hostilities between the parties. The fourth and final stage, which would complete the process of return to the cease-fire provisions of the 1954 settlement, would provide for the exchange of prisoners, the withdrawal of outside forces and the disposal of military bases.

I recognize, of course, that proposals such as this cannot contribute much to the situation until both sides are prepared to accept them. I remain convinced, however, that some process such as the one I have outlined must ultimately be accepted if we are to emerge from the Vietnam impasse.

It would be a mistake, however, to think that the commencement of talks and the opening of negotiations would automatically solve the problem of Vietnam. We have to bear in mind the lessons of the 1954 Conference and avoid any tendency to ignore the harsh political realities of the situation. We know now that these realities inevitably surface in a more virulent form unless appropriate arrangements are made to take them into account.

At this stage, it is, of course, impossible to set out a detailed formula for a lasting settlement in Vietnam and the neighbouring area. Nevertheless, we think it is possible, on the basis of past experience and present facts, to set out certain broad considerations which will have to be taken into account if any settlement is to be more than simply a pause in a steadily deteriorating situation.

First, the fact that a military solution alone is neither practicable nor desirable has become almost a truism. It is becoming clear that, in existing circumstances, North Vietnam will not be able to impose its control over South Vietnam by military means or, more accurately, by the politico-military means which are the hallmark of wars of national liberation. Given a stabilization of the military balance, the two regimes and the two communities in Vietnam will have to find ways of accommodating their respective interests and avoiding recourse to the violent methods which have led to the present war.

Second, some way will have to be found to return to the basic provisions of the Geneva Cease-Fire Agreement of 1954. In practice, this will, of course, involve a continuation of the <u>de facto</u> division of Vietnam a situation which neither North nor South will view with equanimity. Nevertheless, it seems evident that, until ways can be found to blur and ultimately eliminate the dividing-line by peaceful means, and by mutual consent, the alternative is a continuation of the present dangerous situation.

Third, we must recognize that, although a return to the 1954 ceasefire arrangements holds out the best hope for a beginning of a lasting settlement, the people of Vietnam are one people and must ultimately join together in one country. For the time being, however, the participants in a future conference must face up to the fact that there are two distinct communities in Korea and in Germany, and that these two communities must both agree when and how arrangements should be made for reunification. Most of the big powers at the 1954 Geneva Conference paid lip-service to the cause of reunification but, in the circumstances of the time, were led to ignore the existence of the two communities; we have seen the tragic results of this mistake. We see no reason,