monitor and control the export of strategic goods and technology to Communist countries<sup>15</sup> so as to limit their military-industrial potential. Over the years, other countries which did not belong to NATO collaborated with COCOM members towards those objectives.

COCOM therefore created detailed lists, which were periodically updated, of products and equipment for which the sale had to be submitted first to the granting in advance of an export permit. Those lists encompassed military supplies, equipment and supplies necessary to produce atomic energy, some telecommunication and computer equipment as well as everything which could be used to enhance the military potential of communist countries. The US proved to be one of the most active members of COCOM, partly because it was long the leading source of high-tech and also because of the volume of its military spending on NATO, which was greater than the military spending of all western European countries combined. However, the Europeans did not always share the views of the US; they felt more vulnerable to Soviet expansionism and therefore felt a greater need to placate the Communist countries by forging closer trade ties and increasing their dependence on the West. There were thus two major tendencies within COCOM, one of which advocated limits or bans on the longest possible list of goods (including equipment with civilian or military uses) while the other sought to keep the list as short as possible, under the circumstances.

The numerous restrictions imposed under the aegis of COCOM apparently had a <u>modest</u> effect on the growth and modernization of the Soviet bloc. Those restrictions were due to the <u>cooperation and consensus among the technologically advanced G-7 nations and the other western countries</u>. Some analysts believe that the Communist countries' growing economic lag behind the West was one of the factors that led to the collapse of Communist regimes in the region and consequently to the end of the Cold War. On the other hand, Hufbauer, Schott and Elliott<sup>16</sup> argue that while the West succeeded in inflicting some added costs on the socialist bloc, it also had to bear considerable costs in lost opportunities for its exporters and missed chances to make the socialist countries dependent on the West. There were many attempts by western firms to circumvent COCOM rules by exporting to socialist countries through third countries

Policy Planning Staff

As of the time of writing, these include Albenia, Bulgeria, the People's Republic of China, the Czech and Slovak republics, Mongolia, North Korea, Poland, Romania, the republics of the former Soviet Union end Viet-Nam. The governments of most of these countries have changed over the past few years and their continued inclusion on the list is under review.

<sup>&</sup>lt;sup>16</sup> G.C. Hufbauer, J.J. Schott, K.A. Elliott, *Economic Sanctions Reconsidered*, 2nd edition (Washington: Institute for International Economics, 1990) pp. 211-20.