixon administration's skepticism toward the European integration process. President Nixon and his administration did not want to see a growing European bloc which was not willing to pay for its own defense. The United States, under the Nixon presidency, made it clear to the Europeans that their security was not for free. Thus the Nixon administration had been connecting cost cutting in Europe with the domestic balance of payment deficit and international monetary matters. In other words, unconditional commitment to defending Europe was no longer accepted politically and economically by the Nixon administration. Wealthy European nations had to collectively do something about their own security. This was essential to achieving the goals of European integration.

The Nixon administration's attempts to reduce the number of U.S. forces reflected changes in U.S. policy towards European integration. The Nixon administration knew that the nation's external and domestic situations had been altered, therefore it was reluctant to bear the burden of commitments in the FRG or elsewhere. The REDCOSTE program and offset negotiations with the FRG corresponded to these changes. Their implications included: (i) increasing pressure on the Western European allies of the United States in general and on the FRG in particular to provide for their own defense; (ii) reducing active U.S. participation in the Western European situation; (iii) diminishing Western European reliance on U.S. resources, and (iv) improving the U.S. economy and thus consolidating U.S. global dominance which had been the main objective of U.S. foreign policy. Arguably, the new policy approach to reducing U.S. military costs in Europe through the REDCOSTE program and offset negotiations with the FRG did not mean the Nixon administration's abandonment of support for Western European integration. It implied rather that President Nixon sent the Europeans a signal that European integration was no longer a high priority on the U.S. foreign agenda. Western Europeans needed to be responsible for the evolution of this integrative process by providing greater aid to the U.S. defense commitment in Europe.

3. A Responsible European Community: Nixon Doctrine and New Strategy toward NATO

That the Nixon administration was preoccupied with the Vietnam War, the rapprochement with China, the détente with the Soviet Union and the domestic economic issues did not mean that President Nixon ignored building the partnership with the European Community. This partnership still received much attention from the highest levels of the Nixon administration. In the midst of changes occurring in the international environment, President Nixon still reaffirmed his commitments to supporting progress in the European integration process as stated in his first report to Congress on U.S. foreign policy in the 1970s:

> Intra-European institutions are in flux. We favor a definition by Western Europe of a distinct identity, for the sake of its own continued vitality and independence of spirit. Our support for the strengthening and broadening of the European Community has not diminished. We recognize that our interests will necessarily be affected by Europe's evolution, and we may have to make sacrifices in the common interest. We consider that the possible economic price of a truly unified Europe is outweighed by the gain in the political vitality of the West as a whole.
>
> The structure of Western Europe itself and the organization of its unity-is fundamentally the concern of the Europeans. We cannot unify Europe and we do not believe that there is only one road to that goal. When the United States in previous Administrations turned into an ardent advocate, it harmed rather than helped progress. (Nixon 1970)

Along with the promise to broaden and deepen the partnership with the European Community and support the current evolution of European integration, the Nixon administration renewed the United States' policy stance on European integration. New elements in the Nixon administration's policy on European integration were underscored in both the announcement of the Nixon Doctrine in 1969 and the new strategy toward NATO, which together aimed to make the European Community become more responsible in the defense of the free world and itself.

3.1 The Nixon Doctrine

Doctrines, in the broadest sense, are 'systematic statements on foreign policy (…) that have hardened with acceptance' (Kaplan 1999: 149). These statements provide the 'guiding principles' for the administrations that establish them (Kaplan 1999: 149). The Nixon Doctrine was declared by President Nixon in a press conference in Guam in July 1969. It stressed that the United States would provide arms but not military forces to its allies in Asia and elsewhere. This meant that the Nixon administration had to turn to the idea first presented in 1950, in the midst of the Korean War, by Denis Brogan, Professor of American Studies: United States power was not unlimited. According to Brogan, the U.S. attitude: 'What Lola wants, Lola gets,' was detrimental to the goals of U.S. foreign policy (Brogan 1968: 2–10). Though the United States emerged as the nation with the greatest navy, army and the most enormous economy after the Second World War, it did not mean that its power could be successful in every corner of the globe. The Nixon administration decided to adjust resource commitments.

The United States could not roll back the expansion of communism at any cost. Applying this to U.S. alliances, it was clear that the Nixon administration expected its allies to take more responsibility for their own military defense. This message of the Nixon doctrine was spelled out again in the first annual report to the Congress on United States foreign policy.

> First, the United States will keep all of its treaty commitments; Second, we shall provide a shield if a nuclear power threatens the freedom of a nation allied with us or of a nation whose survival we consider vital to our security; Third, in cases involving other types of

> aggression, we shall furnish military and economic assistance when requested in accordance with our treaty commitments. But we shall look to the nation directly threatened to assume the primary responsibility of providing the manpower for its defense. (Nixon 1970)

On the European continent, the Nixon Doctrine implied that the United States' European allies would have to do much more to protect themselves and contribute much more towards the costs of alliance. This policy stance had an important implication for European integration. It meant that Western Europe was no longer able to rely on the United States for European defense and security. The Nixon Doctrine was seen as a great effort to re-examine U.S. global policy and to lower the U.S. profile abroad. President Nixon called for shifting the European defense burden to Western Europe. The Nixon administration stressed that nations around the world had to assume responsibility for their own well-being. In his 1971 radio address, President Nixon reconfirmed that '(…) today our allies and friends have gained new strength and self-confidence. They are now able to participate much more fully not only in their own defense but in adding their moral and spiritual strength to the creation of a stable world order' (Nixon 1971).

The Nixon Doctrine showed the change in the Nixon administration's foreign policy in relation to the European Community. From the vantage point of European integrationists, the Nixon Doctrine had played an important role in the development of U.S. policy toward the European Community. While the Nixon Doctrine would lead to tension between the United States and the European Community in the context of the Atlantic alliance, even President Nixon maintained that his administration supported the conceptual and institutional evolution of European integration. This implied that the Nixon administration would continue to supply military and even economic aid to its European allies; this eventually helped Europeans to realize their project of a European family. However, the Nixon administration insisted that the European Community's situation was currently good enough to share the burden of ensuring stability and security across the Atlantic area. By saying that 'Europe must be the cornerstone of the structure for a durable peace' the Nixon administration planned to divide the burden of protecting the non-Communist world with the European Community: 'America cannot–and will not–conceive *all* the plans, design *all* the programs, execute *all* the decisions and undertake *all* the defense of the free nations of the world. We will help where it makes a real difference and is considered in our interest' (Nixon 1970). The Nixon Doctrine aimed to reduce U.S. military power in Western Europe in order to push the European Community to make fairer contributions both in terms of dollars and manpower to their defence. In spite of the Nixon administration's assurance of instant re-deployment of U.S. forces to Western Europe in case of emergency, the European Community was worried about their security, as security was the prerequisite for its economic prosperity and stability. Furthermore, the Nixon Doctrine made the European Community worry about the possibility of withdrawing all U.S. troops from Europe. With the Nixon Doctrine, President Nixon had showed the European Community that the United States could no longer sacrifice its national interests to the European Community or to European integration.

With the introduction of the Nixon Doctrine in 1969, the European Community had more reasons to become politically assertive. The growing community wanted to be a single

power so that it would not have to depend on the United States. However, 'the subcommittees of Eurogroup (Eurotraining, Europmed, and Eurostructure) helped to support a European Defense Improvement Program in the 1970's but did not conceal a continuing painful dependence on the United States' (Kaplan 1999: 159). The European Community had achieved significant gains in economic integration, yet member states were divergent in defense area. The European Community was not prepared to take the responsibility that the United States had assumed since the Atlantic alliance was created. The Nixon administration was not against the European integration project when it applied the Nixon Doctrine to the European Community. Yet President Nixon and his team had to be careful with a growing community on the other side of the Atlantic Ocean. The Nixon administration's fear of 'nurturing a Frankenstein's monster that would run amok as soon as it was created' led to the application of the Nixon Doctrine not only in Asia but also in Europe (Kaplan 1999: 159). The emphasis on realignment of foreign policy goals to resources in the Nixon Doctrine reaffirmed the Nixon administration's image of a changing world in which the United States had to adjust in order to sustain its global dominance.

3.2 A New Strategy toward NATO

NATO was an obvious indication of U.S. commitment to partnership with the Europeans. The U.S. government accepted the stationing of U.S. troops on European soil as an appropriate option for assisting Europe in defending itself physically, as well as materially and morally. Dwight Eisenhower once commented:

> From the beginning, people who really studied foreign and military problems have considered that the stationing of American forces abroad was a temporary expedient (…) [T]he basic purpose of so stationing American troops was to produce among our friends morale, confidence, economic and military strength, in order that they would be able to hold vital areas with indigenous troops until American help could arrive. (Cutler 1953)

Implicitly, the threat that the Soviet Union might pose to Europe was merely one reason that made U.S. military presence on European soil necessary. Burden-sharing, the Truman administration's rationale for creating NATO, was also economics-related. Reducing the mounting costs of maintaining NATO was the central objective in the Nixon administration's push for defense contribution from its European allies. President Nixon expressed his special concern about U.S. policy on NATO by directing a review of U.S. policy toward NATO on his very first day in office, January 21, 1969. The Nixon administration saw a particular need to re-evaluate the roles of NATO and the U.S. in the international system and in reshaping East-West relations. The review, as underscored by President Nixon in a memorandum to the Secretary of State, the Secretary of Defense, the Secretary of the Treasury, the Director of Central Intelligence, and the Chairman of the Joint Chiefs of Staff, had to consider alternatives with reference to policy in general and to such specific issues as U.S. troop levels in Europe and U.S. attitudes toward intra-European defense cooperation.

The NSC Interdepartmental Group for Europe was responsible for conducting this review (Kissinger 1969c).

In addition to the review of NATO Policy Alternatives, a NATO checklist prepared by the U.S. Mission to NATO was sent to President Nixon in January 1969. According to this checklist, the new administration would see 'NATO's main business as a complex transatlantic bargain.' It was also indicated that: 'The United States (which has two-thirds of NATO's GNP, contributes about half of the direct costs of NATO's defense and provides the nuclear shield) is at the center of the bargain – that is, each of the other members thinks of itself as bargaining primarily with us' (Cleveland 1969a). With this central role in the transatlantic bargain, the U.S. Mission to NATO recommended to President Nixon that: 'By committing our resources and sharing our discretion in limited ways, we try to get our allies not only to do as much as possible for the common defense, but also to support our efforts to build a workable world order, especially by making sensible security arrangements with the Soviet Union' (Cleveland 1969a). The U.S. Mission to NATO also highlighted that the Nixon administration had better maintain U.S. traditional support for any expression of European integration which did not run against U.S. interests in the wider framework of Atlantic partnership (Cleveland 1969b). It was noted that the Europeans were able to reach agreements among themselves on military procurement, international responsibility, and logistical arrangements for support of U.S. troops redeploying in Europe (Cleveland 1969b).

This policy approach to NATO reconfirmed U.S. commitment to partnership with Western Europe. In the meeting between Secretary of Defense Melvin Laird and the Secretary General of NATO, Manlio Brosio, on February 14, 1969, Laird underscored the significance that the Nixon administration would attach to the NATO alliance. The Nixon administration would focus not only on defense but also on economic ties. This showed Washington's concern about what kind of commitment the European members would make to the NATO alliance 'in the real terms of manpower, of budgets, of dollars and cents' (Wyle 1969). Noticeably, at the beginning of his administration, President Nixon and his team had thought of the commitment that the United States as well as the European members had to make to the NATO alliance. Secretary of Defense Laird made it clear to Secretary General of NATO Brosio that the Nixon administration felt that the Europeans had not done enough and any help that the Europeans would be able to provide '…would be all to the good' (Wyle 1969). He added that: 'So far as dollars and cents are concerned, there has not been that much of a response.' In response to the issues about European share and responsibility in NATO raised by Secretary of Defense Melvin Laird in the meeting, Secretary General of NATO Brosio said that the European members hoped that US troop levels would not be reduced. They both reach an agreement that 'we should all try to convince the European countries to do more' (Wyle 1969).

Under Congressional pressure for a reduction of military spending and the balance of payment problem, the Nixon administration had to reduce its U.S. force commitment to NATO.

In October 14, 1969, in his Memorandum to President Nixon, Kissinger clearly showed the three separate but interdependent developments in U.S. efforts to reduce force commitments to NATO:

1. There have been some reductions in reserve forces, primarily naval, that we would commit to NATO on mobilization.
2. Additional reductions in NATO-committed forces, again primarily in naval units, are in process as a result of defense budget cuts.
3. Further reductions in Army readiness or force levels may be necessary if redeployments from Vietnam do not accord with present budget forecasts. NATO is unaware of this. (Kissinger 1969b)

Kissinger even stressed that there was the real possibility of possible further reductions in forces, not in Europe, but in reserves. By this, the U.S. reductions in force commitment to Europe would make the Europeans believe that there would not be 'substantial cuts of ground forces in Europe' (Kissinger 1969b). The United States had to look at a new strategy toward NATO: 'Our primary interest should not be directed simply to covering costs of our own forces but rather to assuring that there is a mutual sharing of responsibility for the defense of Europe' (Kissinger 1970a).

On March 2, 1970, in a memorandum to Assistant to the President H.R. Haldeman, President's Assistant for Domestic Affairs John Ehrlichman, and President's Assistant for National Security Affairs Henry Kissinger, President Nixon expressed his special concern about NATO and Western Europe:

> In the realm of foreign policy, this administration paid attention to policy toward Western Europe, but only where NATO is affected and where major countries (Britain, Germany, and France) are affected. The only minor countries in Europe, which I want to pay attention to in the foreseeable future, will be Spain, Italy, and Greece. I do not want to see any papers on any of the other countries, unless their problems are directly related to NATO. (Haldeman 1970)

The Nixon administration knew that conditions in Europe, in the United States and all over the world had changed. Postwar reconstruction had been completed in Western Europe. In that part of the world, a strong and united economic community had emerged and was competing with the United States which had been spending its resources on this community's security. It was estimated that in the late 1960s the United States was spending around 10 percent of its gross national product on defense while Western Europe devoted only about 5 percent of that to defense (Laird 1969). Congress expressed increasing dissatisfaction with Europe's failure to both do more to fill this gap in defense costs and to help the United Sates to solve the U.S. balance of payments deficit caused by its military presence in Europe. The Nixon administration recognized that the United States was unable to continue to carry such a large share of the defense burden for Western Europe. The Nixon administration saw the immediate need for the United States to reformulate U.S. policy on NATO and held that 'it is possible to envisage alternatives to NATO that entail its disappearance or its being supplanted by new institutional arrangements' (Hillenbrand 1969).

Given the détente climate, the Nixon administration looked to the possibility of reducing tensions between the West and the East by carrying out a new approach to NATO which would place more emphasis on conventional forces than on nuclear guarantee. President

Nixon decided that a credible conventional defense posture was crucial; he once pointed out: 'The need for maintaining adequate conventional forces may be infinitely greater than ten years ago' (National Security Council 1970a). Thus, U.S. policy on NATO was based on the following guidelines:

- Increased emphasis should be given to defense by conventional forces.
- Accordingly, Allied forces, including U.S. forces in Europe and reinforcements from the U.S., must be capable of a strong and credible initial conventional defense against a full-scale attack, assuming a period of warning and of mobilization by both sides. The immediate combat capability of NATO forces, both U.S. and Allied, should also be enhanced to provide greater assurance of defending against attacks made after the Pact gains a lead in mobilization. (National Security Council 1970b)

Yet Western Europe, which was still very much worried about the communist threat from the East, expected to remain a powerful U.S. nuclear deterrent:

> There are some Europeans, of course, who continue to believe that the best defense is the threat of an immediate nuclear response to almost any aggression. Having a substantial conventional option makes that threat less credible, in their eyes, and is therefore undesirable. (Laird 1969)

The Europeans considered the U.S. intention to focus on conventional forces to be a refusal to take advantage of nuclear strength in order to defend Western Europe from attacks. Contrary to the Europeans' desire, the Nixon administration believed that all NATO member countries needed to pay their full share to the efforts required to maintain an effective collective defense system and that the United States was contributing a disproportionate share of the burden: 'Our primary interest should not be directed simply to covering costs of our own forces but rather to assuring that there is a mutual sharing of responsibility for the defense of Europe' (Kissinger 1970a). The Nixon administration also stated its basic and long-term preference:

> Taking a long view, rather than having members of the NATO Alliance in effect subsidize US forces in Europe, the President would welcome having the funds used to shore up and build up the local strength of the member countries' armed forces. The President was confident that as far as the US public is concerned, were the NATO partners to do more in their own defense that would be quite decisive in firming up US support for making our present contribution to the Alliance. (Kissinger 1970a)

The Nixon decided to make no sacrifice to the long-term need for a viable strategy:

> The easy way of dealing with the problem is to let the Europeans give us money in return for our keeping our forces in Europe. I am concerned that we do get all the financial help that we can, but most important is the development of a viable strategy; and that requires more adequate forces from the Europeans. (Kissinger 1970a)

That the Nixon administration renewed the U.S. policy stance toward NATO and refused to pay for the lion's share of European defense fractured its alliance with Western Europe. President Nixon was fully aware that his administration's new approach to NATO was disappointing the Europeans. While he assured the European alliance that his administration would not reverse the previous U.S. administrations' policy of defending Europe physically, he could not deny that a satisfactory contribution to the cost of maintaining NATO was a necessary condition for the United States to keep its commitment to partnership with the European Community. Yet, as an experienced politician, President Nixon wanted to assure the U.S.'s dominant role in NATO. Even in the event that the European partners were willing to share the burden, this did not mean that the Nixon administration would have a passive role in NATO: 'We must avoid getting in a position of saying that if they will contribute more to us we won't reduce our forces – that would simply mean that we would be accepting their view' (Kissinger 1970a).

With serious efforts to renew its policy approach to NATO, the Nixon administration had gained some achievements. In the Declaration of Brussels, the NATO International Staff outlined the main tasks of the alliance defense system for the 70's. Items 11 and 12 of the Declaration were in favor of the Nixon administration's new strategy toward NATO (Ellsworth 1970). Item 11 reaffirmed the paramount significance of a close collaboration among all member states to establish the most effective collective security system. It also highlighted the significance of the burden of maintaining necessary combat capability and this burden had to be cooperatively shouldered by member states (Ellsworth 1970). Item 12 stressed the political and military necessity of U.S. commitment to deploying substantial forces in Europe for deterrence and defense. Especially, this item asserted that the replacement of U.S. forces by European forces would not constitute a solution. Thus, ten of the European member states had reached an agreement on how they were going to individually and collectively 'make a more substantial contribution to the overall defense of the treaty area' (Ellsworth 1970). These ten European member states agreed to carry out a special European defense improvement programme which was seen as 'going well beyond previously existing plans' and created to enhance alliance military strength 'in specific fields identified as of particular importance.' (Ellsworth 1970). This program would include:

> (A) An additional collective contribution, in the order of $420 million over five years, to NATO common infrastructure to accelerate work on the NATO integrated communications system and on aircraft survival measures;
> (B) Numerous important additions and improvements to national forces, costing at least $450–500 million over the next five years plus very substantial further amounts thereafter; the forces concerned will all be committed to NATO;
> (C) Other significant financial measures to improve collective defence capability, costing $79 million over the next two years. (Ellsworth 1970)

The Nixon administration of course welcomed this program and considered it a positive response from the European member states to Washington's push for a fairer share of burden in the treaty area. In the Memorandum from Secretary of State Rogers to President Nixon about the December 2–4, 1970 NATO Ministerial Meeting, Secretary of State Rogers

informed President Nixon of 'a new degree of Allied unity': 'The decision by most European members of the Alliance on a long-term burden-sharing program reflected a recognition by our European allies of their responsibility to do more. Indeed, I sensed at the meeting an enhanced degree of understanding with us' (Rogers 1970).

Although the European member states publicly agreed with President Nixon's policy stance of reducing U.S. forces in Europe and even designed a special European defense improvement program to improve NATO defense capability, the Nixon administration's NATO policy still maintained that the Europeans had not done enough. President Nixon directed the Defense Department to carefully review U.S. non-fighting missions in Europe and to evaluate the manpower to implement such missions. The review aimed to examine specific options for eliminating several non-fighting missions and reducing personnel that might lead to more powerful fighting capabilities within current manpower levels (National Security Council 1971). The Europeans were not sympathetic with the U.S. call for more responsibility among NATO member states. Secretary of Defense Laird could feel this in his trip to Europe in November 1971: 'Throughout NATO Europe, with the possible exception of Greece, Turkey and Portugal, the general public seems apathetic about national defense and indifferent to NATO's role in preserving peace in Europe. This is particularly true in the Scandinavian countries. For example, Denmark sounds more and more like a nation about to resign from NATO' (Laird 1971). That feeling did not prevent the Nixon administration from paying less for alliance security because the world had embarked on a new era, as highlighted in U.S. Ambassador to NATO Donald Rumsfeld's address to the Board of Governors of the Atlantic Institute in Paris, on June 2, 1973:

> I will state it simply, briefly, and bluntly: The post-World War II era is over. A new era which has, as yet, no name and no special defining characteristics, is beginning. We do not know, as yet, what it will mean to mankind – what demands it will make, what benefits it will bestow, and what opportunities it will present. But whatever its special character will be, it will not be dominated and shaped by the events of World War II and its immediate aftermath. They are now too far in the past to be the central experience of a majority of our peoples. (Rumsfeld 1973)

To sum up, the new strategy toward NATO reflected a change in U.S. policy toward European integration. The conditions in the United States and in the European Economic Community changed dramatically when President Nixon arrived at the White House. By the late 1960s, the European Community had included rich democracies which were able to compete strongly with the United States on the economic front. Thus, the notion that the United States needed to continue to use its resources to defend a continent that was capable of defending itself was questioned by President Nixon, his administration and even the American people who were tired of free riding. That the Nixon administration required the Europeans to make greater contributions to their security did not mean that the United States was likely to leave Western Europe soon, a possibility which scared the leaders of the European Community. The Europeans knew that without the U.S. military umbrella, they would not be able to turn all of their energy toward achieving the goal of building a united European family. European integration could not be accomplished without the U.S. defense

guarantee. The Nixon administration's new approach to NATO sparked speculation in Western Europe that a long but final withdrawal of the U.S. forces might be beginning. Stirring such speculation may be the part of the Nixon administration plan which aimed to warn the leaders of the European Community of the consequences of their implementing economic projects which went counter to U.S. national interests. The Nixon administration's defense cuts combined with plans for more emphasis on conventional forces were indications of growing impatience with the Europe's habitual reliance on the U.S. security umbrella.

4. Conclusion

With the enthusiastic support of and promotion by U.S. administrations since the end of the Second World War, European integration had made unparalleled progress. Yet Western Europe governments still sought to avoid assuming the political responsibilities that had to accompany their growing economic capacities. The Nixon administration, therefore, believed that it was time that the United States began to rethink and re-evaluate U.S. policy towards European integration. The Nixon administration decided that the U.S. needed to reduce free riding on the United States and requested that the European Community be more responsible for its own defense. Four initiatives – REDCOSTE, offset agreements with the FRG, the Nixon doctrine, and the new strategy toward NATO – indicated the Nixon administration's attempts to carry out a new diplomacy which aimed to look after U.S. national interests and leave the internal evolution of the European integration process to the Europeans.

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