

A pooled approach by Canada, the Nordic countries, European neutrals, Australia and perhaps some EC members with the possible addition of non-aligned donors such as India and Brazil offers the advantage of denying conservatives in the Soviet Union the ability to present themselves as the only friends of the oppressed. The volume of aid required to defuse this threat is relatively small, because the Soviets themselves are in no position to offer any more than moral support. The very existence of tangible reconstruction assistance by the middle powers would effectively neutralise the impact of any Soviet posturing in the region, which in turn would go some way towards reassuring US policymakers that there is no credible resurgence of Soviet power in the region, and therefore no need to switch back into a "Cold War" mode.

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Interviews were conducted by telephone with individuals at the following institutions:

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Bankers Trust, New York

CRB (Droufman) Foundation, Montreal