ASSEMBLY OF WESTERN EUROPEAN UNION

PROCEEDINGS

TWENTY-FIRST ORDINARY SESSION

SECOND PART

December 1975

III

Assembly Documents

WEU

PARIS

ASSEMBLY OF WESTERN EUROPEAN UNION

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The Proceedings of the Second Part of the Twenty-First Ordinary Session of the Assembly of WEU comprise two volumes :

Volume III : Assembly Documents.

Volume IV : Orders of the Day and Minutes of Proceedings, Official Report of Debates, General Index.

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LIST OF REPRESENTATIVES BY COUNTRY

BELGIUM

Representatives

MM.	ADRIAENSENS Hugo	Socialist
	DEQUAE André	Chr. Soc.
	KEMPINAIRE André	PLP
	LEYNEN Hubert	Chr. Soc.
	SCHUGENS Willy	Socialist
	de STEXHE Paul	Chr. Soc.
	TANGHE Francis	Chr. Soc.

Substitutes

MM.	*BREYNE Gustave*	*Socialist*
	de BRUYNE Hektor	*Volksunie*
	DUVIEUSART Etienne	*FDF-RW*
Mrs.	*GODINACHE-LAMBERT Marie-Thérèse*	*PLP*
MM.	*HULPIAU Raphaël*	*Chr. Soc.*
	PLASMAN Marcel	*Chr. Soc.*
	VAN HOEYLANDT D. Bernard	*Socialist*

FRANCE

Representatives

MM.	BOUCHENY Serge	Communist
	BOULLOCHE André	Socialist
	BRUGNON Maurice	Socialist
	BURCKEL Jean-Claude	UDR
	CERNEAU Marcel	Centre Union
	DELORME Claude	Socialist
	GRANGIER Edouard	Dem. Left
	KAUFFMANN Michel	UCDP
	LEGARET Jean	Ind. Rep.
	de MONTESQUIOU Pierre	Soc. Dem. Ref.
	NESSLER Edmond President of the Assembly	UDR
	PÉRIDIER Jean	Socialist
	RADIUS René	UDR
	RIVIÈRE Paul	UDR
	ROGER Émile	Communist
	SCHMITT Robert	UDR (App.)
	VALLEIX Jean	UDR
	VITTER Pierre	Ind. Rep.

Substitutes

MM.	*BEAUGUITTE André*	*Ind. Rep.*
	BELIN Gilbert	*Socialist*
	BIZET Émile	*UDR (App.)*
	BOURGEOIS Georges	*UDR*
	CERMOLACCE Paul	*Communist*
	DAILLET Jean-Marie	*Soc. Dem. Ref.*
	DEPIETRI César	*Communist*
	FORNI Raymond	*Socialist*
	GRUSSENMEYER François	*UDR*
	JEAMBRUN Pierre	*Dem. Left*
MM.	*LA COMBE René*	*UDR*
	du LUART Ladislas	*RIAS*
	MÉNARD Jacques	*Ind. Rep.*
	PIGNION Lucien	*Socialist*
	SCHLEITER François	*Ind. Rep.*
	SOUSTELLE Jacques	*Non-party*
	VADEPIED Raoul	*UCDP*
	WEBER Pierre	*Ind. Rep. (App.)*

FEDERAL REPUBLIC OF GERMANY

Representatives

MM.	AHRENS Karl	SPD
	ALBER Siegbert	CDU
	AMREHN Franz	CDU
	DREGGER Alfred	CDU
	ENDERS Wendelin	SPD
	GESSNER Manfred	SPD
	KEMPFLER Friedrich	CDU
	LEMMRICH Karl Heinz	CDU
	MARQUARDT Werner	SPD
	MATTICK Kurt	SPD
	MENDE Erich	CDU
	MÜLLER Günther	CDU
	RICHTER Klaus	SPD
	SCHMIDT Hansheinrich	FDP
	SCHWENCKE Olaf	SPD
	SIEGLERSCHMIDT Hellmut	SPD
	VOHRER Manfred	FDP
Mrs.	WOLF Erika	CDU

Substitutes

Mrs.	*von BOTHMER Lenelotte*	*SPD*
MM.	*BÜCHNER Peter*	*SPD*
	CARSTENS Karl	*CDU*
	GÖLTER Georg	*CDU*
	HAASE Horst	*SPD*
	HOLTZ Uwe	*SPD*
	KLEPSCH Egon	*CDU*
	KLIESING Georg	*CDU*
	LAGERSHAUSEN Karl-Hans	*CDU*
	LENZER Christian	*CDU*
	OPITZ Rudolf	*FDP*
	PAWELCZYK Alfons	*SPD*
	SCHÄUBLE Wolfgang	*CDU*
	SCHULTE Manfred	*SPD*
	WALTHER Rudi	*SPD*
	WENDE Manfred	*SPD*
	WÖRNER Manfred	*CDU*
	WURBS Richard	*FDP*

ITALY

Representatives

MM.	AVERARDI Giuseppe	Socialist
	BETTIOL Giuseppe	Chr. Dem.
	BOLOGNA Giacomo	Chr. Dem.
	COPPOLA Mattia	Chr. Dem.
	FIORET Mario	Chr. Dem.
	LAFORGIA Antonio	Chr. Dem.
	LEGGIERI Vincenzo	Chr. Dem.
	MAMMI Oscar	Republican
	MINNOCCI Giacinto	Socialist
Mrs.	MIOTTI CARLI Amalia	Chr. Dem.
MM.	PECORARO Antonio	Chr. Dem.
	PICA Domenico	Chr. Dem.
	PRETI Luigi	Socialist
	QUILLERI Fausto Samuele	Liberal
	TALAMONA Augusto	Socialist
	TREU Renato	Chr. Dem.
	VEDOVATO Giuseppe	Chr. Dem.
	ZAFFANELLA Renzo	Socialist

Substitutes

MM.	*ARFÉ Gaetano*	*Socialist*
	ARTALI Mario	*Socialist*
	BONALDI Umberto	*Liberal*
	CASTELLUCCI Albertino	*Chr. Dem.*
Mrs.	*CATTANEO-PETRINI Giannina*	*Chr. Dem.*
MM.	*CAVEZZALI Paolo*	*Socialist*
	FARABEGOLI Furio	*Chr. Dem.*
	LA ROSA Giuseppe	*Chr. Dem.*
	MAGLIANO Terenzio	*Socialist*
	MANCINI Antonio	*Chr. Dem.*
	MONETI Alfredo	*Chr. Dem.*
	NEGRARI Andrea	*Chr. Dem.*
	PACINI Arturo	*Chr. Dem.*
	PREARO Roberto	*Chr. Dem.*
	PUMILIA Calogero	*Chr. Dem.*
	REALE Giuseppe	*Chr. Dem.*
	SANTALCO Carmelo	*Chr. Dem.*
	SPORA Ettore	*Chr. Dem.*

LUXEMBOURG

Representatives

MM.	ABENS Victor	Soc. Workers
	MARGUE Georges	Chr. Soc.
	MART René	Dem.

Substitutes

MM.	*HENGEL René*	*Soc. Workers*
	KONEN René	*Dem.*
	SPAUTZ Jean	*Chr. Soc.*

NETHERLANDS

Representatives

MM.	CORNELISSEN Pam	Pop. Cath.
	DANKERT Pieter	Labour
	de NIET Maarten	Labour
	PORTHEINE Frederik	Liberal
	REIJNEN Johannes	Pop. Cath.
	SCHOLTEN Jan Nico	Antirevolution.
	VOOGD Joop	Labour

Substitutes

MM.	*de KOSTER Hans*	*Liberal*
	van OOIJEN David	*Labour*
	PEIJNENBURG Marinus	*Pop. Cath.*
	PIKET Frederik	*Chr. Hist.*
	SCHLINGEMANN Johan	*Liberal*
	STOFFELEN Pieter	*Labour*
	WALTMANS Henk	*Radical*

UNITED KINGDOM

Representatives

MM.	Ronald BROWN	Labour
	Paul CHANNON	Conservative
	Stanley COHEN	Labour
	Julian CRITCHLEY	Conservative
Lord	DUNCAN-SANDYS	Conservative
MM.	Raymond FLETCHER	Labour
	W. Percy GRIEVE	Conservative
	Peter HARDY	Labour
	John HUNT	Conservative
Dr.	J. Dickson MABON	Labour
MM.	John MENDELSON	Labour
	John PAGE	Conservative
Lord	PEDDIE	Labour
Mr.	Tom PENDRY	Labour
Sir	John RODGERS	Conservative
MM.	John ROPER	Labour
	David STEEL	Liberal
	Thomas URWIN	Labour

Substitutes

Lord	*BEAUMONT of WHITLEY*	*Liberal*
Sir	*Frederic BENNETT*	*Conservative*
MM.	*Antony BUCK*	*Conservative*
	Raymond CARTER	*Labour*
	John CORDLE	*Conservative*
Lord	*DARLING of HILLSBOROUGH*	*Labour*
MM.	*John FARR*	*Conservative*
	Andrew FAULDS	*Labour*
Sir	*Harwood HARRISON*	*Conservative*
MM.	*Jim LESTER*	*Conservative*
	Arthur LEWIS	*Labour*
	Hilary MILLER	*Conservative*
Baroness	*PHILLIPS*	*Labour*
Lord	*SELSDON*	*Conservative*
Mr.	*Peter SNAPE*	*Labour*
Lord	*WALLACE of COSLANY*	*Labour*
MM.	*Kenneth WARREN*	*Conservative*
	Phillip WHITEHEAD	*Labour*

AGENDA

of the Second Part of the Twentieth-First Ordinary Session Paris, 1st-5th December 1975

I. Political Questions

1. Western Europe and the evolution of the Atlantic Alliance — consideration of current problems	*Report tabled by Mr. Leynen on behalf of the General Affairs Committee*
2. Conference on security and co-operation in Europe	*Report tabled by Mrs. von Bothmer on behalf of the General Affairs Committee*
3. Northern European countries and the prospect of European political union	*Report tabled by Mr. Steel on behalf of the General Affairs Committee*

II. Defence Questions

1. European and Atlantic co-operation in the field of armaments	*Report tabled by Mr. Lemmrich on behalf of the Committee on Defence Questions and Armaments*
2. Developments in the Iberian peninsula and the Atlantic Alliance	*Report tabled by Mr. Critchley on behalf of the Committee on Defence Questions and Armaments*
3. Air forces on the central front	*Report tabled by Mr. Roper on behalf of the Committee on Defence Questions and Armaments*

III. Technical and Scientific Questions

1. The European aeronautical industry	*Report tabled by Mr. Warren on behalf of the Committee on Scientific, Technological and Aerospace Questions*
2. United States-European co-operation in advanced technology	*Report tabled by Mr. de Montesquiou on behalf of the Committee on Scientific, Technological and Aerospace Questions*
3. Second-generation nuclear reactors	*Report tabled by Mr. Lenzer on behalf of the Committee on Scientific, Technological and Aerospace Questions*
4. The International Institute for the Management of Technology	*Report tabled by Mr. Richter on behalf of the Committee on Scientific, Technological and Aerospace Questions*

IV. Budgetary and Administrative Questions

1. Budget of the Assembly for the financial year 1976	*Report tabled by Mr. Dequae on behalf of the Committee on Budgetary Affairs and Administration*
2. Accounts of the administrative expenditure of the Assembly for the financial year 1974 — The Auditor's Report and Motion to approve the final accounts	*Report tabled by Mr. Dequae on behalf of the Committee on Budgetary Affairs and Administration*

V. Relations with Parliaments

Relations with parliaments	*Information report tabled by Mr. Delorme on behalf of the Committee for Relations with Parliaments*

ORDER OF BUSINESS

of the Second Part of the Twenty-First Ordinary Session Paris, 1st-5th December 1975

MONDAY, 1st DECEMBER

Morning 9 a.m.

Meeting of the Presidential Committee.

10 a.m.

Meetings of the Committee on Defence Questions and Armaments and of the Committee on Scientific, Technological and Aerospace Questions.

11 a.m.

Meetings of the Federated Christian Democrat Group and British Conservatives and of the Liberal Group.

Afternoon 2 p.m.

Meeting of the Socialist Group.

3 p.m.

1. Opening of the Second Part of the Twenty-First Ordinary Session.
2. Examination of credentials.
3. Address by the President of the Assembly.
4. Adoption of the draft Order of Business of the Second Part of the Twenty-First Ordinary Session.
5. Ratification of decisions of the Presidential Committee.
6. Western Europe and the evolution of the Atlantic Alliance — consideration of current problems: presentation of the report tabled by Mr. Leynen on behalf of the General Affairs Committee.

3.30 p.m.

Address by Mr. Luns, Secretary-General of NATO.

Address by Mr. Dalvit, Secretary of State for Defence of Italy.

Western Europe and the evolution of the Atlantic Alliance — consideration of current problems. Debate.

Vote on the draft recommendation.

TUESDAY, 2nd DECEMBER

Morning 10 a.m.

1. Conference on security and co-operation in Europe:
   presentation of the report tabled by Mrs. von Bothmer on behalf of the General Affairs Committee.
   Debate.
   Vote on the draft recommendation.

11 a.m.

Address by Mr. Moersch, Minister of State for Foreign Affairs of the Federal Republic of Germany.

2. United States-European co-operation in advanced technology :

presentation of the report tabled by Mr. de Montesquiou on behalf of the Committee on Scientific, Technological and Aerospace Questions.

Debate.

Vote on the draft recommendation.

Afternoon 3 p.m.

1. Budget of the administrative expenditure of the Assembly for the financial year 1976 :

presentation of the report tabled by Mr. Dequae on behalf of the Committee on Budgetary Affairs and Administration.

2. Accounts of the administrative expenditure of the Assembly for the financial year 1974 — The Auditor's Report and Motion to approve the final accounts :

presentation of the report tabled by Mr. Dequae on behalf of the Committee on Budgetary Affairs and Administration.

Debate.

Votes on the draft texts.

3. Second-generation nuclear reactors :

presentation of the report tabled by Mr. Lenzer on behalf of the Committee on Scientific, Technological and Aerospace Questions.

Debate.

Vote on the draft recommendation.

4. The International Institute for the Management of Technology :

presentation of the report tabled by Mr. Richter on behalf of the Committee on Scientific, Technological and Aerospace Questions.

Debate.

Vote on the draft recommendation.

WEDNESDAY, 3rd DECEMBER

Morning 9.30 a.m.

Meeting of the General Affairs Committee.

10 a.m.

Developments in the Iberian peninsula and the Atlantic Alliance :

presentation of the report tabled by Mr. Critchley on behalf of the Committee on Defence Questions and Armaments.

Debate.

11.15 a.m.

Address by Mr. Rodgers, Minister of State for Defence of the United Kingdom.

Vote on the draft recommendation.

Afternoon 3 p.m.

1. Northern European countries and the prospect of European political union :

   presentation of the report tabled by Mr. Steel on behalf of the General Affairs Committee.

   Debate.

   Vote on the draft recommendation.

2. Relations with Parliaments :

   presentation of the information report tabled by Mr. Delorme on behalf of the Committee for Relations with Parliaments.

THURSDAY, 4th DECEMBER

Morning 9.30 a.m.

Meeting of the Committee on Rules of Procedure and Privileges.

10 a.m.

1. The European aeronautical industry :

   presentation of the report tabled by Mr. Warren on behalf of the Committee on Scientific, Technological and Aerospace Questions.

   Debate.

   Vote on the draft recommendation.

2. European and Atlantic co-operation in the field of armaments :

   presentation of the report tabled by Mr. Lemmrich on behalf of the Committee on Defence Questions and Armaments.

   Debate.

Afternoon 3 p.m.

European and Atlantic co-operation in the field of armaments :

Resumed debate.

Vote on the draft recommendation.

5.30 p.m.

Vote on the draft recommendations not already voted upon by the Assembly.

At the close of the sitting

Meeting of the Committee for Relations with Parliaments.

FRIDAY, 5th DECEMBER

Morning 10 a.m.

Air forces on the central front :

presentation of the report tabled by Mr. Roper on behalf of the Committee on Defence Questions and Armaments.

Debate.

Vote on the draft recommendation.

CLOSE OF THE TWENTY-FIRST ORDINARY SESSION

Accounts of the Administrative Expenditure of the Assembly for the Financial Year 1974

THE AUDITOR'S REPORT

TABLE OF CONTENTS

Report of the external Auditor to the Assembly of Western European Union on the accounts for the financial year 1974

General

1. The following financial statements, together with an explanatory memorandum, were submitted to me by the President :

(*a*) Summary of income and expenditure for the financial year 1974 and financial position as at 31st December 1974 (Appendix I).

(*b*) Statement of budget authorisations, expenditure and unexpended credits for the financial year 1974 (showing also transfers between sub-heads) (Appendix II).

(*c*) Statement of sums due and received from the Secretary-General of Western European Union, London, in respect of contributions to the Assembly of Western European Union budget for 1974 (Appendix III).

(*d*) Account of the provident fund for the financial year ended 31st December 1974 (Appendix IV).

2. My examination of the accounts has been carried out in accordance with Article 14 of the Financial Regulations of the Assembly.

Summary of Income and Expenditure

(Appendix I)

3. The approved original and supplementary budgets provided for expenditure of F 5,070,900,

of which F 40,900 was expected to be covered by miscellaneous receipts.

4. Actual miscellaneous receipts amounted to F 42,732 making, with the F 5,030,000 of contributions requested and received, a total income for the year of F 5,072,732. Expenditure, including an excess over the budget authorisation for Head II (F 19,211), amounted to F 4,910,984, leaving a surplus of F 161,748 which comprised the budgetary surplus of F 159,916 (as shown in Appendix II) and the surplus of miscellaneous receipts amounting to F 1,832.

5. The budgetary surplus of F 159,916 arose mainly on Head I (F 120,853) under which supplementary provision had been made for increased staff expenditure expected to result from a salary review. The Co-ordinating Committee of Government Budget Experts did not complete their consideration during 1974 and no enhanced payments were made in the year. The President states that it seems certain that new salary scales will take effect from 1st July 1974. Under Article 9 of the Financial Regulations of the Assembly the surplus of F 161,748 for 1974 should now be reimbursed to the Council of Western European Union, but the Council's Budget and Organisation Committee are currently considering whether the Assembly should exceptionally be allowed to carry forward to 1975 unexpended credits relating to staff salary commitments. Should the Council approve this procedure, the Assembly's surplus to be reimbursed to the Council would be reduced accordingly.

Statement of budget authorisations, expenditure and unexpended credits

(Appendix II)

6. The total expenditure on Head II (Expenditure relating to the sessions of the Assembly), F 803,211, exceeded the budget total for that head by F 19,211. Head II contains only one sub-head (Sub-head 3) and transfers effected between items within that sub-head left the excess expenditure recorded against the provision for interpretation services required for the sessions of the Assembly.

7. The transfers between sub-heads within the same head of the budget, shown in this statement, were duly authorised in accordance with Article 6 of the Financial Regulations. These regulations contain no provision for the authorisation of transfers between heads, but in accordance with the procedure adopted by the Assembly in 1973 the Council were informed and took note of the anticipated over-expenditure on Head II for 1974.

Provident fund

(Appendix IV)

8. Since 26th July 1972 the assets of the provident fund of the Assembly have been maintained in six different currencies and amalgamated with the holdings of the provident funds of the other organs of Western European Union in joint deposits administered by the Office of the Secretary-General. In my report on the accounts for 1973 I recorded that the Office of the Secretary-General, acting on the advice of an advisory panel representing all the interested parties, had decided that the French franc would be used as the accounting unit for the provident funds and that the joint deposits would accordingly be valued in that currency, at market rates of exchange, on 25th July 1973 and at the end of each accounting period thereafter. Any capital gains or losses thus disclosed would be credited or debited to staff members' accounts, with special adjustments for staff members leaving during the course of an accounting period. The valuation at 25th July 1973 disclosed a loss of 4.002189 % of the book value of the joint deposits and the accounts of the staff members of the Assembly were accordingly adjusted with effect from 26th July 1973, to reflect the Assembly's share (F 107,181) of the total loss incurred.

9. During 1974 the Office of the Secretary-General, taking account of further advice from the advisory panel that fluctuations in the market value of the joint deposits were only of significance when a member's account was closed on termination of service, decided to reverse the entries made in the accounts of staff members as a result of the valuation of the joint deposits as at 25th July 1973. Accordingly an amount of F 106,723 was credited to the accounts of those Assembly staff members remaining in post at 30th September 1974. The Office of the Secretary-General also apportioned F 366,211 to the Assembly during 1974 as their share of interest received on the joint deposits for the period 26th July 1973 to 31st December 1974. This sum was credited to the Assembly staff members' accounts proportionately.

10. Therefore, the balances of the Assembly staff members' accounts as at 31st December 1974, shown in Appendix IV as totalling F 3,317,552, do not reflect any variation between the book and actual value as at that date of the Assembly's share of the joint deposits administered by the Office of the Secretary-General. I have been unable to verify directly that the assets held by the Office of the Secretary-General were in fact sufficient to meet the balances at 31st December 1974, but I have received from that Office a statement that the balance in their books standing to the credit of the Assembly's provident fund at 31st December 1974 was F 3,317,551.66. A valuation of the joint deposits at that date showed a gain of over F 440,000, of which F 102,600 related to the accounts of the staff of the Assembly.

11. I wish to record my appreciation of the willing co-operation of the officers of the Assembly during my audit.

D. B. PITBLADO

(Comptroller and Auditor General, United Kingdom)

External Auditor

16th June 1975

Explanatory Memorandum

(communicated by the President to the Auditor of the Assembly in connection with the financial year 1974)

1. The statements attached hereto refer to :

(*a*) Summary of income and expenditure — financial position as at 31st December 1974 (Appendix I) ;

(*b*) Statement of budget authorisations, expenditure and unexpended credits (Appendix II) ;

(*c*) Contributions (Appendix III) ;

(*d*) Provident fund (Appendix IV).

2. The statement of budget authorisations, expenditure and unexpended credits indicates that a sum of F 159,916 remains unexpended, whereas the final balance of income over expenditure was F 161,748. The difference between these two figures, F 1,832, represents :

	F	F
— Bank interest	19,660	
— Sundry receipts	8,828	
— Sale of publications ..	14,244	
		42,732
— Less receipts for 1974 estimated in the budget		40,900
		1,832

3. Nevertheless, an amount of F 114,604 in Head I mainly represents unexpended credits in respect of staff expenditure connected with the 1974 general review of emoluments. The negotiations on this review are still continuing in the Co-ordinating Committee of Government Budget Experts and it seems certain that the new salary scales will take effect from 1st July 1974. Since, however, under the financial regulations of the Assembly, the funds can only remain available until 31st March 1975, the cost of the general review relating to that financial year will have to be charged to the 1975 accounts. The members of the WEU Budget and Organisation Committee have been informed of the problem and the decision of this Committee will be submitted to the Council for approval.

Transfers

4. Excess expenditure amounting to F 47,696 has been met by transfer between heads. Nevertheless, an amount of F 19,211 relating to expenditure on the recruitment of interpreters for Assembly sessions could not be covered by transfer within Head II and this excess expenditure has been deducted from the overall amount of unexpended credits in Head V. In accordance with the recently-introduced procedure, the Council was duly informed of this.[1]

Contributions

5. All contributions were received from the Secretary-General WEU London before 31st December 1974.

1. Document A/WEU/BA (75) 1.

Provident fund

6. The Assembly's funds are incorporated with those of the other organs of WEU and the entire fund is administered by the Secretary-General in consultation with the Clerk of the Assembly.

7. The Secretary-General has continued to receive advice from the advisory panel set up within WEU and from outside bankers on the investment of the funds. These are at present held in United States dollars, French francs, pounds sterling, Dutch guilders, Deutschmarks and Swiss francs with the International Westminster Bank Ltd., London.

8. An amount of F 107,181 was charged to the accounts for 1973 for the fluctuation in exchange rates. It was decided in 1974 to cancel this entry. In future, fluctuations in exchange rates will only be charged to individual accounts as and when a staff member leaves WEU and withdraws his provident fund account.

9. The balance of the fund on 31st December 1974, as shown in Appendix IV, was F 3,317,552. Interest was distributed to individual accounts on 30th September and 31st December 1974.

10. The President would like to take this opportunity of expressing the appreciation of the Assembly for the help which was extended to the Office of the Clerk by the United Kingdom Comptroller and Auditor General.

Edmond NESSLER
President of the Assembly

28th April 1975

APPENDIX I

Summary of income and expenditure for the financial year 1974

(in French francs)

Per attached statement

Assessments of member States (see Appendix III)		5,030,000
Contributions not requested		—
Miscellaneous		
Bank interest	19,660	
Sundry receipts	8,828	
Sale of publications	14,244	
		42,732
		5,072,732
Expenditure under budget authorisation (see Appendix II)	4,891,773	
Expenditure in excess of budget authorisation on Head II	19,211	
		4,910,984
Excess of income over expenditure		F 161,748

Financial position as at 31st December 1974

Assets

Cash at bank	310,345	
Sundry advances	61,025	
Advances to temporary staff	—	
Accounts receivable	10,411	
		381,781
Less:		
Liabilities		
Supplementary insurance	43,841	
Insurance premiums payable	2,515	
Accounts payable	173,677	220,033
Excess of income over expenditure		F 161,748

Certified correct:

Edmond NESSLER	Francis HUMBLET	André DEQUAE
President of the Assembly	*Clerk of the Assembly*	*Chairman of the Committee on Budgetary Affairs and Administration*

I have examined the foregoing Summary of Income and Expenditure and the Statement of Assets and Liabilities. I have obtained all the information and explanations that I have required, and I certify, as the result of my audit, that in my opinion these Statements are correct.

Signed: P. B. PITBLADO

Comptroller and Auditor General,
United Kingdom
External Auditor

16th June 1975

APPEN

STATEMENT OF BUDGET AUTHORISATIONS, EXPENDITURE ANI

DETAILS			Total budget for 1974 [1]
HEAD I - EXPENDITURE FOR STAFF			
Sub-Head 1	(*a*)	Salaries of permanent establishment	2,122,200
	(*b*)	Recruitment of additional temporary staff (grades B and C), including travelling expenses and French social security	7,000
Sub-Head 2		*Allowances, social charges, etc.*	
	(*A*)	*Allowances*	
	(*a*)	Head-of-family allowance	71,400
	(*b*)	Children's allowance	103,200
	(*c*)	Expatriation allowance	186,300
	(*d*)	Compensatory rent allowance	10,000
	(*e*)	Overtime	12,000
	(*f*)	Guarantee against currency devaluation for non-French staff	
	(*g*)	Education allowance	22,000
	(*h*)	Allowance for language courses	1,800
	(*B*)	*Social charges*	
	(*a*)	Social security	135,000
	(*b*)	Supplementary insurance	80,300
	(*c*)	Provident fund	285,600
	(*C*)	*Expenses relating to the recruitment, arrival and departure of permanent officials*	
	(*a*)	Travelling expenses and per diem for candidates not residing in Paris, who are convened for examinations and interviews, and cost of marking examination papers	1,600
	(*b*)	Reimbursement of travelling expenses on arrival and departure of staff and dependent persons	1,500
	(*c*)	Removal expenses	3,000
	(*d*)	Installation allowance	4,500
	(*e*)	Biennial home leave for non-French officials	5,000
	(*f*)	Medical examination	2,000
		Total of Head I	3,054,400

1. Documents 621, 634 and 647.

DIX II

UNEXPENDED CREDITS FOR THE FINANCIAL YEAR 1974

Transfers +	Transfers —	Total after transfers	Total expenditure	Unexpended credits
		2,122,200	2,053,122	69,078
2,382		9,382	9,382	—
		71,400	69,539	1,861
		103,200	96,353	6,847
		186,300	175,979	10,321
		10,000	5,382	4,618
		12,000	7,483	4,517
		22,000	21,010	990
		1,800	840	960
		135,000	131,922	3,078
		80,300	77,278	3,022
		285,600	276,288	9,312
		1,600	268	1,332
		1,500	398	1,102
		3,000	114	2,886
	2,682	1,818	1,258	560
300		5,300	5,300	—
		2,000	1,631	369
2,682	2,682	3,054,400	2,933,547	120,853

DETAILS	Total budget for 1974
HEAD II - EXPENDITURE RELATING TO THE SESSIONS OF THE ASSEMBLY	
Sub-Head 3 1. *Temporary staff*	
Temporary staff required for the sessions of the Assembly	256,000
2. *Linguistic staff*	
(*A*) *Interpretation services*	
(*a*) Interpretation services required for the sessions of the Assembly	98,000
(*b*) Interpretation services required for meetings of Committees between sessions	90,000
(*B*) *Translation services*	
Temporary translators for the sessions of the Assembly	200,000
3. *Insurance for temporary staff*	3,300
4. *Installation of equipment and hire of offices for the sessions*	114,000
5. *Miscellaneous expenditure during sessions*	22,700
Total of Head II	784,000
HEAD III - EXPENDITURE ON PREMISES AND EQUIPMENT	
Sub-Head 4 Premises	108,000
Sub-Head 5 Capital equipment	10,000
Total of Head III	118,000

Transfers +	Transfers —	Total after transfers	Total expenditure	Unexpended credits
	10,090	245,910	245,910	—
208		98,208	117,419	19,211
8,219		98,219	98,219	—
2,358		202,358	202,358	—
	297	3,003	3,003	—
	5,371	108,629	108,629	—
4,973		27,673	27,673	—
15,758	15,758	784,000	803,211	19,211
	2,012	105,988	92,411	13,577
2,012		12,012	12,012	—
2,012	2,012	118,000	104,423	13,577

DETAILS		Total budget for 1974
HEAD IV - GENERAL ADMINISTRATIVE COSTS		
Sub-Head 6	Postage, telephone, telegraph charges, transport of documents	175,000
Sub-Head 7	Paper, stationery and office supplies	105,000
Sub-Head 8	Printing and publishing of Assembly documents	500,000
Sub-Head 9	Purchase of documents, reference works, etc.	16,000
Sub-Head 10	Official car	20,000
Sub-Head 11	Bank charges	500
	Total of Head IV	816,500
HEAD V - OTHER EXPENDITURE		
Sub-Head 12	Travel and subsistence allowances and insurance for the President of the Assembly, Chairmen of Committees and Rapporteurs	50,000
Sub-Head 13	Expenses for representation and receptions	70,000
Sub-Head 14	Committee study missions	2,000
Sub-Head 15	Official journeys of members of the Office of the Clerk	95,000
Sub-Head 16	Expenses of experts and the auditor	35,000
Sub-Head 17	Expenditure on information	23,000
Sub-Head 18	Expenses for groups of the Assembly	15,000
Sub-Head 19	Contingencies and other expenditure not elsewhere provided for	2,000
Sub-Head 20	Non-recoverable taxes	6,000
	Total of Head V	298,000
	TOTAL	5,070,900

The expenditure figures include charges for goods delivered and services rendered by 31st December 1974, an

Edmond NESSLER
President of the Assembly

Francis
Clerk of th

Transfers +	Transfers —	Total after transfers	Total expenditure	Unexpended credits
	22,876	152,124	152,124	—
11,500		116,500	116,500	—
15,421		515,421	515,421	—
	3,803	12,197	12,197	—
	242	19,758	18,668	1,090
		500	64	436
26,921	26,921	816,500	814,974	1,526
	323	49,677	28,596	21,081
		70,000	63,420	6,580
		2,000	1,201	799
		95,000	90,481	4,519
		35,000	30,967	4,033
		23,000	18,630	4,370
		15,000	13,786	1,214
323		2,323	2,323	—
		6,000	5,425	575
323	323	298,000	254,829	43,171
47,696	47,696	5,070,900	4,910,984	159,916

id for up to 31st March 1975, in accordance with the Financial Regulations of the Assembly.

André DEQUAE
Chairman of the Committee on Budgetary Affairs and Administration

[UMBLET
Assembly

APPENDIX III

STATEMENT OF SUMS DUE AND RECEIVED FROM THE SECRETARY-GENERAL OF WEU LONDON IN RESPECT OF CONTRIBUTIONS TO THE WEU ASSEMBLY BUDGET FOR 1974

Member States	600ths	Budget surplus from 1973	Budget for 1974	1st supplementary budget for 1974	2nd supplementary budget for 1974	Net contributions required
		F	F	F	F	F
Belgium	59	(578)	437,583	45,528	11,505	494,038
France	120	(1,177)	890,000	92,600	23,400	1,004,823
Federal Republic of Germany	120	(1,177)	890,000	92,600	23,400	1,004,823
Italy	120	(1,177)	890,000	92,600	23,400	1,004,823
Luxembourg	2	(19)	14,834	1,544	390	16,749
Netherlands	59	(578)	437,583	45,528	11,505	494,038
United Kingdom	120	(1,177)	890,000	92,600	23,400	1,004,823
	600	(5,883)	4,450,000	463,000	117,000	5,024,117

APPENDIX IV

PROVIDENT FUND
ACCOUNT FOR THE FINANCIAL YEAR ENDED 31st DECEMBER 1974

	F		F
Accounts of staff members as at 1st January 1974	2,887,865	Withdrawals	21,805
Contributions of staff members and of the Assembly of Western European Union	414,433		
Repayments of loans by staff members	103,347	Loans to staff members	540,200
Interest received during year	366,211		
Cancellation of the loss due to monetary fluctuations as at 26th July 1973	106,723	Payment to common fund	134
Gain on valuation by staff who left the Organisation after 26th July 1973	978		
Reimbursement by bank of loss of interest	134	Accounts of staff members as at 31st December 1974	3,317,552
	3,879,691		3,879,691

Edmond NESSLER
President of the Assembly

Francis HUMBLET
Clerk of the Assembly

André DEQUAE
Chairman of the Committee on Budgetary Affairs and Administration

I have examined the foregoing Statement. I have obtained all the information and explanations that I have required, and I certify, as the result of my audit, that in my opinion this Statement is correct.

D. B. PITBLADO
Comptroller and Auditor General, United Kingdom
External Auditor

16th June 1975

Accounts of the Administrative Expenditure of the Assembly for the Financial Year 1974

MOTION TO APPROVE THE FINAL ACCOUNTS OF THE ASSEMBLY FOR THE FINANCIAL YEAR 1974 [1]

submitted on behalf of the Committee on Budgetary Affairs and Administration [2] ***by Mr. Dequae, Chairman and Rapporteur***

The Assembly,

Having examined the final accounts of the Assembly for the financial year 1974, together with the Auditor's Report, in accordance with Article 16 of the Financial Regulations,

Approves the accounts as submitted and discharges the President of the Assembly of his financial responsibility.

1. Adopted unanimously by the Committee.

2. *Members of the Committee:* Mr. *Dequae* (Chairman); Lord Selsdon (Substitute: *Sir John Rodgers*), Mr. *Legaret* (Vice-Chairmen); MM. Ahrens (Substitute: *Wende*), *Alber*, de Bruyne (Substitute: *Adriaensens*), Castellucci, *Depietri*, Hengel (Substitute: *Spautz*), Kauffmann, de Koster, Lewis, Moneti, *Page*, *Lord Peddie*, Prearo, *Schleiter*, Talamona, Vohrer, Waltmans, Mrs. Wolf (Substitute: *Kempfler*).

Also present: Mr. Mart.

N. B. *The names of Representatives who took part in the vote are printed in italics.*

Document 678 **20th October 1975**

BUDGET OF THE ADMINISTRATIVE EXPENDITURE OF THE ASSEMBLY FOR THE FINANCIAL YEAR 1976 [1]

submitted on behalf of the Committee on Budgetary Affairs and Administration [2]
by Mr. Dequae, Chairman and Rapporteur

TABLE OF CONTENTS

Summary of Estimates for the Financial Year 1976

Details	Estimate for 1976 F
Head I : Expenditure for staff	3,939,000
Head II : Expenditure relating to temporary personnel	1,073,500
Head III: Expenditure on premises and equipment	210,000
Head IV : General administrative costs	1,036,000
Head V : Other expenditure	338,000
TOTAL EXPENDITURE	6,596,500
TOTAL RECEIPTS	37,500
NET TOTAL	6,559,000

1. Adopted unanimously by the Committee on Budgetary Affairs and Administration and approved unanimously by the Presidential Committee.

2. *Members of the Committee :* Mr. *Dequae* (Chairman) ; Lord Selsdon (Substitute : *Sir John Rodgers*), Mr. *Legaret* (Vice-Chairmen) ; MM. Ahrens (Substitute : *Wende*), *Alber*, de Bruyne (Substitute : *Adriaensens*), Castellucci, *Depietri*, Hengel (Substitute : *Spautz*), Kauffmann, de Koster, Lewis, Moneti, *Page*, *Lord Peddie*, Prearo, *Schleiter*, Talamona, Vohrer, Waltmans, Mrs. Wolf (Substitute : *Kempfler*).

Also present : Mr. Mart.

N. B. *The names of Representatives who took part in the vote are printed in italics.*

Allocation of Expenditure under Heads and Sub-Heads

Details	Estimate for 1976 F	
Head I — EXPENDITURE FOR STAFF		
Sub-Head 1: Salaries of permanent establishment	2,734,000	
Sub-Head 2: (A) Allowances	525,000	
(B) Social charges	660,000	
(C) Expenses relating to the recruitment, arrival and departure of permanent officials	20,000	
TOTAL OF HEAD I		3,939,000
Head II — EXPENDITURE RELATING TO THE SESSIONS OF THE ASSEMBLY		
Sub-Head 3: 1. Temporary staff	331,000	
2. Linguistic staff	557,000	
3. Insurance for temporary staff	4,500	
4. Installation of equipment for sessions	147,000	
5. Miscellaneous expenditure during sessions	34,000	
TOTAL OF HEAD II		1,073,500
Head III — EXPENDITURE ON PREMISES AND EQUIPMENT		
Sub-Head 4: Premises	153,000	
Sub-Head 5: Capital equipment	57,000	
TOTAL OF HEAD III		210,000
Head IV — GENERAL ADMINISTRATIVE COSTS		
Sub-Head 6: Postage, telephone, telegraph charges, transport of documents, typewriters, etc.	250,000	
Sub-Head 7: Paper, stationery and office supplies	125,000	
Sub-Head 8: Printing and publishing of Assembly documents	620,000	
Sub-Head 9: Purchase of documents, reference works, etc.	18,500	
Sub-Head 10: Official cars	22,000	
Sub-Head 11: Bank charges	500	
TOTAL OF HEAD IV		1,036,000
Head V — OTHER EXPENDITURE		
Sub-Head 12: Travel and subsistence allowances and insurance for Chairmen of Committees, Rapporteurs and Representatives attending meetings of the Bureau, Presidential Committee and joint meetings	55,000	
Sub-Head 13: Expenses for representation and receptions	80,000	
Sub-Head 14: Committee study missions	3,000	
Sub-Head 15: Official journeys of members of the Office of the Clerk	125,000	
Sub-Head 16: Expenses of experts and the auditors	20,000	
Sub-Head 17: Expenditure on information	30,000	
Sub-Head 18: Expenses for groups of the Assembly	15,000	
Sub-Head 19: Contingencies and other expenditure not elsewhere provided for	3,000	
Sub-Head 20: Non-recoverable taxes	7,000	
TOTAL OF HEAD V		338,000

Head I — Expenditure for Staff

Sub-Head 1

SALARIES OF PERMANENT ESTABLISHMENT

Estimate: F 2,734,000

(*a*) Basic salaries — *Estimate:* F 2,725,000

Rank	WEU Grade	No.	Total F
The Clerk	Hors cadre	1	98,000
The Clerk Assistant	Hors cadre	1	173,000
Counsellors	A5	5	826,000
First Secretaries	A4	2	288,000
Secretary	A3	1	120,000
Secretaries-Translators/Publications Administrative Assistant/Assistant Translator	A2	3	283,000
Chief Accountant	B6	1	94,000
Personal Assistants	B4	4	281,000
Bilingual Shorthand Typists	B3	6	362,000
Switchboard Operator	B3	1	61,000
Head Roneo-Storekeeper	C6	1	56,000
Messengers	C3	2	83,000
		28	2,725,000

(*b*) Recruitment of additional temporary staff (grades B and C), including travelling expenses and French social security

Estimate: F 9,000

Sub-Head 2

ALLOWANCES, SOCIAL CHARGES, ETC.

(A) ALLOWANCES

Estimate: F 525,000

(*a*) Household allowance — *Estimate:* F 95,000

Rank	WEU Grade	No.	Total F
Clerk Assistant	Hors cadre	1	10,000
Counsellors	A5	4	39,000
First Secretary	A4	1	9,000
Secretary	A3	1	7,000
Personal Assistants	B4	3	13,000
Bilingual Shorthand Typists	B3	3	11,000
Messenger	C3	2	6,000
		15	95,000

(*b*) Children's allowance — *Estimate:* F 132,000

4,560 F per year per child: 4,560 × 29 ..... F 132,000

(*c*) Expatriation allowance — *Estimate:* F 234,000

Rank	WEU Grade	No.	Total F
Counsellors	A5	3	97,000
First Secretary	A4	1	29,000
Secretary	A3	1	26,000
Secretary-Translator/Publications Administrative Assistant/Assistant Translator	A2	2	30,000
Personal Assistants	B4	2	27,000
Bilingual Shorthand Typists	B3	2	25,000
		11	234,000

(*d*) Compensatory rent allowance — *Estimate:* F 10,000

(*e*) Overtime — *Estimate:* F 14,000

(*f*)

(*g*) Education allowance — *Estimate:* F 38,000

(*h*) Allowance for language courses — *Estimate:* F 2,000

(B) SOCIAL CHARGES

Estimate: F 660,000

(*a*) Social Security — *Estimate:* F 180,000

27 officials — F 180,000

(*b*) Supplementary insurance — *Estimate:* F 112,000

3.55 % of total emoluments × 3,136,000 F — F 112,000

(*c*) Provident fund — *Estimate:* F 368,000

14 % of basic salaries × 2,627,000 F — F 368,000

(C) EXPENSES RELATING TO THE RECRUITMENT, ARRIVAL AND DEPARTURE OF PERMANENT OFFICIALS

Estimate: F 20,000

(*a*) Travelling expenses and per diem for candidates not residing in Paris who are convened for examinations and interviews and cost of marking examination papers

Estimate: F 1,600

(*b*) Reimbursement of travelling expenses on arrival and departure of staff and dependent persons

Estimate: F 1,500

(*c*) Removal expenses

Estimate: F 3,000

(*d*) Installation allowance

Estimate: F 4,500

(*e*) Biennial home leave for non-French officials

Estimate: F 7,000

(*f*) Medical examination

Estimate: F 2,400

Head II — Expenditure relating to the sessions of the Assembly

Estimate: F 1,073,500

Sub-Head 3

1. TEMPORARY STAFF

Temporary staff required for the sessions of the Assembly

Function	Paris: 10 days		
	Daily remuneration F	No.	Total F
Head of the sittings office	383	1 *a*	5,800
Heads of sections	291	2 *a*	24,200
	383	4 *b*	
Sergeant-at-Arms	330	1 *b*	4,000
Secretaries for the Assembly	270	2 *a*	13,300
	330	2 *b*	
Précis writers	270	4 *a*	26,600
	330	4 *b*	
Verbatim reporters	330	14 *b*	71,300
	426	4 *c*	
Assistants	215	4 *b*	91,300
	205	23 *b*	
	160	6 *a*	
	148	10 *a*	
Head ushers	100	2 *a*	2,400
Ushers	90	16 *a*	15,900
Roneo/Assemblers	90	18 *a*	16,200
		117	271,000

a. Recruited locally.
b. Recruited outside France.
c. Recruited as free-lance staff.

Travelling expenses	F	60,000
		331,000

2. LINGUISTIC STAFF

(A) *Interpretation Services*

(*a*) Interpretation services required for the sessions of the Assembly

Function	10 days	
	No.	Total F
Interpreters	12	140,000
	12	

Travelling expenses ..... F 11,000

F 151,000

(*b*) Interpretation services required for meetings of committees between sessions ..... F 130,000

(B) *Translation Services*

Temporary translators for the sessions of the Assembly

Function	Daily remuneration F	No.	Estimate [1] F
Revisers	391	3 *a*	95,000
	584	3 *b*	
Translators	303	4 *a*	102,000
	474	4 *b*	
Assistants	160	4 *a*	70,000
	215	3 *b*	
	148	3 *a*	
	205	2 *b*	
		26	267,000

1. Based on 30 days for the revisers and translators.
a. Recruited locally.
b. Recruited outside France.

Travelling expenses ..... F 9,000

F 276,000

3. INSURANCE FOR TEMPORARY STAFF

Estimate : F 4,500

4. INSTALLATION OF EQUIPMENT FOR SESSIONS

— Installation of simultaneous interpretation equipment	F	117,000
— Installation of telephone booths	F	13,000
— Installation of tape-recorders and a teleprinter "France-Presse" for the Press Service	F	10,000
— Technicians necessary for the operation of the simultaneous interpretation equipment in the WEU committee rooms	F	7,000

Estimate: F 147,000

5. MISCELLANEOUS EXPENDITURE DURING SESSIONS

— Removal expenses	F	8,000
— Medical Service (Doctor and Nurse)	F	4,500
— Hire of typewriters and technicians	F	4,000
— Servicing of lifts	F	5,000
— Cleaning	F	6,500
— Miscellaneous	F	6,000

Estimate: F 34,000

Head III — Expenditure on premises and equipment

Estimate: F 210,000

Sub-Head 4

PREMISES

— Hire of committee rooms outside Paris and installation of simultaneous interpretation equipment	F	8,000
— Technician necessary for the operation of the simultaneous interpretation equipment in the WEU committee rooms between sessions	F	4,000
— Joint overheads for the premises	F	133,000
— Minor repairs to equipment and machines and removal of furniture	F	8,000

Estimate: F 153,000

Sub-Head 5

CAPITAL EQUIPMENT

— Replacement of 2 IBM typewriters ..... F 8,000
— Purchase of a guillotine machine ..... F 18,000
— Purchase of an electric stapling machine ..... F 31,000

Estimate: F 57,000

Head IV — General administrative costs

Estimate: F 1,036,000

Sub-Head 6

POSTAGE, TELEPHONE, TELEGRAPH CHARGES, TRANSPORT OF DOCUMENTS

— Postage ..... F 150,000
— Telephone..... F 80,000
— Telegrams..... F 6,000
— Transport of documents ..... F 14,000

Estimate: F 250,000

Sub-Head 7

PAPER, STATIONERY AND OFFICE SUPPLIES

— Purchase of roneo paper, stencils, headed writing paper and other office supplies

Estimate: F 125,000

Sub-Head 8

PRINTING AND PUBLISHING OF ASSEMBLY DOCUMENTS

— Printing of Assembly documents (includes the record of debates, minutes of the Assembly and Assembly documents)
— Printing of Reports of the Council
— Printing of Texts Adopted
— Miscellaneous — Bulletins, printing of the Agenda and Order of Business of the Assembly, voting lists, etc.
— Reprints
— Brochures

Estimate: F 620,000

Sub-Head 9

PURCHASE OF DOCUMENTS, REFERENCE WORKS, ETC.

Estimate: F 18,500

Sub-Head 10

OFFICIAL CARS

— Hire of official cars ..... *Estimate :* F 22,000

Sub-Head 11

BANK CHARGES

Estimate : F 500

Head V — Other expenditure

Estimate : F 338,000

Sub-Head 12

TRAVEL AND SUBSISTENCE ALLOWANCES AND INSURANCE FOR THE PRESIDENT OF THE ASSEMBLY, CHAIRMEN OF COMMITTEES AND RAPPORTEURS

Estimate : F 55,000

Sub-Head 13

EXPENSES FOR REPRESENTATION AND RECEPTIONS

Estimate : F 80,000

Sub-Head 14

COMMITTEE STUDY MISSIONS

Estimate : F 3,000

Sub-Head 15

OFFICIAL JOURNEYS OF MEMBERS OF THE OFFICE OF THE CLERK

Estimate : F 125,000

Sub-Head 16

EXPENSES OF EXPERTS AND THE AUDITOR

Estimate : F 20,000

Sub-Head 17

EXPENDITURE ON INFORMATION

Estimate : F 30,000

Sub-Head 18

EXPENSES FOR GROUPS OF THE ASSEMBLY

Estimate : F 15,000

Sub-Head 19

CONTINGENCIES AND OTHER EXPENDITURE NOT ELSEWHERE PROVIDED FOR

Estimate : F 3,000

Sub-Head 20

NON-RECOVERABLE TAXES

Estimate : F 7,000

Explanatory Memorandum

(submitted by Mr. Dequae, Chairman and Rapporteur)

1. The draft budget now before you amounts to F 6,559,000. The budget for 1975 amounted to F 6,065,000. The difference is therefore F 494,000, i.e. 8.15 %.

2. *Head I — Expenditure for staff*

The increase (F 309,000) in the estimate for this head takes account of:

(*i*) the effect over a full year of increases granted in 1975 in basic salaries and payments to the provident fund, expatriation and household allowances and contributions in respect of supplementary insurance;

(*ii*) annual increments;

(*iii*) an estimated 9 % rise in salaries and other emoluments in 1976 to meet the rise in the cost of living.

3. *Head II — Expenditure relating to sessions of the Assembly*

Sub-head 3.1 — Temporary staff

Salaries for temporary staff follow the scales applied in the Council of Europe and the European Parliament. In accordance with the decision of the Budget Committee of the Council, the WEU Assembly applies automatically, in the course of the year, all increases in salary scales as and when they are applied by the Council of Europe and the European Parliament.

Sub-head 3.2 (A) — Interpretation services

The increase (F 31,000) in the estimate for this sub-head takes into account probable increases in the scales applied by the co-ordinated organisations in respect of salaries and daily allowances payable to interpreters.

Sub-head 3.2 (B) — Translation services

The increase (F 12,000) in the estimate for this sub-head corresponds to the scales applied in the Council of Europe.

Sub-head 3.4 — Installation of equipment for the sessions

The increase (F 77,000) in the estimate for this sub-head corresponds to the increased cost of installing equipment needed for two part-sessions held in Paris.

Sub-head 3.5 — Miscellaneous expenditure during sessions

The increase (F 6,000) in the estimate for this sub-head, covering two part-sessions held in Paris, is to meet certain expenses affected by the rise in the cost of living.

4. *Head III — Expenditure on premises and equipment*

Sub-head 4 — Premises

The increase (F 10,000) in the estimate for this sub-head is partly to meet the higher cost of maintenance for the premises at 43, avenue du Président Wilson, and partly to cover the cost of installing simultaneous interpretation equipment for committee meetings held outside Paris; it also covers allowances for the technicians responsible for operating the simultaneous interpretation equipment in the WEU committee rooms.

Sub-head 5 — Capital equipment

The sum of F 57,000 is for the replacement of two unserviceable machines in the roneo department which were purchased in 1960, and two typewriters purchased in 1965 and 1970.

5. *Head IV — General administrative costs*

Sub-head 6 — Postage, telephone, telegraph charges, transport of documents

The increase (F 27,000) in the estimate for this sub-head corresponds to increases in the cost of telephone rental and calls and a rise in postal rates.

Sub-head 7 — Paper, stationery and office supplies

The increase (F 7,000) in the estimate for this sub-head corresponds to the increased cost of paper and office supplies.

Sub-head 10 — Official cars

The increase (F 2,000) in the estimate for this sub-head corresponds to the increased cost of hiring cars.

6. *Head V - Other expenditure*

Sub-head 13 — Expenses for representation and receptions

The increase (F 5,000) in the estimate for this sub-head corresponds to rising prices.

Sub-head 15 — Official journeys of members of the Office of the Clerk

The reduction (F 36,000) in the estimate for this sub-head has been possible since the 1975 budget had to cover the expenses of members of the Office of the Clerk travelling to Bonn for the session. This estimate also takes account, however, of an increase in daily allowances and travelling expenses.

Sub-head 16 — Expenses of experts and the auditors

The increase (F 2,000) in the estimate for this sub-head is to cover fees paid to the auditor and the expenses of experts.

Sundry receipts

Expected receipts in 1976 include:

(*i*) sale of publications;

(*ii*) bank interest;

(*iii*) social security reimbursements in respect of staff on sick leave.

Head I — Expenditure for Staff

Sub-Head 1

SALARIES OF PERMANENT ESTABLISHMENT

(*a*) Basic salaries

Estimate for 1976	**F**	**2,725,000**
Budget for 1975	**F**	**2,525,000**
Net increase	**F**	**200,000**

See the explanatory memorandum, paragraph 2.

(*b*) Recruitment of additional temporary staff (grades B and C), including travelling expenses and French social security

Estimate for 1976	**F**	**9,000**
Budget for 1975	**F**	**8,000**
Net increase	F	1,000

This estimate has been calculated on the basis of increased rates payable to temporary staff.

Sub-Head 2

ALLOWANCES, SOCIAL CHARGES, ETC.

(A) ALLOWANCES

(*a*) Household allowance

Estimate for 1976	F	95,000
Budget for 1975	F	89,000
Net increase	F	6,000

This allowance has been calculated on the basis of the status of staff.

(*b*) Children's allowance

Estimate for 1976	F	132,000
Budget for 1975	F	116,000
Net increase	F	16,000

This allowance has been calculated on the basis of the status of staff.

(*c*) Expatriation allowance

Estimate for 1976	F	234,000
Budget for 1975	F	217,000
Net increase	F	17,000

This estimate has been calculated on the basis of the number of non-French staff entitled to the allowance.

(*d*) Compensatory rent allowance

Estimate for 1976	F	10,000
Budget for 1975	F	10,000
Estimate unchanged		

This estimate has been calculated on the basis of the rent allowance now paid and the number of officials qualifying for an allowance.

(*e*) Overtime

Estimate for 1976	F	14,000
Budget for 1975	F	14,000
Estimate unchanged		

(*f*)

(*g*) Education allowance

Estimate for 1976	F	38,000
Budget for 1975	F	28,000
Net increase	F	10,000

This estimate has been calculated on the basis of the number of officials entitled to this allowance.

(*h*) Allowance for language courses

Estimate for 1976	F	2,000
Budget for 1975	F	2,000
Estimate unchanged		

This estimate has been calculated on the basis of the number of officials entitled to this allowance.

(B) SOCIAL CHARGES

(*a*) Social security

Estimate for 1976	F 180,000
Budget for 1975	F 161,000
Net increase	F 19,000

(*b*) Supplementary insurance

Estimate for 1976	F 112,000
Budget for 1975	F 101,000
Net increase	F 11,000

This calculation is based on 3.55 % of total emoluments.

(*c*) Provident Fund

Estimate for 1976	F 368,000
Budget for 1975	F 340,000
Net increase	F 28,000

This calculation is based on 14 % of basic salaries.

(C) EXPENSES RELATING TO THE RECRUITMENT, ARRIVAL AND DEPARTURE OF PERMANENT OFFICIALS

(*a*) Travelling expenses and per diem for candidates not residing in Paris, who are convened for examinations and interviews, and cost of marking examination papers

Estimate for 1976	F 1,600
Budget for 1975	F 1,600
Estimate unchanged	

(*b*) Reimbursement of travelling expenses on arrival and departure of staff and dependent persons

Estimate for 1976	F 1,500
Budget for 1975	F 1,500
Estimate unchanged	

Calculated on the basis of estimated departures and replacement of staff.

(*c*) Removal expenses

Estimate for 1976	F	3,000
Budget for 1975	F	3,000

Estimate unchanged

Calculated on the basis of estimated departures and replacement of staff.

(*d*) Installation allowance

Estimate for 1976	F	4,500
Budget for 1975	F	4,500

Estimate unchanged

Calculated on the basis of possible replacement requirements.

(*e*) Biennial home leave for non-French officials

Estimate for 1976	F	7,000
Budget for 1975	F	6,000
Net increase	F	1,000

This estimate takes account of increased fares.

Based on the number of staff entitled to home leave in 1976.

(*f*) Medical examination

Estimate for 1976	F	2,400
Budget for 1975	F	2,400

Estimate unchanged

Head II — Expenditure relating to the sessions of the Assembly

Sub-Head 3

1. TEMPORARY STAFF

Temporary staff required for the sessions of the Assembly

Estimate for 1976	F	331,000
Budget for 1975	F	335,000
Net decrease	F	4,000

The basis of the calculation is two part-sessions in Paris making a total of 10 sitting days.
See the explanatory memorandum, paragraph 3.

2. LINGUISTIC STAFF

(A) *Interpretation Services*

(*a*) Interpretation services required for the sessions of the Assembly

Estimate for 1976	F 151,000
Budget for 1975	F 130,000
Net increase	F 21,000

See the explanatory memorandum, paragraph 3.

(*b*) Interpretation services required for meetings of committees between sessions

Estimate for 1976	F 130,000
Budget for 1975	F 120,000
Net increase	F 10,000

See the explanatory memorandum, paragraph 3.

(B) *Translation Services*

Temporary translators for the sessions of the Assembly

Estimate for 1976	F 276,000
Budget for 1975	F 264,000
Net increase	F 12,000

See the explanatory memorandum, paragraph 3.

3. INSURANCE FOR TEMPORARY STAFF

Estimate for 1976	F 4,500
Budget for 1975	F 4,000
Net increase	F 500

4. INSTALLATION OF EQUIPMENT FOR THE SESSIONS

Estimate for 1976	F 147,000
Budget for 1975	F 70,000
Net increase	F 77,000

This calculation is based on the installations necessary for two part-sessions held in Paris.
See the explanatory memorandum, paragraph 3.

5. MISCELLANEOUS EXPENDITURE DURING THE SESSIONS

Estimate for 1976	F 34,000
Budget for 1975	F 28,000
Net increase	F 6,000

See the explanatory memorandum, paragraph 3.

Head III — Expenditure on premises and equipment

Sub-Head 4

PREMISES

Estimate for 1976	F 153,000
Budget for 1975	F 143,000
Net increase	F 10,000

This estimate has been calculated on the basis of the Assembly's share in maintenance costs and hire of committee rooms.

See the explanatory memorandum, paragraph 4.

Sub-Head 5

CAPITAL EQUIPMENT

Estimate for 1976	F 57,000
Budget for 1975	F 10,000
Net increase	F 47,000

See the explanatory memorandum, paragraph 4.

Head IV — General administrative costs

Sub-Head 6

POSTAGE, TELEPHONE, TELEGRAPH CHARGES, TRANSPORT OF DOCUMENTS

Estimate for 1976	F 250,000
Budget for 1975	F 223,000
Net increase	F 27,000

See the explanatory memorandum, paragraph 5.

Sub-Head 7

PAPER, STATIONERY AND OFFICE SUPPLIES

Estimate for 1976	F 125,000
Budget for 1975	F 118,000
Net increase	F 7,000

See the explanatory memorandum, paragraph 5.

Sub-Head 8

PRINTING AND PUBLISHING OF ASSEMBLY DOCUMENTS

Estimate for 1976	F 620,000
Budget for 1975	F 620,000
Estimate unchanged	

Sub-Head 9

PURCHASE OF DOCUMENTS, REFERENCE WORKS, ETC.

Estimate for 1976	F	18,500
Budget for 1975	F	18,500
Estimate unchanged		

Sub-Head 10

OFFICIAL CARS

Estimate for 1976	F	22,000
Budget for 1975	F	20,000
Net increase	F	2,000

In the absence of a car belonging to the Assembly, provision must be made for the hire of chauffeur-driven cars for the President of the Assembly and the Clerk.

See the explanatory memorandum, paragraph 5.

Sub-Head 11

BANK CHARGES

Estimate for 1976	F	500
Budget for 1975	F	500
Estimate unchanged		

Head V — Other expenditure

Sub-Head 12

TRAVEL AND SUBSISTENCE ALLOWANCES AND INSURANCE FOR THE PRESIDENT OF THE ASSEMBLY, CHAIRMEN OF COMMITTEES AND RAPPORTEURS

Estimate for 1976	F	55,000
Budget for 1975	F	55,000
Estimate unchanged		

Travel and subsistence allowances for members of the Assembly attending committee meetings, including meetings of the Presidential Committee, are paid by the governments.

The Assembly is responsible for travel and subsistence allowances for visits by the President of the Assembly, Rapporteurs and, on occasion, Committee Chairmen when such visits are connected with the preparation of a report or Assembly business. Journeys by Chairmen and Rapporteurs are subject to the approval of the Presidential Committee.

Sub-Head 13

EXPENSES FOR REPRESENTATION AND RECEPTIONS

Estimate for 1976	F	80,000
Budget for 1975	F	75,000
Net increase	F	5,000

See the explanatory memorandum, paragraph 6.

Sub-Head 14

COMMITTEE STUDY MISSIONS

Estimate for 1976	F	3,000
Budget for 1975	F	2,000
Net increase	F	1,000

Sub-Head 15

OFFICIAL JOURNEYS OF MEMBERS OF THE OFFICE OF THE CLERK

Estimate for 1976	F	125,000
Budget for 1975	F	161,000
Net decrease	F	36,000

See the explanatory memorandum, paragraph 6.

Sub-Head 16

EXPENSES OF EXPERTS AND THE AUDITORS

Estimate for 1976	F	20,000
Budget for 1975	F	18,000
Net increase	F	2,000

See the explanatory memorandum, paragraph 6.

Sub-Head 17

EXPENDITURE ON INFORMATION

Estimate for 1976	F	30,000
Budget for 1975	F	30,000
Estimate unchanged		

Sub-Head 18

EXPENSES FOR GROUPS OF THE ASSEMBLY

Estimate for 1976	F	15,000
Budget for 1975	F	15,000
Estimate unchanged		

Sub-Head 19

CONTINGENCIES AND OTHER EXPENDITURE NOT ELSEWHERE PROVIDED FOR

Estimate for 1976	F	3,000
Budget for 1975	F	3,000
Estimate unchanged		

Sub-Head 20

NON-RECOVERABLE TAXES

Estimate for 1976	F	7,000
Budget for 1975	F	7,000
Estimate unchanged		

European union and the defence of Europe

RESOLUTION 55

adopted by the Presidential Committee on 11th September 1975

The Assembly of WEU,

Stressing the fact that it is the only European parliamentary assembly with competence in the defence field and that this competence stems from Article IX of the modified Brussels Treaty, signed by seven of the nine member States of the European Community;

Noting that in its report on European union the Commission recalls that " matters relating specifically to defence are dealt with at NATO and in Western European Union ";

Recalling the fact that in accordance with Article XI the modified Brussels Treaty is open to accession by all democratic States, including the two member States of the EEC which are not parties to the treaty;

Anxious to ensure that the undertakings entered into in the modified Brussels Treaty are respected and the means of action maintained as long as defence matters are only a field of " potential " competence for the European union;

Agreeing with the abovementioned report that the creation of the union might be facilitated by " periodic discussions on defence problems... in a truly European framework with the participation of all the member States " and that " another major step forward would be the development of a common policy on arms and equipment, possibly involving the setting up of a 'European Arms Agency' ",

URGES THE PRIME MINISTER OF BELGIUM, Mr. LÉO TINDEMANS, RESPONSIBLE FOR SUBMITTING A REPORT ON EUROPEAN UNION TO THE EUROPEAN COUNCIL

I. When considering defence, to take account of the fundamental provisions of the modified Brussels Treaty and its Protocols, i.e.:

— the guarantee of "all the military and other aid and assistance in their power" by the WEU member countries in the event of any of them being the object of an armed attack in Europe (Article V of the modified Brussels Treaty);

— the undertakings entered into by the member countries concerning their forces and armaments (Protocols Nos. II, III and IV), these undertakings being a model of freely-accepted discipline;

— the existence of the WEU Council "organised so as to be able to exercise its functions continuously" and able to "be immediately convened in order to permit the High Contracting Parties to consult with regard to any situation which may constitute a threat to peace, in whatever area this threat should arise" (Article VIII of the modified Brussels Treaty);

— the existence of the Standing Armaments Committee which is in a position to make a major contribution to the preparation of a joint European policy in the field of armaments and equipment and thus to pave the way for the creation of a "European Arms Agency";

— the parliamentary supervision exercised by the WEU Assembly of the activities of the Council and thus more generally of measures taken to ensure the security of Western Europe (Article IX of the modified Brussels Treaty);

II. To consider carefully the possibilities now offered by the modified Brussels Treaty until such time as the European union shall have the necessary powers and means of action for exercising responsibility in the defence field;

III. To facilitate the exercise by the WEU Assembly of its responsibilities in the defence field by recommending that the European Council seek its opinion on any plans it may draw up for the defence of Europe.

420.4 + 420.41
+ 490

Document 680 **23rd October 1975**

Western Europe and the evolution of the Atlantic Alliance — Consideration of current problems

REPORT [1]

submitted on behalf of the General Affairs Committee [2] by Mr. Leynen, Rapporteur

TABLE OF CONTENTS

1. Adopted in Committee by 9 votes to 0 with 8 abstentions.

2. *Members of the Committee:* Mr. *Sieglerschmidt* (Chairman); *Sir John Rodgers* (Vice-Chairman); MM. Abens, Amrehn, *Sir Frederic Bennett*, Mr. Bettiol, Mrs. *von Bothmer*, MM. Brugnon (Substitute: *Forni*), Cermolacce, Fioret, *Fletcher*, Mrs. Godinache-Lambert (Substitute: *de Bruyne*), MM. *Grangier*, *Leynen*, *Mende*, *Minnocci*, Nessler, *de Niet*, Peijnenburg, *Péridier*, *Portheine*, Preti, Quilleri, Schmidt, *Steel*, *Urwin*, *Van Hoeylandt*.

N.B. *The names of Representatives who took part in the vote are printed in italics.*

1.1.3 482.4 (3)

Draft Recommendation

on Western Europe and the evolution of the Atlantic Alliance — consideration of current problems

The Assembly,

Considering that, however Europe's defence may be organised, the Atlantic Alliance remains the essential guarantee of European security ;

Noting with interest the views expressed by the Commission of the European Communities in its report on European union of 26th June 1975 concerning the defence responsibilities of the European union ;

Recalling that the WEU Assembly is the only European parliamentary assembly with defence responsibilities ;

Underlining that accession to the modified Brussels Treaty is still open in particular to any country called upon to take part in a European union ;

Noting that "the Council meeting at the level of Permanent Representatives is fully empowered to exercise the rights and duties ascribed to it in the treaty" and that "the Council are at present discussing the possibility that Western European Union might undertake additional work connected with the standardisation of armaments in Europe" (Reply to Recommendation 266) ;

Considering the Council's refusal to reply to questions put by members of the Assembly on nuclear strategy and NATO defence plans to be contrary to normal parliamentary democratic procedure and consequently unacceptable (Written Questions 158 and 159),

RECOMMENDS THAT THE COUNCIL

1. Implement in the framework of its responsibilities the principles defined in Resolution 55 of the Assembly, and in particular :

   (*a*) ensure that all the provisions of the modified Brussels Treaty are applied in full until such time as the European union has the necessary powers and means of action to exercise defence responsibilities ;

   (*b*) maintain all its activities as long as they have not been attributed by treaty to the institutions of the union ;

2. Ensure that no member country enters into any international undertaking liable to limit its participation in a European union with responsibilities covering external policy and defence matters ;

3. Explore and implement here and now the possibilities afforded by the modified Brussels Treaty, particularly in the field of arms policy ;

4. Consider forthwith how to make truly European bodies responsible for preparing a defence policy to be implemented by the forces of the member States ;

5. Invite the European Council, as an organ of the EEC, to consult the WEU Assembly on any plans it may draw up concerning the defence of Europe.

Explanatory Memorandum

(submitted by Mr. Leynen, Rapporteur)

I. *Towards an adult Europe*

(i) Closer union

1. Since the first Prague coup in 1947, and above all since the signing of the Atlantic Alliance in 1949, soon followed by the Warsaw Pact, free Europe has lived in the shadow of the two blocs under the balance of terror. While belonging to one of these blocs, Western Europe (in the geographical sense extending beyond the seven members of WEU) sought in varying degrees but untiringly to define its own identity and promote the union. The Council of Europe (or greater Europe), Western European Union which replaced the stillborn European Defence Community, and the European Economic Community each in turn provided the appropriate framework.

2. Although the first two have stood still while continuing a steady dialogue and collaboration between their members in their own specific fields, it has become increasingly clear since the summit meetings in The Hague, Copenhagen and Paris that the Economic Community, since enlarged to nine, *has set a closer union as its goal* which some believe to be resolutely political and defensive but which is discreetly called European, which leaves a wide enough margin for future developments.

(ii) Beyond the two blocs

3. This emerging Europe, while sheltering below the American nuclear umbrella, quickly understood that it had to move cautiously and gradually extend beyond the two blocs to create, in a shape yet to be defined, a *political, economic and strategic group.* The bipolar world of the fifties has since become five-fold, if not more, since China made its entrance on the world stage and Japan has become an economic power to be reckoned with.

4. Today, the outstripping of the blocs is more satisfactory than twenty years ago. Following a variety of events, the United States has readjusted its commitments abroad. Here reference is made not only to the disturbances caused by the tragedy in South-East Asia and the internal unrest in that great country but also to the effects of the upsurge of the European States within the Atlantic Alliance, particularly since 1967 : the opening towards the East, policy of détente, attempts to achieve balanced force reductions leading towards the inter-German agreement, the Helsinki agreement and the MBFR negotiations.

5. Further, the Soviet Union's European policy seems to have developed towards a more defensive concept, having guaranteed the *status quo* of its conquests in Europe, in order to be able more easily to guard the Asian front. Or such, at least, is the general feeling in Europe in spite of warnings of caution which are sounded regularly.

(iii) Europe with world-wide responsibilities

6. The will to outstrip the blocs — which might also be called a need for European self-assertion — has been considerably strengthened by Europe's vast economic expansion, however shaken it may at present be by a dangerous depression. An economic community which alone represents 20 % of the gross social product of the whole world, 41 % of international trade and about 50 % of world monetary reserves — an economic giant — cannot deny its world responsibilities in establishing peace and social justice. With the exception of the United States' possession of intercontinental nuclear weaponry, Europe's responsibilities towards the world as a whole and towards the southern hemisphere in particular are at least equal to those of the United States. Seen from Washington, political Europe may seem parochial — according to Mr. Ball — because of its mosaic of peoples, nations (large and small), languages and national reactions. However this may be, Europe contributes generously and without political bias to the development of the southern hemisphere and shoulders its share of the heavy burden of joint defence.

7. Satisfaction may be derived from the statement by Mr. Ortoli in the European Parliament on 18th February 1975 :

> "Europe must behave as an adult and never forget that it is a profound moral reality at the same time as a great commercial power."

8. But what Europe is lacking is political stature. The major task of our governments is to shape this without delay with the enthusiastic

support of public opinion in our various countries.

II. *Prospects of political union*

9. In a report published in June 1975, the Commission of the European Communities outlines what a European union might be and possible ways of achieving it.

(i) The proposal

10. There is a fairly clear picture of the future. The Commission (paragraph 3) states that :

> "the possibility of a number of independent and parallel organisations must be excluded."

It also rejects (paragraphs 7 and 8) the type of union based on :

> "a network of special agreements involving all or only some of the member States depending on the subject"

which it considers contrary to the concept of a European identity.

11. It believes the union's responsibilities should include foreign policy and defence policy (paragraphs 59, 60 and 61).

12. Admittedly (paragraph 74) :

> "The Atlantic Alliance plays and will continue to play a decisive rôle in the security of Western Europe, but the security of the union, its long-term cohesion and solidarity between its peoples cannot be truly guaranteed if defence matters are purely and simply left on one side when the union is being established."

13. Moreover (paragraph 87) :

> "In the field of external relations, only a single organisation is capable of guaranteeing the necessary degree of consistency between the various aspects of a policy of international co-operation. In addition, it would make the union's own personality stand out more clearly at international level"

which, moreover :

> "does not mean that the institutions of the union act in all their fields of competence in accordance with the same legal rules."

14. Finally, in paragraph 76, the Commission states that for a European defence policy to be considered and accepted by the peoples of the union :

> "the European institutions will have to be recognised as authoritative and representative of a sufficiently high degree of solidarity between those peoples."

Consequently, (paragraph 77) :

> "A period of strengthening the union will be necessary before all these conditions can be met."

(ii) Fields of competence

15. These various considerations bring the Commission to consider the field of defence (paragraph 77) as :

> "a field of potential competence for the union, which would thus not be endowed with powers and means of action in this field from the outset."

16. The competence and potential competence of the union shall be laid down in the act of constitution (paragraph 12). The member States would thus have to enter into an undertaking in principle in this field which would have some immediate repercussions. Thus, (paragraph 78) :

> "As a potential competence would be involved, the member States would be bound not to engage with non-member countries in actions which might endanger the security of another member State or compromise the union's long-term cohesion."

17. The Commission further suggests (paragraph 79) :

> "periodic discussions on defence problems and the defence effort held in a truly European framework with the participation of all the member States"

and (paragraph 80) :

> "a systematic comparison of the strategic planning of the various countries with the aim of arriving at a common view, taking account of the specific interests of Europe."

18. Finally, the Commission recalls the Paris communiqué stating that the European union must be set up "with the fullest respect for the treaties already signed". It considers that this should not be construed to mean that no institutional change is desirable or even necessary but that fullest respect for the treaties implies (paragraph 93) :

"that the institutional system of the union should be based on the existing institutions."

(iii) The present situation

19. There now exists a European Community as defined in the EEC, ECSC and Euratom treaties. These treaties attribute certain specific responsibilities to the Community and consequently to the Commission. In other fields, their responsibilities are concurrent with those retained by the member States. Lastly, there are potential fields of competence, i.e. areas not yet attributed to the Community but which are destined to be entrusted to it at a time and in conditions which are to be the subject of a subsequent decision.

20. This is the head under which the Commission's report envisages the future European union's defence responsibilities and hence all foreign policy questions connected with defence. However, drawing on its experience of the European Community, the Commission made the following comment (paragraph 22) :

"In sectors where there were no Community instruments or rules, or where they were inadequate, governments have not been capable on their own of bringing into being and maintaining with the necessary continuity the will to act on their national structures and guide development towards common objectives."

21. However, as matters now stand, nine-power political consultations have developed outside the strict framework of the Community and this experience has led the Commission not to retain this type of framework for the model European union. It states (paragraph 65) :

"Hitherto, political co-operation has seldom led to anything more than the Community reacting to events. If these objectives are to be achieved, the first thing to be done is to complete the elimination of the frequently artificial distinction between Community activities and matters for political co-operation. This distinction makes it impossible to deal with our problems in context or to act as effectively as we should, while our partners are faced with a multitude of interlocutors none of whom is really in a position to speak for Europe. It is not enough to try and remedy the situation through co-ordination of the two structures. In the European union, all questions of common interest must be considered in a single institutional framework."

22. However, the extension of such a framework to defence and foreign affairs raises difficulties which are underlined by the Commission (paragraph 66) :

"The union would invoke its competence only when necessary, so that certain matters might, for a very long period and perhaps indefinitely, be dealt with solely by the member States."

23. Thus, as the Commission admits (paragraph 23) :

"There may be areas which fall within the general competence of the union but where the union cannot or need not yet be given powers of its own. Here it would be useful to organise co-operation within the union. Such co-operation could, moreover, help to promote agreement on certain basic options and so, in appropriate fields, lead at a later stage to the union being given powers of its own."

(iv) The aims

24. The Commission's aims in the fields of foreign affairs and defence are thus defined (paragraph 63) :

"The general political aspects of international relations are dealt with under the system of political co-operation established between the nine member States of the Community.

Matters relating specifically to defence are dealt with at NATO and in Western European Union.

These various forms of collaboration will have to be organised coherently and given a new dimension in the union."

And (paragraph 66) :

"As regards the distribution of fields of competence between the union and the member States, the final objective is a common policy with direct attribution of powers to the union institutions in all areas where the member States acting alone cannot have as effective a voice as would the union acting as one, or where the absence of a common policy would make it impossible for the union to pursue the objectives of its internal development or to contribute to international actions of interest to the union."

III. *European defence*

(i) A question evaded for too long

25. The question of European defence underlies all discussions on European union and the cohesion of the Atlantic Alliance. But the roots of the question are rarely tackled whether by the European countries or in the Atlantic Alliance. The question is possibly evaded for two reasons : because it might elicit doubts about the sincerity of the adhesion of the European countries to the Atlantic Alliance and because for Europe to have a defence system of its own might eventually lead to a political organisation completely independent of the United States.

26. In 1973, Mr. Jobert, then French Minister for Foreign Affairs, had the courage to raise the problem in the WEU Assembly. At the time, his speech evoked reservations in many European capitals not because of the hint of European self-assertion but because of fears of opening the door to an alternative to the Atlantic Alliance. There has since been no mention of the subject, at least officially, but it is still obviously a topical matter and WEU is the appropriate framework for discussing it.

27. European defence is indubitably a matter for the European union which the Nine have set as an objective, as they affirmed at the summit meeting in Paris in December 1974. There can be no question of political unification, even limited to loose, flexible confederal links, if a start is not made on integrating the means of defence. Some independent integrated defence capability is, moreover, the firmest guarantee for a clearly distinguished political entity.

(ii) Faithfulness to the Atlantic Alliance

28. What is also mandatory is that the implementation of the joint defence system for nine-power Europe cannot weaken the Atlantic Alliance but should strengthen it.

29. Is it necessary to recall the solemn declaration in Ottawa on 19th June 1974 in which the nine governments affirmed that there was no alternative to the security afforded by the nuclear armament of the United States and the presence of American troops on our continent ? As far as is known, none of the members of WEU expressed reservations in endorsing the Ottawa declaration.

30. In preparing to integrate their means of defence, the Nine must clearly confirm that they remain faithful to the Alliance, particularly since this will afford them protection from disagreeable surprises during the process of progressive integration.

31. Should it eventually be possible to achieve the military integration of the Nine, it will be just as essential to maintain the Alliance for obvious geographic and military reasons. The fact is that the area covered by the Nine is lacking in depth, is too drawn out geographically and, above all, there is such an enormous difference between the Franco-British nuclear arsenal and that of the USSR that the United States nuclear guarantee will still be essential.

32. It has been said that joint European defence might disturb the Soviet Union and thus endanger the policy of détente. It is clear that the Soviet Union has always frowned upon any form of European unification, even the Common Market. But in all honesty it cannot feel threatened by a political and military change which, although strengthening the defensive cohesion of the Alliance, changes practically nothing in the ratio of forces.

33. Incidentally, it should be underlined that the EEC Commission in its report of 25th June 1975 sees defence as a potential competence of the European union, while affirming that this defence must be placed in the Atlantic framework.

(iii) A first firm step

34. Over and above the studies and discussion which will arise, some definite progress must be made without delay. This calls to mind the views expressed by the Belgian Minister for Foreign Affairs — *inter alia* in the WEU Assembly on 5th December 1974 and 28th May 1975 — on a joint armaments and matériel policy. This would be a small but essential step. A European defence system will be possible only insofar as Europe has an independent arms and matériel production capability. This implies first a joint approach and second a reshaping of the armaments industries which moreover would improve the chances where trade with the United States and Canada is concerned.

35. At a future European Council meeting, it is therefore important to work out a truly European defence concept which takes account of the requirements of the Atlantic Alliance.

(iv) The deterrent

36. A European union fully competent in defence matters cannot exclude the possibility of having

its own strategic and tactical nuclear arms, at least in the long run. Public opinion's aversion to this weapon of destruction in our different countries is acknowledged. But today there can be no effective defence without the deterrent and the European union would be a third class political force if it excluded for ever the possibility of ensuring its own defence by nuclear means.

37. Countries such as France and the United Kingdom (whose political and economic power cannot be compared with that of the United States and the USSR) provided themselves with independent nuclear means because they considered they could not lower their guard in the absence of an effective world-wide organisation which could ban or limit nuclear weapons. A political confederation which included these two countries and which inherited French and British nuclear weapons would automatically become a nuclear power. It is inconceivable for these two countries to agree to join a European political union which eliminated the deterrent. On the other hand, it is equally inconceivable for the nuclear arms the European union would inherit to remain exclusively under French and British command, at least in the final stage of the union. After a period of transition, the French and British deterrents should therefore take their place in a European defence system capable of defining its own strategy. To those who morally might not be able to subscribe to this the following question might be put : what distinction is there between nuclear defence ensured by the United States and European nuclear defence, other than a thin coating of hypocrisy ? The only valid argument is the high cost of nuclear means, but it is evident that, as with French or British nuclear defence systems, the European union's strategy would never go further than what is strictly necessary to deter a possible enemy.

38. For the time being and as long as the United States is firmly committed in the framework of the Atlantic Alliance to applying a joint strategy which meets in full the defence requirements of Western Europe, the organisation of a European strike force is not an immediate necessity. But now is the time to prepare for the future particularly if it were to transpire that NATO could not indefinitely remain Western Europe's only resort for its security.

IV. *WEU's rôle in the interim period*

39. As the formation of a European union will certainly be a long drawn out task, it will be necessary to preserve what now exists in the field of defence and political co-operation and also to make WEU's mission converge with that of the future European union in which WEU will eventually be absorbed.

(i) Preserving what exists

40. It should be recalled that the Brussels Treaty is a treaty of alliance with wide-ranging commitments, which, if diluted, would have most serious repercussions on the security of Europe. Conversely, there are certain discriminatory aspects to this treaty which cause the governments of several member countries to accept it only with reluctance. This is the case for Germany, because of the bans imposed on it, the United Kingdom, because of the commitment to maintain a large force on the continent of Europe, and the other countries of continental Europe which have to submit to verification of their forces as a whole.

41. However this may be, in the end all the members of WEU are affected by these discriminatory clauses which consequently are not really discriminatory but are rather concessions from which each country draws some advantage. To renounce the treaty or even its discriminatory clauses — which would mean calling in question the work of the treaty as a whole — would put an end to the only instrument which exists for preparing the European union in the field of defence and foreign policy.

42. However, the application of the treaty is proving to be hardly satisfactory at the moment because the Council is no longer meeting at ministerial level and, whatever it may claim, the Council at ambassadorial level is taking absolutely no initiative, even in WEU's own specific field. Thus, in reply to Written Questions 158 and 159, the WEU Council said that these questions :

> "relate to recent developments in the United States' nuclear strategy and their consequences for NATO defence planning. The Council are not in a position to appraise these matters."

43. Such a position is contrary to all the Council's commitments to the Assembly and, because of its implications, helps to weaken the prospects of European union in the form envisaged by the Commission of the Communities. It should further be recalled that the WEU Council was itself set up under the Brussels Treaty and to allow it to become dormant would

be making the treaty dormant, which would be tantamount to abandoning one of the essential foundations of European union.

44. Some ground has also been gained bilaterally and this must be preserved and extended insofar as possible. Most characteristic of this is possibly the Franco-German treaty with the compulsory and detailed consultations it has introduced. Although this treaty may not have produced identity of views between France and Germany on many essential matters, it has at least allowed these two countries to hold regular detailed consultations on all the matters which interest them, and particularly those affecting foreign policy and defence. This could serve as a model for the future European union.

(ii) Preparing the European union

45. WEU can also offer a number of instruments for preparing this union, the first being the Standing Armaments Committee, referring to which the Council recalled, in reply to Recommendation 266, that

> "the Council are at present discussing the possibility that Western European Union might undertake additional work connected with the standardisation of armaments in Europe."

46. This reply, to which the seven member governments subscribed, seems to meet the concerns expressed by the EEC Commission in paragraph 81 of its report:

> "Another major step forward would be the development of a common policy on arms and equipment, possibly involving the setting up of a "European Arms Agency", which would bring about a more rational use of available funds and the industrial and technological potential of the member States. Experience has shown that the lack of a common policy in this field has meant that a number of industries are excessively dependent on sources outside the Community.
>
> This situation not only adversely affects the production of military equipment, and hence Europe's scope for independence, but also certain non-military industries."

47. Because of the responsibilities entrusted to it under the modified Brussels Treaty, and insofar as the activities of both the Agency and the Standing Armaments Committee are closely supervised by the WEU Council, the latter continues to have an important rôle to play in preparing for a European union which would include these activities and it should be recalled, as the Assembly has done on many occasions, that WEU is not a closed shop but meets the wish of the EEC Commission as expressed in paragraph 10 of its report which recalls that the European union must:

> "be open to the accession of other European countries which have a democratic pluralist political system and are able to assume the burdens and responsibilities that go with membership of the union. It seems reasonable that the conditions for the accession of such countries should be similar in character to those set out in the present treaties, one of which is the unanimous agreement of the member States."

48. One of the main rôles of the WEU Council would also be to meet the view contained in paragraph 18 of the report of the Commission that member States:

> "would clearly be bound, once the union was established, to refrain from any action which in the long term could jeopardise the union's exercise of its competence."

49. Regarding procedure, the Council, in its own particular field and during the interim period in which this task would be entrusted to it, might play the rôle which the Commission assigns to the institutions of the union which (paragraph 73)

> "will have the task of preparing and implementing joint positions and actions."

This would correspond to a proposal which has already been made on many occasions by the WEU Assembly but which the Council has never taken into account.

50. Finally, by virtue of the amended Brussels Treaty, the WEU Assembly still has responsibilities pursuant to the application of the Brussels Treaty, i.e. the activities of the Council, the Agency and the Standing Armaments Committee. If it is desirable for these duties to be transferred one day to a true European parliament, it is essential for the WEU Assembly to continue to exercise its duties as long as the parliament of the European union has not been officially entrusted with the responsibilities incumbent upon the WEU Assembly by virtue of the Brussels Treaty.

(iii) The WEU Assembly's duty

51. Insofar as it is considered, as set out explicitly by the EEC Commission in paragraph 2 of its report, that WEU is the present expression of Europe in foreign policy and defence matters, the policy pursued by the governments in the framework of the WEU Council must correspond to that defined by the Commission for the future European Community. In the twenty years of its existence, the Council has seen the exercise of its cultural and social activities handed over to the Council of Europe and political consultations and the co-ordination of member States' policies in the United Nations and specialised world agencies transferred to nine-power consultations. This was probably very reasonable. But at a time when the joint activities of the Nine are to be reviewed, the Council should at least keep in close touch with the EEC bodies exercising responsibilities falling within its purview.

52. Several times the Assembly has recommended that the WEU Council, pending a true nine-power political union, should take over the political and defence aspects of Europe and open its doors to the Common Market countries which are not members of WEU.

53. Since the European Council, as the result of several decisions reached at summit meetings, is in the process of becoming the nucleus of the European union, WEU's main ambition should be to play its full rôle in the interim period until the treaty of the union is ratified and its institutions established. The achievement of the union will moreover be facilitated by regular discussions on defence problems in a purely European framework as recalled in the resolution adopted by the Presidential Committee on 11th September 1975.

54. The WEU Assembly cannot give up its compelling commitment to impress upon the Council, which is too often indifferent, the need to make full use of the possibilities afforded by the Brussels Treaty with an eye to the future European union.

V. *Evolution of the Atlantic Alliance*

(i) The threshold of a third stage ?

55. The first twenty-six years of the Atlantic Alliance may be roughly divided into two stages :

(*a*) from the beginning until December 1967, when the West's defence system was being set up against the military giant in the East for, as Mr. Spaak said, "we were afraid". During the first fifteen years, NATO made this fear recede and even disappear ;

(*b*) from December 1967 until the Helsinki conference in July 1975, following the Harmel report on the future tasks of the Alliance, a policy of détente replaced the cold war.

56. The main question now is : will the CSCE introduce a third stage, that of *entente* in the part of the world which includes Alaska and Vladivostok, since, because of the Helsinki agreements, security and co-operation in Europe include the whole northern area of the globe ?

57. If this is so, Europe from the Atlantic to the Urals might gradually break away from the fixed rôle in which it provides two banks, each of which is used as a military base by one of the two superpowers.

58. The stage of the two blocs must be left still further behind. Even if the division of the old continent into two well-defined areas — East and West — continues, the military alliances of both sides will probably be affected, particularly if the MBFR talks are successful and SALT II, which may be considered as the cornerstone of détente, avoids the vague and general provisions of SALT I in 1972.

59. How will the Atlantic Alliance evolve during this third stage ? The form proposed by President Kennedy in 1971, i.e. an Alliance based on two pillars, one on each side of the Atlantic, has not been achieved. The Alliance is still under the hegemony of the United States but responsibility for this also rests with the Western Europeans who, in a quarter of a century, have been unable to agree on a form of political unification or on a joint defence concept.

60. In recent years, there have been vast changes in the *international situation,* mainly through the development of relations between the United States and the Soviet Union. The two great powers first sought shelter from nuclear war, on the one hand by technical negotiations on the use of nuclear weapons and on the other by intensifying consultations on all world problems. Following the agreement reached in the framework of the CSCE, the SALT negotiations might lead to a second agreement, whereas the MBFR talks have resumed after a long period of marking time.

61. There has been a sharp drop in East-West tension, in which the Atlantic Alliance was born, and the emergence of a spirit of détente has transformed the nature of relations between the members of NATO and has roused a section of public opinion against the military paternalism of the United States.

62. Moreover, there have been a number of *internal problems* in the Atlantic Alliance. France's withdrawal from the integrated military structure is no longer so serious as it was a few years ago since relations between France and its partners in defence matters have been organised on a new basis. However, the development of French nuclear weapons — particularly tactical weapons — has aroused new problems between France and its neighbours.

63. The yet uncertain direction of developments in Portugal raises serious problems for the Alliance as a whole, for the Azores constitute a bridge between the United States and Europe.

64. In summer 1974, there was a serious crisis in relations between Greece and Turkey which is still far from a solution and which considerably weakened the Alliance's defence capabilities in the Eastern Mediterranean.

65. Finally, the bilateral agreements between the United States and Spain also concern the European members of the Alliance.

66. It is manifest from these various factors that the Atlantic Alliance *depends more than ever on the United States* now that United States security seems to depend less on the Alliance than on its direct relations with the Soviet Union. Admittedly, Europe is still an essential part of American defence policy, as President Ford confirmed in Brussels earlier this year, but it tends to take second place to direct relations between the United States and the Soviet Union.

(ii) A strategy which meets Europe's requirements

67. The initial doctrine on which Western Europe's defence was based was that of massive retaliation, which meant that the United States would intervene with its full strategic nuclear force against any power invading Western Europe. But as Soviet nuclear strength developed, Europeans and Americans began to wonder whether it was conceivable for the United States to run the risk of a nuclear exchange which would destroy its own territory for the sole purpose of defending its allies, however important it might consider the civilisation or economic and commercial strength of Europe.

68. NATO thus had to make a major effort in the sixties to build up sufficient conventional forces to meet a possible attack without necessarily leading to a nuclear exchange and American forces in Europe were armed with tactical nuclear weapons intended to raise a second screen in front of the strategic deterrent of the United States. A number of these weapons were subsequently made available to the armed forces of several NATO member countries under a two-key system which made those concerned even more dependent on the strategy defined in Washington.

69. The aim of this new strategy of flexible response was to allow the Americans, on the territory of mainland Europe and with the assistance of their European allies, to meet any attack and at the same time still retain the possibility of negotiating in order to avoid recourse to strategic nuclear weapons which might result in mass destruction on their own territory. However rational from the American point of view, a serious drawback of this strategy is that it might make Europe a battlefield in which conventional weapons might be used — in themselves capable of wreaking considerable havoc — or so-called tactical nuclear weapons which even so would be capable of completely destroying the densely-populated territory of Western Europe.

70. This strategy, implying the possibility of war being waged on European territory, was distasteful to the European nations but, lacking adequate strength of their own, they had to bow to the strategic wishes of the United States for fear lest the Americans should abandon Europe.

71. Everything indicates that, as matters now stand, for lack of a union Europe will have to accept this situation. American opinion, keenly aware of the importance which Western Europe attaches to the presence of American forces on its territory as a guarantee of American deterrence, is exerting growing pressure on the United States Government to use the threat of withdrawing its forces in order to induce Europeans to adapt their own forces to the requirements of American strategy. Moreover, the European countries have progressively relaxed their defence effort as "fear" receded, whilst at the same time relying on the strength of the United States.

72. Since European forces are deployed in a NATO framework to implement a strategy about

which European public opinion knows very little and likes even less, the governments are experiencing growing difficulty in making the conventional military effort NATO demands. The share of the gross national product which most Western European countries earmark for defence is constantly shrinking and many governments are criticised for their defence efforts by some sections of public opinion. They are accused of jeopardising what is considered more rational and urgent action to meet the economic crisis. Furthermore, in recent years there have been signs of demoralisation in the armies of several European countries and servicemen are now no longer certain that the defence system of which they are a part really serves the security of their countries, with the result that they lack confidence in themselves and in the possibility of collective defence.

73. The only strategy to suit Europe is one based on massive retaliation. This does not mean that Europe need not have conventional forces or even tactical nuclear forces. It would be unthinkable for Europe to have to resort to strategic nuclear weapons in order to meet a minor or limited attack. In that event it would be practically powerless in face of such an attack and thus incapable of deterring it. But Europe cannot lose sight of the essential principle that the aim of European strategy must be to deter a possible aggressor. It is therefore important to restrict the means available to what is absolutely essential for meeting a minor attack so that the deterrent, i.e. the strategic nuclear force, comes into play at the very start of an international crisis and precludes the possibility of recourse to conventional war or tactical nuclear weapons.

74. Since it is impossible for Western Europe to make such views prevail with the United States, the only solution at this stage is to maintain NATO as the shield for our security and freedom and invite the Americans to prepare with us a strategy which meets Europe's vital requirements. The chances of this will be enhanced if European co-operation is developed in all aspects of defence until such time as an effective, truly European defence system eventually takes over from American military hegemony in Western Europe.

VI. *Discussion in Committee*

75. There was a lively and detailed discussion on this report at the meeting of the General Affairs Committee in Copenhagen on 23rd October 1975. It was finally adopted by only 9 votes to 0 with 8 abstentions. The abstentions were directed not so much towards the text of the recommendation but stemmed rather from serious reservations on the part of certain Committee members on several trends followed by your Rapporteur. However, not all the reservations were of the same nature, nor did they all relate to the same points. They must therefore be classified, account being taken of their impact compared with the report as a whole.

76. (*i*) One Committee member considered the report to be too biased in favour of the United States. Feeling that alliance with the United States is still essential for European security, he feared that in such an alliance Europe might have difficulty in choosing the course to be followed in economic and social terms. He also thought that the presence of American forces was not essential for European security.

77. (*ii*) Other Committee members, on the contrary, expressed the fear that your Rapporteur was underestimating the magnitude of the Soviet threat and exaggerating the importance of the results of the Helsinki conference. This view was qualified by some members who drew a distinction between the Soviets' unrelenting political aggressiveness and their military aggressiveness which appeared to be slackening off to some extent, at least in Europe.

78. (*iii*) Some members feared that progress towards European union might serve to separate Europe from the American guarantee: their view was that to extend purely European co-operation to defence matters would eventually weaken NATO. For them, American paternalism was not the danger but rather nascent isolationism in the United States.

79. (*iv*) Several Committee members expressed the wish that the European union should keep away from nuclear matters which they considered should remain the prerogative of the superpowers. However, none of them specified what should become of French and British nuclear weapons in the event of a European union being formed in the field of defence.

80. (*v*) Other members joined the latter in rejecting the concept of massive retaliation, preferring the strategy of flexible response, i.e. they were satisfied with present American thinking.

81. (*vi*) Some members found the Rapporteur had not taken due account of the new possibilities open to nuclear weapons since the sea now afforded nuclear forces a second strike capability which enhanced the deterrent effect of such forces. Your Rapporteur is quite prepared to accept this criticism, although he does not feel it has any great effect on his line of thought.

82. (*vii*) Your Rapporteur was criticised for using the word hegemony in defining the special position of the United States in the Alliance. Your Rapporteur attaches no derogatory meaning to this word, which he considers perfectly appropriate to the present situation in the Alliance. There is no denying that the United States plays a primordial rôle, demonstrated by the fact that it is responsible for appointing the Supreme Commander of the NATO forces. Is this not the very rôle which, since the days of ancient Greece, gives a very precise meaning to the word hegemony ?

83. (*viii*) Some Committee members considered that political union was not at all a preliminary to joint European defence but could only be the result. Others felt a debate on European defence was not expedient at this stage.

84. (*ix*) One Committee member underlined that any progress towards European union required prior strengthening of the powers of the European Parliament and its election by universal suffrage.

85. (*x*) Another Committee member was anxious to avoid any conclusion which sought to strengthen WEU.

86. Since your Rapporteur has set out his own ideas on these various points in earlier chapters, in what he hopes are measured but unambiguous terms, he feels there is no call to enter into further controversy here and trusts he has managed to sum up in a generally-acceptable manner the views put to him in Committee.

APPENDIX

MBFR negotiations in Vienna

The negotiations on mutual and balanced force reductions (MBFR) (covering the territories of Poland, Czechoslovakia, GDR, Federal Republic of Germany, Belgium, Netherlands, Luxembourg) began in Vienna on 30th October 1973. The participants are all seven of the Warsaw Pact States and twelve of the fifteen NATO nations (France, Iceland, Portugal are not negotiating). The allied negotiators in Vienna are bound, on questions of policy and strategy, by guidance elaborated in the NATO Council.

The main elements of the western position are :

1. The overall result of MBFR should be a common ceiling on ground force manpower of both sides in the area of reductions of approximately 700,000 men on each side, in order to correct the existing disparity in ground force manpower between the two sides in the area (ca. 925,000 WP men to NATO's approximately 777,000 ; 15,500 WP main battle tanks in active units to NATO's 6,000).

2. There should be no separate national ceilings on individual States since this would inhibit force rearrangement within the area of reductions and give the WP a *droit de regard* over NATO's internal affairs.

3. The common ceiling should be reached in two phases ; in the first phase only United States and Soviet forces would be withdrawn (a Soviet tank army of five divisions including some 68,000 soldiers and 1,700 main battle tanks as well as 29,000 United States soldiers) ; in the second phase the forces of the remaining direct participants (nations with territory or troops in the area of reductions) would be addressed.

The principal elements of the eastern position are :

1. The "existing correlation of forces" (i.e. existing imbalance in WP favour) is to be maintained; the two sides would reduce first by equal amounts and then by equal percentages : specifically, in 1975 the direct participants would make a "symbolic" reduction of 20,000 men on each side followed in 1976 by a 5 % reduction on each side and in 1977 by a 10 % reduction on each side (the East thus opposes the common ceiling ; it is interested in imposing national ceilings on forces of allied direct participants, particularly the Federal Republic of Germany).

2. Air and nuclear forces should be included in the reductions (both sides agree that naval and amphibious forces should not be included).

3. The two sides should negotiate the reduction of forces of *all* direct participants simultaneously from the outset (the East rejects the two-phase concept and is especially interested in early reductions in the *Bundeswehr*).

In almost two years of hard negotiating, there has been no fundamental change in the position of either side. The East has advanced some procedural, non-substantive rearrangements of its basic proposal. In addition, the East at one point proposed that all forces in the area be frozen *prior* to reductions. NATO rejected this since it would have frozen the very disparities which the Alliance is attempting to eliminate in these negotiations ; also, thus far, the WP has refused to engage in a data exchange, without which a freeze would be highly illusory. For its part, NATO has proposed that there be separate freezes on the ground and air manpower of each side *between phases* to prevent possible circumvention. The East has not made a definitive response to this proposal.

The negotiations, which are now in recess, are scheduled to resume in Vienna on 26th September. There has been much speculation in the press that the Alliance is considering an offer to introduce nuclear elements into the negotiations this autumn. There have even been press reports in the past few days that the Alliance has in fact decided on such an offer. These particular reports are speculative and erroneous. The allies are continually reviewing the prospects for progress in the MBFR negotiations. In this context, several possibilities have been examined and remain under consideration. However, no decisions of any kind have been taken with respect to the possible introduction of new proposals in the coming round of negotiations.

Document 680
Amendment No. 1

1st December 1975

Western Europe and the evolution of the Atlantic Alliance — consideration of current problems

AMENDMENT No. 1 [1]

tabled by Mr. Van Hoeylandt on behalf of the Socialist Group

At the end of paragraph 4 of the draft recommendation proper, add the words : "but excluding nuclear forces ;".

Signed : Van Hoeylandt

1. See 9th Sitting, 2nd December 1975 (Amendment negatived).

Document 681 **27th October 1975**

Relations with Parliaments

INFORMATION REPORT[1]

submitted on behalf of the Committee for Relations with Parliaments*[2] *by Mr. Delorme, Rapporteur

TABLE OF CONTENTS

1. Adopted unanimously by the Committee.

2. *Members of the Committee:* Mrs. *Miotti Carli* (Chairman); Mr. *Enders* (Vice-Chairman); MM. Cohen, *Delorme*, Farr, Hengel (Substitute: *Mart*), *Jeambrun*, *Müller*, *Peijnenburg*, *Schugens*, *Spautz*, *Stoffelen*, *Tanghe*, Zaffanella.

Also present: Mr. Radius (Vice-Chairman); MM. Rivière, Schlingemann.

N. B. *The names of Representatives who took part in the vote are printed in italics.*

Information Report

(submitted by Mr. Delorme, Rapporteur)

Introduction

1. This report covers the period May to November 1975. The texts of interventions in the parliaments of member countries communicated to the Committee secretariat are given in Collected Texts 22.

2. In accordance with Rule 42*bis* of the Rules of Procedure of the Assembly, the Committee met in Bonn on 29th May 1975, at the close of the Assembly's session, to select the texts adopted by the Assembly which it considered should be debated in the parliaments. It selected recommendations :

— 266 on the political activities of the Council ;

— 269 on the state of European security ;

— 270 on European union and WEU ;

— 272 on the European aeronautical industry and civil aviation.

3. These four recommendations were transmitted officially to the Presidents of the parliaments of member countries. The Committee for Relations with Parliaments is drawing the attention of the seven parliaments to the texts which it considers likely to arouse their interest and be discussed.

4. It regrets that for some time now the texts it has selected for transmission to parliaments have not received the attention they deserve. All the texts adopted are now issued in the booklet entitled texts adopted for transmission to national parliaments. The Committee considers this title should be changed to : "Texts adopted and brief account of the session".

5. Above all, it wishes the texts it selects to be discussed more often and with greater conviction.

I. *Reports on the activities of WEU submitted to the parliaments of member countries*

6. In its previous report, your Rapporteur mentioned the reports prepared in the German, Netherlands and French parliaments. The Committee secretariat has now received a document from the German Delegation reporting to the Bundestag on the Assembly's session held in December 1974 and giving at appendix the text of Recommendation 257 in German (Bundestag document 7/3338), the half-yearly report by the Federal Government to the Bundestag on the activities of WEU during the period October 1974 to March 1975 (Bundestag document 7/3707), the report by the French Delegation on the activities of the WEU Assembly in 1974-75 (National Assembly document 1724 and Senate document 255) and the report by the Italian Delegation on the activities of the WEU Assembly in 1974, submitted to the Italian Senate by the Committee for European Community Affairs (Senate document XIX, 2, 2*bis*, 3 and 3*bis* A).

7. The Committee expresses its gratitude to the delegations which have concurred with the wishes expressed in Order 44 and asks the other delegations also to prepare information reports for their parliaments on the activities of the WEU Assembly. It invites all the delegations to follow the example of the German Delegation and include at appendix to the report in their own languages the text of recommendations transmitted to parliaments after selection by the Committee.

8. Finally, a new initiative is to be noted in the Italian Senate : the report by Senator Ariosto on the activities and problems of the EEC and the verbatim report of the debate in the Senate were published together in a convenient-sized book entitled *Europa, ultima speranza*. This idea could easily be followed by other member parliaments to show the electorate what parliaments are doing for the unification of Europe.

II. *Action taken on texts adopted*

9. Despite the parliamentary recess, your Rapporteur has noted a total of twenty interventions between 1st June and 1st October. Several suggestions were made in the previous reports (Documents 653 and 665) and the Committee would be happy if delegations were to implement them.

Recommendations 263, 264, 268, 269 and 270

10. Senator Bonaldi put written questions on these five texts to the appropriate Ministers on 24th June 1975 [1], but has not yet received a reply.

Recommendation 272

11. On 11th June 1975 [2], Mr. Valleix put an oral question in the French National Assembly on the possibility of creating a European aviation agency. Mr. Chirac, Prime Minister, replied, outlining French policy in the aeronautical field and indicating the studies soon to be started in liaison with European airlines.

12. A few days later, on 27th June, in a speech in the debate on foreign policy, Mr. Valleix again proposed the question of creating a European aviation agency [3]. Mr. Sauvagnargues, Minister for Foreign Affairs, informed him that a working party would be set up in his Ministry to study the merger of European airlines.

Other interventions

13. In the general policy debate in the French Senate on 10th June 1975, Senator Legaret made a lengthy reference to WEU, and Mr. Chirac, Prime Minister, replied during the same debate [4]. The Committee welcomes this important statement, the first in the French Senate for ten years. It hopes that French senators will take a continuing interest in the work of the WEU Assembly.

14. In the National Assembly, Mr. Krieg [5], rather dissatisfied with the reply by the WEU Council of Ministers to his written question, turned to the French Government. He is still awaiting a reply from the Minister concerned.

15. Finally, the British Delegation tabled a motion in the House of Commons congratulating the WEU Assembly on its twentieth anniversary [6].

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1. See Collected Texts 22, page 11.
2. See Collected Texts 22, page 7.
3. See Collected Texts 22, pages 8-9.
4. See Collected Texts 22, pages 2-7.
5. See Collected Texts 22, page 9.
6. See Collected Texts 22, page 12.

16. In the previous report (Document 665), your Rapporteur mentioned that after the adoption of Mr. Small's report, several members of the WEU Assembly put questions on the position of ratification of the various conventions on third-party liability in the field of nuclear energy signed in 1960 and 1963. Although, in reply to a written question put by Mr. Portheine, Mr. Cornelissen, Mr. van Ooijen and Mr. Waltmans, the Netherlands Prime Minister, Mr. den Uijl, said on 10th January 1975 that bills would be tabled shortly, to date (15th October 1975) the Office of the Clerk of the Assembly has not received the text of any such bill.

17. On the other hand, Mr. Minnocci, who put a question to the Italian Government on 28th January 1975, has not received a reply but his government ratified the 1960 Convention on 17th September 1975.

18. The Paris Convention of 1960, which came into force in 1968, has now been ratified by twelve countries, including the following members of WEU: Belgium, France, the Federal Republic of Germany, Italy and the United Kingdom. The Brussels Convention of 31st January 1963, which came into force on 4th December 1974, has been ratified by seven countries, including France, the Federal Republic of Germany and the United Kingdom.

19. It would be useful for members from the countries not mentioned as having ratified these conventions to put further questions.

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20. At the meeting on 27th October 1975, members of the Committee for Relations with Parliaments decided to put similar questions in all parliaments of member countries on Resolution 55 on European union and the defence of Europe, insisting that replies be given before the WEU Assembly's next session in December 1975.

III. *Activities of the Committee*

21. On 27th and 28th October 1975, the Committee visited the Netherlands Parliament and the Interparliamentary Consultative Council of Benelux, formed as a result of the economic union of Belgium, the Netherlands and Luxembourg, which, in addition to economic matters, discusses matters concerning foreign policy, cul-

tural affairs and the unification of law in the three countries [1]. Finally, the Committee heard an address on the decentralisation of administration in the Netherlands [2].

IV. *The Assembly's session in Bonn and its impact on the German public*

(a) Preparatory work

22. On 2nd April, German and foreign journalists in Bonn, and many other representatives of the press, were sent a printed five-page letter by the Press Counsellor of the WEU Assembly describing WEU, the main items on the agenda and the draft order of business ; on 15th May, they were sent a follow-up letter and a number of documents ; finally, just before the session, they were sent the German version of an information booklet prepared by the Press Counsellor to which the press appears to have responded particularly favourably since it knew little about WEU.

23. Prior to the session, the Press Counsellor met, in addition to journalists having requested an appointment, key members of the German press : the DPA press agency and diplomatic editors from the three main newspapers, the three television channels and the radio.

24. The press conference on Friday, 23rd May, certainly had a favourable psychological impact : more than sixty journalists were present for the whole forty minutes, on which occasion information material was handed out.

25. Your Rapporteur feels that the *standard* of the information made available at the *right time* impressed the German press and the press conference made it realise that the WEU Assembly leads an active existence.

(b) The results

26. A hundred and thirty journalists applied for press cards and regularly came to fetch documents. The week before the session, the German press hailed it with sometimes heavy comments about the uselessness of WEU whose treaty discriminates against Germany. From the beginning to the end of the session, the reactions of the German press developed in a most interesting manner. Hostile indifference tinged with sarcasm gradually gave way to curiosity, tribute subsequently being paid to the Assembly by important observers (*Die Welt, Frankfurter Allgemeine Zeitung*). At the end of the session, the Assembly's contribution was considered to be constructive and distinct from the work of the Council of Europe and the European Parliament. Some observers went so far as to wonder whether WEU (at ministerial level) might not, after all — if the French insisted — be useful in starting to organise European defence.

27. As for the reactions of radio and television, many sources have indicated that there were widespread reports and comments on the session. For at least two evenings, the session was the first item on the radio news. The week before the session, the *Deutschlandfunk* broadcast a quarter-hour documentary on WEU and the *Westdeutscher Rundfunk* had a seven-minute programme on the Bonn session.

(c) The political impact of the session

28. Insofar as the purpose of holding a session in Bonn was to make the Assembly known in Germany, and thus demonstrate the positive aspects of the institution in serving Europe, this objective has been achieved.

29. The WEU Assembly has shown the German people that it serves a specific purpose without duplicating the work of the European Parliament or the Assembly of the Council of Europe.

30. The Committee for Relations with Parliaments suggests to the Assembly and its Presidential Committee that every two years a session be held away from the permanent seat of the Assembly.

1. See also Document 600, Proceedings, June 1973, Volume I, pages 99 and 103.

2. See Appendix III (*b*).

APPENDIX I

Table of action in the parliaments of member countries

(Totals by country for each session)

Recommendations adopted in	Member countries							
	Belgium	France	Federal Republic of Germany	Italy	Luxembourg	Netherlands	United Kingdom	Total
1956	0	0	3	0	0	0	0	3
1957	4	0	1	0	0	5	2	12
1958	2	0	3	0	0	4	3	12
1959	0	0	9	0	0	0	0	9
1960	3	12	2	8	0	3	1	29
1961	0	2	0	3	0	6	0	11
1962	2	4	4	6	2	3	10	31
1963	0	0	13	22	1	2	3	41
1964	4	14	9	11	1	5	2	46
1965	0	11	12	24	0	5	28	80
1966	2	12	12	49	1	4	18	98
1967	14	9	22	29	2	6	16	98
1968	6	14	20	22	1	16	47	126
1969	11	15	17	8	0	4	36	91
1970	3	15	15	7	2	3	10	55
1971	0	4	19	9	0	6	10	48
1972	0	6	2	1	0	1	0	10
1973	0	4	2	6	1	0	0	13
1974	0	1	3	13	2	0	0	19
1975	2	13	2	7	0	2	1	27
Total	53	136	170	225	13	75	187	859
Annual average	2.65	6.8	8.5	11.25	0.65	3.75	9.35	6.14

APPENDIX II

Table of interventions (debates, questions, replies, etc.) on texts adopted since June 1973

Session	Recommendation	Transmitted to parliaments	Belgium	France	Federal Republic of Germany	Italy	Luxembourg	Netherlands	United Kingdom	Total	Total for each part session
June 1973	233									—	4
	234									—	
	235					1				1	
	236					1				1	
	237					1				1	
	238	x				1				1	
	Res. 52	x								—	
Nov. 1973	239					2				2	9
	240									—	
	241	x		2						2	
	242									—	
	243									—	
	244									—	
	245	x			2					2	
Other action				2			1			3	
June 1974	246					1				1	15
	247					2				2	
	248	x				2				2	
	249									—	
	250									—	
	251					1				1	
	252					2				2	
	253					2				2	
	254					2				2	
	255	x				1	2			3	
Dec. 1974	256									—	4
	257	x		1						1	
	258		2							2	
	259									—	
Other action					1					1	
June 1975	260									—	27
	261									—	
	262			2		1		2		5	
	263					1				1	
	264					1				1	
	265									—	
	266	x								—	
	267									—	
	268					1				1	
	269	x				1				1	
	270	x				1				1	
	271									—	
	272	x		2						2	
Other action			2	10	2	1				15	

APPENDIX III

(a) Visits to parliaments by the Committee for Relations with Parliaments

22nd February 1963	Paris
10th October 1963	Rome
11th-12th November 1964	Bonn
28th-29th April 1965	The Hague
15th-16th December 1965	Brussels
30th October-1st November 1966	London
23rd-24th November 1967	Berlin (Regional parliament of Land Berlin)
2nd-3rd April 1968	Luxembourg
26th-27th March 1969	Rome
27th-28th October 1969	Paris
14th-15th April 1970	Bonn
1st-2nd April 1971	Rome
4th-5th November 1971	Bonn
24th-25th February 1972	The Hague
18th-19th September 1972	Florence (Regional parliament of Tuscany)
1st-2nd May 1973	St. Hélier (Regional parliament of the States of Jersey)
15th-18th October 1973	Munich (Regional parliament of the Free State of Bavaria)
8th-10th July 1974	Palerme (Regional parliament of Sicily)
27th-28th October 1975	The Hague

(b) Address by Mr. de Menthon Bake on the decentralisation of administration in the Netherlands

Like all countries, the Netherlands has its specialities. Its tulip fields and silverware are well known, but perhaps a less well-known speciality is the country's administration. The Netherlands, whose mayors are appointed by the Crown and who are therefore the leading citizens in their communes, often arouses astonishment and jealousy. Finally, the Netherlands commune itself is perhaps also a speciality of the country, since it is more independent than elsewhere and has equal powers whether it has 700 or 700,000 inhabitants.

This is easily understood: well before the State was created, the communes already existed, as did the provinces, and they have only rarely and under duress relinquished their birthright.

They are not often forced to do so: the independence of the communes and provinces is part of the Constitution, which does not perhaps carry tremendous weight juridically but it certainly does politically.

In recent times, the commune as a decentralised territorial unit has experienced dif-

ficulties because of changes in various fields, and I am sure such changes have also occurred in your countries.

Before going further into this matter, I must tell you that I attach great significance to the idea of territorial decentralisation. I consider it allows the territorial authorities fairly wide administrative liberty, the degree of which may vary from one case to another.

Now let us turn to the changes. To start with, there is the fact that socio-economic development does not stop at the boundaries of the commune. Often established more than a century ago, these boundaries no longer correspond to social, economic or cultural units. If you take a bus from The Hague to Delft, you will not notice — and nor do the Dutch — that you are crossing the boundaries of the communes of Rijswijk and Voorburg.

The commune has become dependent on its neighbour for reasons of administrative efficiency. From time to time, this prevents the necessary measures being taken and often also raises difficulties from a democratic point of view. For instance, in the sixties the Rotterdam municipal council had to take major decisions on the extension of the port area which were of fundamental importance for the wellbeing and life of the inhabitants of the surrounding communes although the latter had absolutely no say in the matter.

These stumbling-blocks in communal administration due to communal boundaries have further increased because of the changing dimension of the life of the nation. With the enormous development of movement and transport and the prosperity which has allowed people to acquire the most modern means of transport, the area in which people live, work and relax has extended considerably. Living, working and recreational areas have also increased in size.

There is a correlation here with another phenomenon : the marked increase in surface area needed for efficiently-operated and economically-justifiable projects, many of which, for instance a football ground or an educational guidance centre, require large investments, qualified staff and hence more "customers" — more than can be drawn from the population of most Netherlands communes. But more and more people think they are entitled to ask for such installations.

Progressive urbanisation and a levelling-out of the difference between town and country and closer acquaintance with the living conditions of others foster such installations and this has led to increased centralisation. Many requirements have become so general that the central administration is blamed and it feels responsible or at least jointly responsible for meeting these requirements.

Centralisation may take several forms. There is the conventional form : for instance, in national legislation everything is arranged so that there is nothing left for the provinces and communes to do, or else their tasks are regulated in such detail that it is no longer possible to speak of freedom of decision. This might be called direct centralisation and can be seen by all. There is also a variation on this theme : theoretically, there is a margin for decision-taking, but supervision of implementation by State departments specially delegated for the purpose (inspections, for instance) is often so tight that in reality there is no room for manoeuvre. Here, centralisation is already more difficult to see. The legal system is not at fault but those responsible for applying it, and such shortcomings are very often more difficult to eliminate than legislative shortcomings.

Then there is indirect centralisation in the form of the central administration financing projects. To make this clear, I must say a few words about the general way in which communes and provinces are financed. Communes and provinces in the Netherlands obtain most of their finances from subsidies from the central administration. Income from taxes is not negligible for the communes since they have been allowed to tax property, but such income is still relatively small. Subsidies may be general (decentralised bodies being free to use them as they wish) or specific (for a definite project and often subject to very detailed conditions of implementation).

But this is not the only way in which they hinder the freedom of communes. They are not subject to the consideration of priorities by the municipal council. However paradoxical it may seem, that is why they are often asked for by the local administration. It is not unpleasant, for instance, for the mayor's deputy responsible for cultural affairs not to have to fight with his colleagues each year for projects within his purview when the budget is drawn up.

Both direct and indirect centralisation are based on what the smallest commune can do, or

rather on what it cannot do. Thus, the weakest link in the chain of communes determines the point at which the central administration may introduce centralisation.

This phenomenon dates neither from today nor yesterday ; a solution to the problems it creates has been sought for tens of years. At the start it was thought — and some still think — that the solution had been found with the merger of communes, but this has not proved flexible enough and in large urban areas impossible to apply logically. Too inflexible in that overnight all powers were transferred to the largest commune, even those which the smallest could easily have retained. In addition, in large urban areas around Rotterdam, The Hague and Amsterdam, for instance, territorial cohesion would have required the creation of such vast communes that their merger would have had to be followed immediately by intracommunal decentralisation.

As criticism of the magic formula of merger became louder the idea arose that intercommunal administration was needed, enforced if necessary, and in 1950 the law on joint regulations was voted. But although some provisions have been applied at technical level resentment against this form of intercommunal co-operation became increasingly evident.

Resentment was mainly on democratic grounds since the administration of the co-operative bodies was usually entrusted to local government officers who do not meet in public. There was therefore no public and political supervision, although management of the purposes for which joint regulations were established involved additional expenditure for the communes — they were nearly always responsible for deficits in relation to the number of inhabitants — without the municipal councils being able to make up for this expenditure in other ways.

This situation gave rise to the idea of *gewesten,* administrative units which were larger than communes but smaller than provinces, which are not only responsible for one or more tasks, as provided for in the classical joint regulations, but have a number of tasks and powers.

Many *gewesten* were formed on a voluntary basis : there are now more than fifty in the Netherlands. But only very few have powers other than consultative and the map of the country shows many blank spaces where it has not been possible to form a *gewest.*

To put and end to this rather confused situation and more quickly form strong *gewesten,* the De Jong government tabled a bill based on the former situation and the voluntary formation of *gewesten* but giving the central administration the power to impose their formation and to avoid the formation of *gewesten* with too few powers.

The bill was not well received in the Chamber, which considered that :

(*i*) the creation of strong *gewesten* was too dependent on the good will of the communes ;

(*ii*) there was insufficient guarantee that viable communes would be maintained ;

(*iii*) from a financial point of view, *gewesten* were too closely linked with communes ;

(*iv*) there was not sufficient guarantee of democracy in that there was no specific provision for the direct election of members of the *gewest* council ;

(*v*) insufficient account had been taken of administrative problems as a whole, and particularly the question of progressive centralisation.

Finally, the Chamber considered that the administrative structure would become too complicated in view of the small area of the country if a fourth administrative level were added to those which already existed : State, province and commune.

Before the Biesheuvel government had managed to decide whether it would accept this dubious inheritance or not, it was replaced by the Den Uijl government, whose Minister of the Interior quickly prepared a new bill, the preliminary text of which was published in July 1975.

This was truly a new bill : to avoid a fourth level, *gewesten* and provinces would be merged into new-style provinces.

The communes would transfer some of their powers to the new-style provinces, while the latter would take over the intermediary tasks of the former provinces, such as planning, co-ordination, supervision and appeals in respect of administrative disputes.

These are mainly measures of application which the communes themselves may find it difficult to carry out either because their surface area is insufficient (for instance, creation and management of a public health department) or because the tasks extend beyond the interests of a single commune (for instance, creation and operation of large ports and surrounding areas).

To avoid the new-style provinces accomplishing their tasks without reference to the population (also in the most literal sense of the word), the preliminary text provides for a redivision of the territory of seven of the eleven provinces, making a total of twenty-six new provinces.

These reduced-size provinces would nevertheless provide a basis compatible with direct and indirect centralisation for the simple reason that population differences would be considerably diminished, which would allow specific subsidies to be transformed into general subsidies.

The preliminary text was not very specific about this decentralisation trend ; it is still at the stage of declarations of intention.

The preliminary text was sent to a number of provincial and communal authorities for an opinion, and everyone is expressly asked to give an opinion even if they have not been approached directly. It is hoped that all opinions will have been received by the end of the year, whether solicited or not, and that a bill will be submitted to parliament in spring 1976 taking them into account.

First reactions are not very favourable. The broad lines of the selected structure are generally being accepted, but the large-scale transfer of communal tasks to the provinces has not been welcomed, particularly as the text gives no assurance that the State too might transfer some of its powers.

Account must certainly be taken of these grievances, but it is doubtful whether this will lead to any great reduction in the tasks which communes will transfer to provinces. In fact, many communes, even after reshaping, would still be too small to carry out these tasks, although the disappearance of the joint regulations is one of the aims of the bill. On the other hand, I think it will be possible to include more procedure for negotiations between provinces and communes so as not to deprive the latter of every possibility of intervening in the implementation of these tasks.

Moreover, I am not optimistic about the decentralisation of State powers as provided for in the bill. In particular, the technical Ministries responsible for public services, i.e. Ministries which, unlike the Ministry of the Interior or of Finance, feel directly responsible for meeting specific material or spiritual needs of citizens, do not always hold a very decentralised view and furthermore many laws form a whole of which part just cannot be cut out. But it would be a big step if the government managed to convince the population that it is really prepared to decentralise State powers as well.

If these conditions are met, the situation will be reminiscent of the comedy "The marriage-go-round" by L. Stevens in which two university professors, husband and wife, managed to achieve very valid results in their lectures on marriage starting from diametrically opposed ideas.

Results will obviously not be evident immediately the law is promulgated : provinces will first have to be redivided and communal and State departments and staff transferred. Only then will it be seen that this is a tremendous operation which will take ten to fifteen years. But once this operation is completed the Netherlands administration will have a new look ; it will be younger and capable of handling the needs of the day.

Document 682 **10th November 1975**

Developments in the Iberian peninsula and the Atlantic Alliance

REPORT [1]

submitted on behalf of the Committee on Defence Questions and Armaments [2]
by Mr. Critchley, Chairman and Rapporteur

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1. Adopted in Committee by 12 votes to 0 with 2 abstentions.

2. *Members of the Committee:* Mr. *Critchley* (Chairman); MM. Klepsch, Dankert (Vice-Chairmen); MM. Averardi, Beauguitte, Bizet, Boulloche, Buck (Substitute: *Sir Harwood Harrison*), *Haase*, Kempinaire (Substitute: *Breyne*), *Konen*, *de Koster*, Laforgia, *Lemmrich*, Ménard (Substitute: *de Montesquiou*), Pawelczyk, Pendry, Prescott, Pumilia, Reale, Richter (Substitute: *Büchner*), *Rivière*, *Roper*, *Schugens*, *Tanghe*, Vedovato, *Piket*.

N. B. *The names of Representatives who took part in the vote are printed in italics.*

Draft Recommendation

on developments in the Iberian peninsula and the Atlantic Alliance

The Assembly,

(*i*) Aware that the undiminished military capability of the Warsaw Pact countries, in particular the continued modernisation and world-wide operations of the Soviet fleet, call for an adequate defence effort based on a viable economy ;

(*ii*) Believing that NATO and the European Community are the twin institutions through which the countries of WEU, by pooling their resources, can retain their freedom and secure decent living standards for their people ;

(*iii*) Believing further that the strength of NATO and the European Community lies in the freely-expressed support of the peoples of the exclusively pluralist democracies that compose them, and that membership of countries with totalitarian régimes should not be tolerated in the future ;

(*iv*) Expressing its support for the present government in Portugal, stressing the importance of Portugal's membership of NATO and its contribution to the defence of Europe, and expressing the hope that close links can now be established between Portugal and the European Community ;

(*v*) Welcoming the growing public expression of demands for political freedoms in Spain, and believing that the Spanish people must shortly take their place in NATO and the European Community, to both of which they can make a valuable contribution ;

(*vi*) Recognising that formal defence agreements between NATO or the member countries and Spain could provide ephemeral practical advantages, but believing that any such agreements concluded before the emergence of democracy in Spain would so alienate public opinion both in the NATO countries and in Spain that the very existence of the Alliance and any possibility of lasting future agreement with Spain would be jeopardised,

RECOMMENDS THAT THE COUNCIL

1. State clearly that although, unlike the Soviet Union, the western democracies will never intervene by force to change the internal régimes in any country, it is of importance to them that democracy should flourish in all countries that are naturally part of Western Europe ;

2. Urge member countries to ensure through their representatives in the European Community and in NATO :

(*a*) that no formal agreements are concluded with totalitarian régimes in Western Europe ;

(*b*) that full support is provided for the present government in Portugal ;

(*c*) that an examination of the problems of the Alliance's naval forces command structure in the IBERLANT and NAVSOUTH areas be made ;

(*d*) that diplomatic advice be provided from the NATO international staff for NATO commanders.

Explanatory Memorandum

(submitted by Mr. Critchley, Chairman and Rapporteur)

Introduction

1. Your Chairman finds himself in great difficulty in endeavouring to comment on a situation so changeable as that of the Iberian peninsula at present. Spain is universally thought to be on the brink of change ; there is a crisis of authority in Portugal ; but the great importance of the Iberian peninsula to the countries of Western Europe, and the need for both countries to maintain and strengthen their links with the rest of Europe, make it essential that the Assembly, if it is to discharge its political responsibility, should be enabled to debate a report on the Iberian peninsula at the December session.

2. A Rapporteur of the Committee, Mr. Jung, visited Madrid for the first time in October 1973, and the Committee reported on the situation in Spain in Document 624. Otherwise the Committee had had no direct contact with the two countries of the Iberian peninsula, as it is not the policy of the Committee as a whole to seek to visit Western European countries that are not pluralist democracies.

3. Following the decision of the Presidential Committee to refer the subject of the present report to the Committee, your Chairman visited both Madrid and Lisbon in September. In Madrid he was received most courteously by Mr. Cortina, the Foreign Minister, by his senior officials and representatives of the General Staff. In Lisbon the visit coincided with the formation of the present government. Nevertheless, your Chairman was able to meet leaders of the three political parties now in the government, a senior official of the Foreign Ministry, and the Commander at the NATO IBERLANT headquarters. Your Chairman was thus well placed to comment on the situation in September ; he has sought to extrapolate his impressions to take account of more recent events. He expresses his thanks to all those who received him. The views expressed in this report are those of the Committee, unless expressly otherwise attributed.

I. *Spain*

(a) Defence policy and the significance of Spain in the context of European security

4. For its size and considering that it does not maintain very large overseas garrisons, Spain maintains relatively large armed forces of 302,000 men, largely conscripts serving for 18 months. The army, by far the larger service, numbers 220,000 of which 170,000 are conscripts. The much smaller navy (47,000) still relies heavily on conscripts (35,000) as does the air force (34,000) to a much lesser extent (8,400). But Spain spends only a modest 1.9 % of its GNP on defence.

5. For modern equipment Spain relies heavily on the United States, especially for tanks, aircraft and air defence equipment, but has also concluded agreements with France for the supply or production under licence of Mirage III aircraft, AMX-30 tanks and some submarines, and acquiring eight British built Harrier aircraft from the United States. Spain produces small arms and some artillery and light armoured vehicles.

6. Spanish air defence forces have for some time been equipped with Nike and Hawk missiles, but emphasis is laid first on the need to modernise much land and naval air defence and communications equipment, and secondly on the need to replace the older M-47 tanks. The AMX-30 tank is produced in Spain but probably only in limited quantities as yet.

7. Spanish defence policy has been based chiefly on the defence agreements with the United States, due to expire in 1975. At the end of September agreement was reached in principle on their renewal, but details remain to be worked out concerning the supply of military equipment to Spain. Under these agreements, the United States enjoys the use of air bases at Torrejón, Zaragoza (weapons training) and Morón, and of the Rota naval base for Polaris submarines.

8. Spain in exchange obtains modern equipment from the United States and the assurance of direct defence links with the United States, which fall short, however, of those that a formal treaty would provide — Congressional support for such a treaty has not been forthcoming. Spain can also claim indirect links with NATO through the United States-Spanish joint defence committee, established under the defence agreements, to which the Commander of United States forces in Europe acts as military adviser. That Commander, at present General Haig, is SACEUR when wearing his other hat. Spain also has

defence links with France through a protocol of collaboration which provides for staff talks and joint exercises.

9. While the Spanish forces have some modern equipment, and receive proper training in its operation, there is undoubtedly a feeling of isolation and of exclusion from the latest military thinking in the NATO countries.

10. The Spanish armed forces are anxious to secure much wider access to modern defence concepts, through pragmatic links with the NATO military structure, and find inexplicable the reluctance of France to participate fully in a defensive system to full membership of which Spain was unable to aspire.

(b) *Spain and NATO*

11. Speaking in London recently, Admiral Stanfield Turner, Commander-in-Chief Allied Forces Southern Europe, said it would be a "big help" to have Spain in NATO — Spanish forces, especially the naval forces, would be a valuable asset, and Spanish membership would close an important gap in the Mediterranean [1].

12. Some press reports gave the impression that the possibility that Spain join NATO was aired, and rejected, at the time of the NATO summit meeting in May 1975. Without doubt a military case for Spain's inclusion within the Alliance can be made out. The adherence of Spain to NATO would be a powerful physical and psychological reinforcement. However, Franco's Spain was unacceptable to several members of NATO : the eventual inclusion of post-Franco Spain will depend on the progress that country will make in the direction of a recognisable parliamentary democracy.

13. Meanwhile, the explanation offered by the Spanish Government in September 1975 of the events of May at the NATO summit meeting is as follows :

14. Spain was not seeking to enter NATO either by the back or by the front door. There are at present two defence systems: the United States-Spanish alliance; and NATO. The United States acts as a link between them, but the systems are "juridically different". Spain sought recognition by NATO that the two defence systems were, in fact, related, that both defence systems pursue the same end, namely the defence of Western Europe. The complementarity of the systems should be recognised, and pragmatic arrangements worked out. Spain should in some way be allowed to take part in routine daily discusions. Spanish forces should have access to modern training methods. Other Spanish suggestions for closer co-operation between Spain and NATO include:

(*i*) the Spanish Military Attaché in Brussels might receive information from the NATO headquarters. NATO was believed to have considered this idea in the past but feared lest other non-NATO countries seek similar access ;

(*ii*) Spanish participation in manoeuvres on a multilateral basis — not only bilaterally as at present ;

(*iii*) participation of Spanish officers in multilateral military courses. Officers attending military courses under bilateral arrangements as at present were excluded when NATO matters were discussed ;

(*iv*) the presence of Spanish observers at NATO manoeuvres.

15. United States support for some gesture to Spain in the North Atlantic Council summit communiqué of 30th May 1975 was, however, strongly resisted by other NATO countries, and the agreed text omits any mention of Spain. The communiqué issued by the Defence Planning Committee after its meeting at the level of Ministers of Defence on 23rd May 1975 contains only the rather negative reference :

> "5. The United States Secretary of Defence informed his colleagues of the present state of the bilateral agreements on the use by the United States forces of military facilities in Spain, it being understood that these arrangements remain outside the NATO context."

16. For some years, official Spanish statements, while studiously maintaining that Spain is in no way a suppliant, have asserted that Spain is naturally a part of, and can make a special contribution to Europe, and must take its appropriate place in a future European union. Most recently, in a speech in Paris on 25th June

1. Guardian, 31st October 1975.

1975, Mr. Cortina, the Foreign Minister, specifically mentioned defence :

> "A European structure which did not allow the problem of defence to be solved would be yet another idle dream. And without the participation of Spain, the defence of Europe, considered as a whole, does not seem easy for, in the present context, security is indivisible. This is a matter which has already been raised in Brussels after having been raised at the level of Spanish-American relations because of its implications for Atlantic defence, on which the Spanish Government has adopted a very clear position..."

(c) *The internal situation*

17. It is not possible at the time of writing to comment on post-Franco Spain under Prince Juan Carlos as provisional Head of State since 30th October, and probably shortly to be proclaimed king.

18. Franco Spain since the civil war has been a totalitarian and often harshly repressive régime. Yet Spain has remained a largely "open" society that cannot be compared with the closed, almost prison, societies of the communist countries. The importance to Spain of large-scale tourism from the Western European countries, with relaxed or non-existent visa or entry controls, would have made it impossible to insulate the Spanish people from external events. Although individual issues of particular papers may occasionally be seized, the western press is freely sold on the street — another striking contrast with the communist countries.

19. Today, more than half the population has been born since the civil war; political expression in the country, while stifled, shows many paradoxes. In a move away from the single-party system of the Falange, the Government of Mr. Arias introduced the law on "political associations", promulgated on 12th January 1975, whereby political groups and individuals which supported the Constitution could apply to the Council of the National Movement (successor to the Falange) for registration as approved political associations. These associations would be entitled to stand for election to local authorities (which in turn elect one third of the Cortès). But only persons already identified with the old Falange appear to have applied for registration, including the Association for Spanish Social Reform (ARSE) under Mr. Canterro del Castillo — a Falangist.

20. A good deal of semi-public political activity outside the framework of the political association law appears to have been tolerated by the authorities since the summer of 1974 when Prince Juan Carlos first assumed provisional power as Head of State. A number of different Christian Democrat movements and a Social Democrat movement are referred to in the press, and the main socialist party, PSOE, once dominated by exiles, has a new younger leadership in Spain. These various parties formed the "Platform for Democratic Convergence" which published a manifesto on 17th July 1975. An elitist grouping of civil servants and businessmen under Mr. Fraga Iribarne, the Spanish Ambassador in London, formed a political research centre as a limited company, FEDISA, in August 1975, having earlier toyed with official registration.

21. Beyond the pale of present toleration are the exile-based communist party which is still believed to have the largest following of any left-wing party in Spain, and the small splinter socialist party PSP which together announced the formation of the "Junta Democratica" in the summer of 1974, but failed to attract the PSOE.

22. While all these groupings argue the case for political reform through the Spanish or foreign press as the case may be, violence has been resorted to by the Basque separatist movement, ETA, and indiscriminate assassinations by the anarchist, Maoist terrorist group, FRAP. These developments led, in the closing days of the Franco régime, to the harshly repressive anti-terrorist decree of August 1975, under which the recent executions were carried out. The public and official outrage expressed in Western Europe did not always single out the objectionable features of Spanish practice — the absence of any recognisable trial of the accused, and the impossibility under the Franco régime for the Basque movement to put its case in non-violent ways. It is only fair to recognise that FRAP would in all probability be outlawed as terrorist in any democratic society.

23. Any moves towards democracy the new régime may make will be judged by the breadth of the political spectrum that will be permitted to contest elections. As there seem no prospects of the communists being recognised, the final touchstone may be the official attitude to the PSOE.

II. *Portugal*

(a) The problems of government

24. Following changes in the Council of the Armed Forces Movement which brought more moderate elements to power, reflecting opinion throughout Portugal rather than that of the Lisbon area alone, a new government under Admiral Azevedo took office on 19th September. At the time of the government's formation, two factors held out hopes of more effective government and more moderate policies than those of the previous shortlived governments that had held office while communist elements had appeared to dominate the Armed Forces Movement.

25. First, the composition of the new government reflected the realities of power and electoral strength in Portugal : five members, including the Prime Minister, were from the Armed Forces Movement : the remaining portfolios were distributed among the three parties that had secured most votes in the April elections to the Constituent Assembly, and the distribution reflected the proportion of votes secured by each party : Socialists (PSP) 37.87 % — 4 ministers ; Popular Democrats (PPD) 26.38 % — 2 ministers ; Communists 12.53 % — 1 minister. The government was not however described as a coalition, participation was on a personal basis.

26. Secondly, the formation of the government, apparently for the first time, had been preceded by agreement on an outline programme, including measures to deal with the severe economic crisis; measures to secure proper working of the media including rearrangement of newspaper printing facilities to provide each party in government with one newspaper, and supervision of radio and television programmes by a council drawn from the three political parties ; the holding of local government elections (which, if carried through, could have been expected to reduce communist influence in many local authorities). In political circles in Lisbon it was widely expected that the Constituent Assembly would complete its work on the drafting of the constitution by the end of the year, and that legislative elections would be held early in 1976.

27. Events since the formation of the government, however, continue to cast doubt on its ability to impose its authority in a situation where the armed forces themselves are as divided as the political parties.

28. While it had been hoped at the time the government was formed, that communist participation and prior commitment to an agreed policy would secure civil support for the government from a broad spectrum of the population, it is far from clear whether the communist leadership is loyally supporting the government, or, indeed, whether the leadership has sufficient authority over its local party organisation. Opponents of communist participation in government have pointed out that the Portuguese communist party, unlike the French, Italian and Spanish communist parties, continues in its party policy statements to reject democratic pluralism, elections and coalition government, in favour of continuous revolution. Communists are numerous in the civil service and in local authorities in many parts of the country and thus wield an influence out of all proportion to their electoral strength.

29. Yet given the present political facts of life in Portugal, it is unlikely that a more moderate government, or one more favourably disposed to the Western European countries, could be found. It is important therefore that the government should receive all possible moral and economic support from the European Community and NATO countries to deal with the enormous internal problems it faces, over and above the prior problem of authority. There has been a reduction in real terms of between 8 and 10 % of the gross national product and a 6 % reduction in industrial production. Three hundred thousand unemployed in July, representing 10 % of the working population, has been swollen by the arrival of nearly 400,000 evacuees from Angola.

(b) Defence policy and attitudes to NATO

30. Defence policy does not appear to have been actively discussed during the formation of the present government — too many other problems have priority, and the Portuguese rôle in NATO has to some extent been a passive one, concerned chiefly with the provision of certain facilities referred to in Chapter III. As far as the political parties are concerned, active support for NATO appears to have come only from the Social Democrats (CDS), the largest party outside the present government, which secured 7.65 % of the votes in the April elections. The Socialist Party is said to be sympathetic to NATO and concerned to respect existing commitments, although some spokesmen have taken an anti-American and anti-NATO line. As the strongest opponent of the Communist Party in Portugal, the social-

ists probably view membership of NATO as a useful demonstration that Portugal belongs to the West. The Popular Democrats (PPD) appear similarly committed to respect for existing commitments, and membership of NATO as a means of identifying with the West. At the same time, there is an inclination to view the post-Helsinki world as one in which the two military blocks can eventually dissolve. The communists have not found Portugal's membership of NATO an obstacle to their participation in government.

31. Portugal up to 1974 has been spending some 5.8 % of its GNP on defence — a higher proportion than that of any WEU country. The armed forces numbered some 217,000 including 158,300 conscripts ; the army is by far the largest service, the navy having only 19,500 and the air force 18,500 personnel. Compared with Spain for example, much of the Portuguese equipment must appear obsolete, recent procurement having been devoted largely to counter-insurgency helicopters and light aircraft of use chiefly against a lightly-armed or internal enemy during the colonial wars.

32. With the withdrawal of over 100,000 troops from the former colonies, the Portuguese armed forces, if they overcome their present problems of discipline and authority, must in future face problems of motive and objective. There were conflicting reports in Lisbon as to whether any substantial demobilisation had got under way following the withdrawal from the former colonies, yet the army is clearly too large for any conceivable external defence rôle. It is tempting to think that although in the past Portuguese forces have not been directly assigned to NATO, a smaller streamlined force with more modern equipment might make a useful contribution to some particular NATO function such as the ACE mobile force, or other mobile reserves — such projects could provide useful training objectives for a modern professional army. In the present situation there is no sign of political support for any increased or high-profile contribution to NATO.

33. The most that can be expected in the foreseeable future is the maintenance of present Portuguese undertakings. Portuguese naval forces continue to participate in NATO exercises in the Atlantic, and the NATO IBERLANT headquarters outside Lisbon has continued to function undisturbed by any hostile demonstrations. If future Portuguese policy reflects the results of the April elections, Portuguese membership of NATO will not be a political issue.

(c) *Priority in external relations*

34. Following the change of régime on 25th April 1974, Portugal immediately sought to open diplomatic relations with all countries, and Portugal has sought to play a wider rôle in the United Nations and the specialised agencies that were closed to it under the totalitarian régimes. Ambassadors have now been exchanged with several Warsaw Pact countries. Decolonisation was very rapidly negotiated but has left as yet unsolved problems in Timor and Angola — territories where there are more than one local independence movement.

35. Portugal is seeking actively to establish closer links with the European Community on which it must rely for economic assistance in the immediate future. A new trade agreement with the EEC is desired, together with associate status with the European Parliament, but full membership of the European Community is unlikely to be requested in the present economic situation of Portugal.

36. As far as relations with the United States are concerned, there has been some resentment at American initiatives which were seen at one time as designed to exclude Portugal from full membership of NATO. The agreement with the United States on the use of military bases in the Azores has expired and Portugal is seeking economic assistance, but not military equipment, in exchange for a renewal of the agreement. Meanwhile, the United States continues to enjoy normal use of the Azores for NATO-related purposes, but it does not seem that the facilities would be available in the future for operations such as the resupply of Israel.

III. *Defence problems of the Iberian area and the NATO IBERLANT Command*

37. The Iberian peninsula as a whole is important to the West, both as a base for naval forces, and as a staging area for air reinforcement. It is also important for a proper balance of forces to be maintained and to be seen to be maintained in the Western Mediterranean to ensure that the increasingly effective Soviet fleet is not in a position to exercise political pressure on the countries along the southern shores.

38. The NATO Atlantic Command (SACLANT in Norfolk, Virginia) has a subordinate headquarters outside Lisbon known as the Iberian Atlantic or IBERLANT Command, responsible

for the sea area from the Portuguese coast to 20° West longitude, and covering 600,000 square miles of sea. Two-thirds of Western Europe's imports pass through this sea area, including two-thirds of oil imports, of which one third pass through the Mediterranean, and the remainder round the Cape. Surveillance of the area by maritime patrol aircraft is important and various NATO headquarters have a peacetime function of co-ordinating patrol operations by the air forces of the various participating countries. There are three NATO-financed airfields in Portugal, which are the most southerly airfields available to NATO, and make a valuable contribution to the maritime patrol function, although it is felt that not all of the airfields are being used as effectively as possible. Nor are all participating countries making patrol aircraft available to the command as readily as its responsibilities require.

39. In addition to the maritime patrol aircraft, the chief units earmarked for assignment to IBERLANT are anti-submarine warfare units, and there are important NATO-financed infrastructure installations in Portugal for the resupply of such forces operating in the area. There are also important NATO communications installations which, in addition to servicing the IBERLANT headquarters, play a vital function in NATO naval planning.

40. Spain provides an important base at Rota for the United States Polaris submarines operating in the Mediterranean which provide that part of the strategic deterrent assigned to SACEUR. The United States navy also flies maritime surveillance flights from the Rota airfield. Gibraltar with its very limited runway makes little contribution to long-range surveillance, but can still provide useful coverage of the Straits. The Committee has reported earlier on the political situation in Gibraltar and the dispute with Spain [1]; the situation remains unchanged. The usefulness of Gibraltar would be enhanced if the dispute were settled. On the other hand, if Spain were to become a full member of NATO, Gibraltar would cease to be militarily relevant.

Command

41. The NATO military command structure has always suffered from a number of anomalies where the nationality of commanders reflects considerations of political prestige rather than the reality of the military situation. In the Western Mediterranean, which in recent years has witnessed a considerable increase in the activities of the Soviet navy, a gap in the command structure has been left by the withdrawal of France which previously provided the Western Mediterranean commander (COMEDOC) under Allied Naval Forces Southern Europe in Naples (NAVSOUTH) and earmarked naval forces which were responsible for the sea area between the Italian naval command extending West to Sardinia and the Gibraltar area which extends only a little way into the Mediterranean. The Spanish navy could undoubtedly make a valuable contribution to the NATO naval forces available in the Western Mediterranean, and a Spanish commander could logically take his place in the Mediterranean naval command structure. The overriding political objectives at the present time are dealt with in the conclusion.

42. At present the Gibraltar command, under NAVSOUTH, appears an isolated relic of the command structure that was coherent only when France was part of the military structure. It is suggested that a more logical rearrangement of command would be to extend SACLANT's responsibilities eastwards into the Mediterranean, and for Gibraltar to become a subordinate command of IBERLANT.

Political advisers

43. The Committee in the course of its visits to most NATO military headquarters in recent years has noted the presence of political advisers belonging to the Foreign Service of the United States at certain headquarters where the commander is a United States officer. There do not appear to be political advisers as such in other headquarters, although in the case of Allied Forces Northern Europe in Kolsas, near Oslo, there is a civilian information officer of the nationality of the host country, who no doubt is in a position to provide the commander with political advice. The Committee recognises the need for NATO commanders in politically sensitive posts (and what post is not) to be able to call upon diplomatic advice. The Committee proposes in the draft recommendation that instead of the present limited *ad hoc* arrangements, diplomatic advice should be institutionalised in NATO military headquarters, and the political authority of the Secretary-General, Chairman of the North Atlantic Council, should be recog-

1. Document 624, Security and the Mediterranean, Rapporteur Mr. Jung, 7th November 1973, paragraphs 60-63.

nised at the same time. Your Chairman suggests that the Secretary-General should assign political advisers to all NATO headquarters, and that administratively they should come under the political affairs division of the NATO international staff.

Conclusion

44. In 1973, following the visit to Madrid by Mr. Jung, Rapporteur, the Committee adopted a report on security and the Mediterranean [1]. After debating this report, the Assembly adopted Recommendation 254, in the preamble of which it expressed the hope "... that at an appropriate time, it will be possible to associate Spain with the defence of Europe" [2].

45. Since that recommendation was adopted, significant changes have occurred in several NATO countries. The Committee recognises in the foregoing chapters devoted to Portugal and Spain that both countries of the Iberian peninsula can and do make an important contribution to European security as a whole. In Portugal, the political composition of the present government reflects the results of free elections held in April this year although the Christian Democrat and Liberal Parties were prevented from standing. The Committee recommends that full support be provided for that government which is faced first and foremost with a crisis of authority.

46. The Committee is also aware that the policy of Franco Spain was to seek closer links both with NATO and the European Community, and to assert that Spain must logically be considered as an integral part of Western Europe as a whole. In a remarkable letter dated 2nd June 1975, to The Times [3], the Spanish Ambassador in London, Mr. Manuel Fraga Iribarne wrote :

> "... I think it is generally agreed that the Iberian peninsula is a key point in the defence of Europe and of the Northern and Southern Atlantic, and it is obvious that were the peninsula to lend its support to the eastern bloc, the Mediterranean could be closed and the entire defensive system of Central Europe placed in serious jeopardy. In such a situation, this new danger would in fact arise from an area that today gives logistical support and depth, so necessary for its effectiveness, to that defensive system.
>
> Instead of seeking a solution to these problems and of supporting a normal evolution in Spain in harmony with the rest of Western Europe, in certain quarters there appears to exist a desire to isolate her by demanding a rigid code of democratic purity that, quite obviously, has not in the past and is not now being applied by the Atlantic Alliance to other countries of the so-called southern flank. In my view, this lack of understanding can only favour the extremists of both right and left, and will contribute nothing towards a constructive solution based on a moderate centre which, I believe, is what a majority of the Spanish people wish and Europe needs.
>
> Let me say that it is not a question of alternatives : Spain or Portugal. My government's point of view is quite clear : Spain ought to be either in or out of the western defensive system. With the backing of public opinion, Spain is prepared to play her part in western defence, but either she does so fully or not at all. In each case she is aware of the consequences. This does not preclude any bilateral arrangement that may be thought appropriate..."

47. In spite of the material advantages to defence arrangements that could accrue from Spanish participation, however, the Committee believes that the political disadvantages of associating Spain with NATO prior to the emergence of democracy in that country, would be overwhelming. Public support for the Alliance would be undermined in the present member countries, and emerging political opinion in Spain on which a future democracy can hopefully be based would thereby associate NATO with the policies of the despised and defunct régime. In Greece, it should be noted, NATO is now suffering from the reaction of public opinion to the inappropriate attention paid to that country by United States commanders during the period of the Colonels' régime ; the prudence of the Secretary-General of NATO in not visiting that country while democracy was in abeyance has passed unnoticed.

48. By a remarkable series of coincidences, the past two years have witnessed the complete

1. Document 624, 7th November 1973.
2. Adopted on 20th June 1974.
3. Published in The Times, 7th June 1975.

disappearance of totalitarian régimes from NATO countries. As a result of these developments, NATO has been transformed into a defensive alliance based exclusively on democracies, and the period has coincided with United States disengagement from the Vietnam war, for which there was insufficient public support. Significantly, the rate of conscientious objection in the NATO countries that practise conscription has fallen over the same period.

49. The conclusion is inescapable — in the western democracies, public support for the defence effort and commitment to the Alliance is a precondition of an effective and credible defence.

50. Following the Soviet invasion of Czechoslovakia to depose the Dubcek régime, Mr. Brezhnev, speaking to the Polish Communist Party Congress on 12th November 1968, enunciated what came to be known as the Brezhnev doctrine :

> "...When the internal and external forces hostile to socialism seek to turn back the development of *any socialist country* to restore the capitalist order, when a threat emerges to the cause of socialism in that country, a threat to the security of the socialist commonwealth as a whole, this is no longer a matter only for the people of the country in question, but it is also a common problem, which is a matter of concern for all socialist countries.
>
> It goes without saying that such an action as military aid to a fraternal country to thwart the threat to the socialist order is an extraordinary, enforced that is, last resort measure. It can be caused only by the direct actions of the enemies of socialism inside the country and beyond its boundaries
>
> — actions which create a threat to the common interests of the socialist camp..."

51. Advantage should now be taken of the disappearance of totalitarian régimes from the NATO countries to make a contrasting declaration which the Committee sets out in paragraph 1 of the draft recommendation :

> "...that although, unlike the Soviet Union, the western democracies will never intervene by force to change the internal régimes in any country, it is of importance to them that democracy should flourish in all countries that are naturally part of Western Europe ;"

Such a declaration would follow logically from the "Declaration on principles guiding relations between participating States" signed at Helsinki on 1st August 1975, whereby : "the participating States... will also respect each other's right freely to choose and develop its political, social, economic and cultural systems...". The important feature is the right "freely to choose..." There can be no freedom of choice where there is no democracy based on free elections.

52. In application of such a declaration, every effort should be made by the western democracies to urge Spain in the direction of democracy. The Alliance should make it clear that full membership of NATO is open to Spain as soon as that country shows evidence of fulfilling the democratic conditions of membership.

53. The Committee's reasons for advocating in paragraph 2 (*c*) of the substantive recommendation certain modifications in the IBERLANT Command area are set forth in paragraph 42 above. The recommendation concerning diplomatic advice in paragraph 2 (*d*) is explained in paragraph 43 above.

Document 682
Amendment No. 1

2nd December 1975

Developments in the Iberian peninsula and the Atlantic Alliance

AMENDMENT No. 1 [1]

tabled by Sir John Rodgers and others

1. In paragraph (*iii*) of the preamble to the draft recommendation, leave out from "Community" to the end of the paragraph and insert :

"rests upon the freely-expressed support of the peoples of their member States ;"

2. Leave out paragraph (*iv*) of the preamble and insert :

" (*iv*) Stressing the importance that it attaches to Portugal's contribution to the defence of Europe as a member of NATO and wishing to further the development in Portugal of a truly democratic system of government ;"

3. In paragraph 2 of the draft recommendation proper, leave out sub-paragraph (*b*) and insert :

"(*b*) that financial, economic and technical help is provided for Portugal with a view to encouraging progress towards a truly democratic pluralistic parliamentary system of government ;"

Signed : Rodgers, Vedovato, Amrehn, Duncan-Sandys, Channon, Leynen, Bettiol, Radius, de Montesquiou, Lemmrich

1. See 12th Sitting, 3rd December 1975 (Parts 1 and 2 withdrawn ; part 3 adopted).

Developments in the Iberian peninsula and the Atlantic Alliance

AMENDMENT No. 2 [1]

tabled by Mr. Scholten and others

In line 3 of paragraph (*vi*) of the preamble to the draft recommendation, after the word "would" insert "be in contradiction with the aims of NATO and".

Signed: Scholten, Peijnenburg, Reijnen, Voogd

1. See 12th Sitting, 3rd December 1975 (Amendment negatived).

Document 682 **3rd December 1975**
Amendment No. 3

Developments in the Iberian peninsula and the Atlantic Alliance

AMENDMENT No. 3 [1]

tabled by Mr. Critchley and Mr. Roper

In line 1 of paragraph (*iv*) of the preamble to the draft recommendation, after the word "Portugal" insert the words "as a first step towards a fully-democratic government".

Signed : Critchley, Roper

1. See 12th Sitting, 3rd December 1975 (Amendment adopted).

Document 682
Addendum

3rd December 1975

Developments in the Iberian peninsula and the Atlantic Alliance

DRAFT RESOLUTION [1]

submitted on behalf of the Committee on Defence Questions and Armaments [2]
by Mr. Critchley, Chairman and Rapporteur

The Assembly,

Noting the accession of H.M. King Juan Carlos of Spain,

Draws his attention to Recommendation...

1. Adopted in Committee unanimously.

2. *Members of the Committee:* Mr. *Critchley* (Chairman); MM. Klepsch, Dankert (Substitute: *de Niet*) (Vice-Chairmen); MM. Averardi, Beauguitte, Bizet, Boulloche, *Buck*, *Haase*, *Hardy*, Kempinaire (Substitute: *Duvieusart*), Konen, de Koster, Laforgia, Lemmrich, *Ménard*, Pawelczyk, Pendry (Substitute: *Sir Harwood Harrison*), Pumilia, Reale (Substitute: *Magliano*), *Richter*, Rivière, *Roper*, *Scholten*, *Schugens*, *Tanghe*, Vedovato.

N. B. *The names of Representatives who took part in the vote are printed in italics.*

Document 683 17th November 1975

Conference on security and co-operation in Europe

REPORT [1]

submitted on behalf of the General Affairs Committee [2]
by Mrs. von Bothmer, Rapporteur

TABLE OF CONTENTS

1. Adopted in Committee by 15 votes to 0 with 3 abstentions.

2. *Members of the Committee:* Mr. *Sieglerschmidt* (Chairman); *Sir John Rodgers*, Mr. *Bettiol* (Vice-Chairmen); MM. *Abens*, Amrehn, Sir Frederic Bennett (Substitute: *Channon*), Mrs. von Bothmer (Substitute: *Schwencke*), MM. Brugnon, Cermolacce, Fioret (Substitute: *Pecoraro*), *Fletcher*, Mrs. Godinache-Lambert (Substitute: *de Bruyne*), MM. *Grangier*, *Leynen*, *Mende*, *Minnocci*, Nessler, *de Niet*, Peijnenburg (Substitute: *Voogd*), Péridier, Portheine (Substitute: *de Koster*), Preti, Quilleri, Schmidt, *Steel*, Urwin, Van Hoeylandt (Substitute: *de Stexhe*).

N.B. *The names of Representatives who took part in the vote are printed in italics.*

1.1.1

482.4 W

Draft Recommendation

on the conference on security and co-operation in Europe

The Assembly,

Hoping that the Final Act of the Helsinki conference may lead to considerable progress in détente, understanding and co-operation between Eastern and Western Europe;

Noting furthermore that the principles set out in that text concern relations as a whole between all the signatory countries;

Deploring that the positions adopted by the Soviet Union and other member countries of the Warsaw Pact in the months following the conference indicate an excessively restrictive interpretation of certain principles laid down in the Final Act;

Underlining the need to reach early agreement on a substantial and balanced reduction in the level of forces of the two alliances in Central Europe;

Considering nevertheless that the balance of military forces remains the principal guarantee of security and peace in Europe for the foreseeable future,

RECOMMENDS THAT THE COUNCIL

1. Ensure the maintenance of continuing consultations between its members on all matters raised by the application of the Final Act of the conference on security and co-operation in Europe;

2. Ensure furthermore that any negotiations on force reductions do not lead to a weakening of Western European security;

3. Ask member governments to define, for instance in the framework of nine-power consultations, a joint position for its members on matters raised by the third basket of the conference on security and co-operation in Europe;

4. In no event accept any principle contrary to that of the sovereignty of States defined in the Final Act of the conference on security and co-operation in Europe;

5. Ensure that the quadripartite agreement on Berlin is strictly applied.

Explanatory Memorandum

(submitted by Mrs. von Bothmer, Rapporteur)

I. *General*

1. The General Affairs Committee has sufficiently studied the various steps in the preparation and progress of the conference on security and co-operation in Europe to have to devote too much time to the history of the conference and its developments in this report. It is merely recalled that from the legal viewpoint at least the absence of a peace treaty between Germany and the victorious powers of the 1945 war led to thirty years of uncertainty and instability regarding the frontiers and régimes of Central Europe. The division of Europe into two blocs and areas of influence has never been the subject of an agreement between those concerned other than vague exchanges of remarks between the three great powers in Yalta. It has nevertheless become an established fact which, in the last thirty years, has determined the political, economic and social régimes of each European country to an even greater extent than the will of the people. One way or another, the balance of terror has blocked all developments between East and West which were bound to change the *status quo*.

2. In 1954, the Berlin conference of Ministers for Foreign Affairs examined the possibility of an agreement on collective security and the establishment of joint institutions to keep a watch on the future of Central Europe. But the idea of a conference on European security rose in a way with the 1969 Budapest conference. The suggestions emanated from the Soviet Union and its allies up to that time (e.g. Bucharest 1966) were suspected by the western powers as means only to consolidate the Soviet positions acquired by force in 1945 ; the Soviet Union would confirm its positions at the expense of the German people's right to self-determination and hence at the expense of real security for the European peoples. But Budapest found a sympathetic echo both with the Federal Republic and NATO.

3. In fact in 1969 the Federal Republic felt itself being more or less isolated : the western powers sought solutions in limited problems concerning the balance of peace in Europe where they themselves seemed to be involved. But none of them cared much about the feelings or powers of the Federal Republic as it had not shown much capability to deal with its own problems concerning its attitude towards its eastern neighbours.

4. Gradually the two big powers began to move towards a bilateral relationship between themselves. This the United States and the Soviet Union developed in particular with regard to the limitation of strategic arms. The SALT I negotiations were a result of their respective efforts. This new constellation no doubt formed a positive condition for the *Ostpolitik* pursued by the Federal Government under Chancellor Brandt. In the same way the *Ostpolitik* itself actively stimulated the balance-finding efforts of the western powers as well as the reactions of the Soviet Union and its allies. It is quite certain that the results of the SALT I negotiations were largely instrumental in making the conference possible because the agreements reached by the Americans and Soviets had led to a sharp reduction in tension in relations between the two great powers although they made no claim to having found any solution to truly European problems.

5. However, the conference on security and co-operation in Europe would probably have come to naught if the Soviet Union had not shown more flexibility in recent years, as the United States did in a similar way. For the Soviet Union very probably two reasons may be looked at as a motive for changing its attitude : its economic situation and its increasing problems concerning China. As in 1971, when the Soviet Communist Party Congress debated the Soviet West Union this had a positive influence on the Federal Republic's *Ostpolitik*. The conference on security and co-operation in Europe was encouraged by the fact that the 1976 Soviet Communist Party Congress is likely to raise the question of changes among Soviet leaders. It was important for the present leaders to attend the congress fortified with the prestige conferred by major successes in the field of international policy and the successful conclusion of the conference on security and co-operation in Europe might be an essential element when accounting for their activities.

6. Thus a preparatory conference was held in Helsinki in November 1972 which led, in July

1973, to a declaration on the principles which should govern the work of the conference. In September 1973, the second stage started in Geneva, and for almost two years experts re-examined and went into the details of the guidelines laid down in Helsinki and prepared a document which was the subject of a summit conference in Helsinki in July 1975. A lengthy text was then adopted on 1st August 1975 as the Final Act of the conference.

II. *Aims of the participants*

7. It is evident that the eastern and western countries approached the conference with widely-divergent aims based on positions of force and ideology which were hard to reconcile. Of course there were differences of views within each bloc as well.

8. However this may be, over and above their differences all participants were anxious to obtain the maximum possible guarantees against recourse to force to solve disputes. This was abundantly clear since the countries whose frontiers had suffered most from the war — and first and foremost the two German States — well knew that they would be in the front line of any hostilities, particularly if fighting in Europe led to the use of nuclear weapons, if only tactical nuclear weapons ! The immediate effect would be the most total destruction of the battle area.

9. Strategic nuclear weapons have given each side a deterrent of such magnitude that the very idea of solving a conflict by force defies the imagination. As was shown by the SALT negotiations, neither the United States nor the Soviet Union was anxious to place its own fate in the balance. Finally, a solution to the German problem which appeared satisfactory to the majority of the German people would be difficult for the other European powers to defend outside an all-European framework. Apart from these general considerations, each country or group of countries embarked on the conference with its own aims.

(*i*) The *Soviet Union* was certainly seeking :

(*a*) *to obtain greater freedom of action outside Europe,* particularly in Asia, at a time when its conflict with China was developing, by giving expression to détente in Europe ;

(*b*) *to evade the constant threats to its domination of Central and Eastern Europe.* The challenges since the war to improve its negative reputation as an oppressor of its allies and the protest when the occupation of Hungary and Czechoslovakia took place were of an international dimension. Your Rapporteur cannot say whether the Soviet Union was afraid of an eventual intervention by the western countries on behalf of the Central European nations which were questioning Soviet hegemony. That there was no such intention on their side your Rapporteur looks at as a fact. In any case the conference on security and co-operation in Europe follows the line of the Brezhnev doctrine although the Final Act contains none of the terms of that doctrine ;

(*c*) *to obtain legal recognition of the territorial advantages* it acquired in Central Europe immediately after the war. The very list of participants in the conference on security and co-operation in Europe in a way constituted recognition, as did the accession of the two German States to the United Nations. The inclusion of the principle of the inviolability of frontiers in the Final Act means recognition of the territorial *status quo* ;

(*d*) *to accelerate its economic development by greater economic co-operation with the western countries.* It is characteristic that most of its political agreements with western countries in recent years have been accompanied by important measures for increasing co-operation without which it would be difficult for the Soviet Union to make the investments necessary to develop the industrial aspects of its power and hence maintain its hegemony in Eastern Europe ;

(*e*) *to stop the formation of a political and military union in Western Europe.*

(*ii*) The smaller *Eastern European powers* — and here moreover they fell in with certain *non-aligned countries* — considered that the easing of tension in East-West relations might increase their freedom of action and that the emergence of multilateral institutions outside the Alliance

systems would allow them to play a greater part in the settlement of European problems in the future.

(*iii*) Bearing in mind its strength the *United States* played a relatively secondary rôle at the beginning of the conference, probably because it deliberately wished to allow Europe to handle its own affairs when America's vital interests were not at stake, but also because it must have seen this conference, called for by the Soviet Union, as an instrument for limiting its influence in Europe. The development of its bilateral relations with the Soviet Union and its concern for détente in other areas, particularly the Middle East, drew the United States out of its initially rather negative or, to say the least, quite sceptical attitude. Consequently it entered into more active consultations with its allies on possible joint positions in the conference on security and co-operation in Europe and these matters became the subject of continuing consultations in the framework of NATO.

(*iv*) Of course there were differences among the *Western European countries*. However these referred mainly to tactical matters. Your Rapporteur particularly wants to put stress on the fact that the Western European countries showed remarkable unity in their efforts to keep open every possibility for progress and economic, political and military integration in the framework of the EEC. Here, the nine-power political consultations, whatever criticism may be levelled at them otherwise, played an extremely important rôle and on occasion one or other of the participating countries was authorised to speak on behalf of them all. *Inter alia,* the EEC countries were particularly attentive to the special concerns of the Federal Republic which wished to avoid anything final which might prejudge a future peace treaty.

10. Considering the overall concerns of the participants, it may be said that the conference on security and co-operation in Europe allowed everyone to voice his views and, above all, allowed everyone acceptable compromises to be reached which in your Rapporteur's view can be looked at as a hopeful base for future development: nobody had to give up essential interests, everybody obtained a measure of common understanding concerning all sorts of relationships. Though which could not surprise anybody the Final Act shows a lot of shortcomings because of its whole character as a compromise. But the result is that the political situation in Europe is not altered. Nobody could possibly expect more than this act of open agreement. If one considers the great number of participants and their entirely different motives for joining the conference as was pointed out above the generally agreed alteration the intense efforts towards solving a wide number of problems in multilateral and bilateral agreements do indeed rectify to speak of a positive result. Of course your Rapporteur is aware of the fact that opinions in the Committee vary in judgment concerning the results of the conference.

III. *The baskets*

11. Probably because of the great number and diversity of interests the conference organised its work in the context of four baskets. The very multiplicity was certainly a reason for its success because it led to a wide range of compromises in the various fields and the establishment of a certain balance between these fields. It is characteristic that different coalitions were formed in respect of each series of problems and that the conference was not merely a confrontation between East and West but rather a search for a series of compromises on matters which sometimes divided the two sides.

12. However, this method and the rather vague wording of many of the provisions of the Final Act leave a wide scope for interpretation and the weeks following the conference showed that many problems remained in spite of the length of the document drawn up jointly.

13. (*a*) *The first basket* sets out ten principles covering the acts which the participating parties undertake to renounce and those which they undertake to carry out for the peaceful development of relations between European States and to intensify co-operation. Most of these principles are expressed as moral standards and in many respects they fall short of a more prescriptive text such as the United Nations Charter.

14. Nevertheless, the value of these principles is undeniable insofar as any government which fails to make its policy conform with the declarations of intention might find itself in a most uncomfortable moral position, even in the eyes of its own public opinion. Thus, these principles hardly reach the roots of the problems but they point to the ways of dealing with matters which

are the cause of disputes and their adoption makes recourse to force difficult.

15. There will of course be differences over the interpretations of these principles. They have already started in respect of the binding nature of the Helsinki agreements, particularly when the Soviet Union refused the immediate application of the Helsinki provisions to Soviet would-be emigrants or western journalists living in the Soviet Union whom it reminded that the Helsinki meeting had merely defined principles whose application was subject to bilateral agreements which would perhaps not be drawn up for some time to come. Moreover, it may be noted that as far as is now known the issue of American visas to foreigners who are communist party members is still encountering difficulties. The Helsinki agreements instituted no court of arbitration, compulsory reconciliation body or appeals procedure for prejudice due to a signatory not applying the agreements.

16. In another respect, the NATO countries have always attached primordial importance to an agreement on military problems which they consider to be the cornerstone of the notion of security. For a long time, they thought of linking acceptance of the conclusions of the Helsinki negotiations with the successful conclusion of the mutual and balanced force reduction talks. Finally, they dropped this precondition and, in the field of confidence-building measures, set out the principle that manoeuvres involving more than 25,000 troops held within a certain area would be notified to the signatories of the Final Act and observers from the other side invited to attend. From the military point of view these clauses are of only secondary interest of course. But from the political point of view they were looked at as highly important. However in the two months following the adoption of the Final Act in Helsinki, the NATO countries notified two series of manoeuvres to the members of the Warsaw Pact. Observers from the Soviet Union and other Warsaw Pact countries were for the first time invited to attend the NATO manoeuvres "Certain Trek" beginning in Bavaria on 14th October 1975. Conversely, no manoeuvres have been notified by the eastern countries. There are indications of large-scale manoeuvres in Eastern Europe but in staggered order so that no single operation involved more than 25,000 troops. Thus the Warsaw Pact did not have to notify the manoeuvres or invite observers and technically the letter of the agreement was not violated. But this was an extremely restrictive interpretation of the fundamental principle that manoeuvres were to be the subject of prior notification.

17. The treaty of friendship between the Soviet Union and the German Democratic Republic which was concluded on the 26th anniversary of the founding of the GDR has to be looked at as an adjustment of the already-existing treaties of friendship between the Soviet Union and the GDR of the years 1955 and 1964 to the political situation in 1975.

18. The intention of the newly-adopted treaty of friendship, co-operation and mutual assistance of 10th July 1975 is to emphasise those principles of the CSCE Final Act which are of special interest for the Soviet Union as well as for the GDR by incorporating them into a bilateral treaty. Its partiality is underlined in particular by the opposition that can be discerned to the linking of West Berlin to the Federal Republic. It might be possible that this treaty should serve as a model for the relations between the Soviet Union and its Eastern European allies in the period after the conclusion of the conference on security and co-operation in Europe.

19. One of the remarkable elements of the treaty of friendship between the Soviet Union and the GDR is the bilateral shifting of the balance of the Helsinki principles. The clauses concerning the inviolability of frontiers are particularly emphasised whereas the principles of modifying frontiers by peaceful means in agreement with international law are not mentioned at all. This proceeding meets the basic interest of the Soviet Union as well as of the GDR. It is necessary for the follow-up agreements between Eastern and Western European nations to avoid such a shifting of emphasis and balance.

20. In any event, the great merit of this clause was to show the importance of problems concerning the deployment of forces and arms control for détente. Of obviously far greater value is the declaration endorsing the principle that a balance of forces or even a reduction in the troops deployed and their arms and the possibility of real controls would constitute a basis for peace in Europe, which is written down in the Final Act (2, II).

21. With regard to the principle of the inviolability of frontiers called for by the eastern countries, as compared with the possibility of

modifying frontiers by peaceful means as requested by West Germany and the EEC countries by virtue of the solidarity implied by the prospect of European union, a generally-satisfactory compromise was found thanks to the clause which placed all the principles on an equal footing, thus including the inviolability of frontiers and the peaceful settlement of disputes. However, Mr. Honecker, General Secretary of the German Democratic Republic, recently gave an interpretation of the Final Act which seems to deny this clause in that he said :

> "Security, and particularly the inviolability of frontiers, have been the key questions of our era and the heart of the conference. They must be placed at the top of the agreements reached. Recognition of this principle is and remains the touchstone for ascertaining whether a policy really serves peace and hence the interest of mankind."

Such an interpretation is obviously contrary to the letter of the Helsinki agreement.

22. Finally the tenth principle — concerning the *bona fides* implementation of commitments entered into in accordance with international law — raises a number of difficulties because the notion of international law is not very clear. A recent article in *Izvestia* by Mr. Georgi A. Arbatov, Director of the Institute of American Studies in the Soviet Academy of Sciences, casts doubt on Soviet intentions in this field. He purports that the enemies of détente are endeavouring to use the spirit of Helsinki to interfere in the internal affairs of the socialist countries and stir up a campaign of provocation in order to give the impression that the Soviet Union is not respecting its undertakings. He wrote :

> "The Soviet Union and the socialist countries, in recommending the principles adopted in Helsinki, have not undertaken to maintain the social *status quo* throughout the world nor to halt the process of class struggles and national liberation stemming from the objective laws of historical development."

After underlining that "the ideological war must be pursued in conditions of détente", the Soviet academician continued:

> "It would be a serious mistake to believe that the Soviet Union is going to throw its frontiers wide open to anti-Soviet works which preach violence, pornography and inter-racial hate."

Any such interpretation of the principles set out in the first Helsinki basket falls far short of the United Nations Charter since it allows the principle of proletarian internationalism to assert itself as a basis of law.

23. It is an interesting fact that Mr. Giscard d'Estaing during his recent visit to the Soviet Union — and he was the first and only one to do so — urged that the agreement in the light of the conference should as well be extended to ideology in a way to stop the Soviet ideological war. It seems as if this was not appreciated by his hosts. The interpretation of what really makes out the principles has been very difficult and will also be in future, as this evidently shows.

24. (*b*) *The second basket* probably raised the fewest difficulties. It sought to increase economic co-operation and trade in accordance with the wishes of the Soviet Union, its partners and the Western European countries, the former in order to speed up their industrial development and compensate for certain shortfalls in their agricultural production, and the latter in order to find new markets for their output, which was particularly urgent because of the sharp economic recession which started in the West at the end of 1973.

25. Nevertheless, the Soviet request for the most-favoured-nation clause to be extended to all participants could not be agreed to insofar as it would have called in question most of the reciprocal advantages of Common Market membership. Moreover, it was difficult to define a balanced system of reciprocal commitments in view of the great difference in the economic systems. The future development of East-West economic relations will probably therefore be on a multilateral as well as on a bilateral basis.

26. In this period of economic crisis, even limited development in this field can have a major stabilising effect, and in any event the development of economic and trade relations between East and West can but be a slow process of which the Helsinki agreements are only one stage. Here too the follow-up of the conference will be of the greatest importance.

27. (*c*) *The third basket* meets a condition imposed in 1970 by the NATO countries concerning their participation in the conference. The western concept was that the development of international relations must be linked with the liberalisation of exchanges of information

and increased possibilities of contact between societies and peoples. This stemmed from humanitarian concern for those wishing to leave the Eastern European countries for family, political or personal reasons, and a more general desire for a wider exchange of ideas throughout the world.

28. These were the matters to which the Soviet Union and some of its allies were most clearly opposed since it is certain that they considered them to be a step towards western instrusion in the internal affairs of the communist countries. Although they gave in on the principle itself, there is every indication that they are prepared to apply the principles defined in the Helsinki Final Act only in a most restrictive manner, of which there already have been some examples. In this connection, the fate of Soviet Jews wishing to emigrate will be a test.

29. However, extreme caution must be shown in insisting on the practical application of these principles. If détente started in a system of democratic societies, and opened up the eastern countries it might have a disquieting effect. Though it might as well help democratic societies to stabilise their own system in a positive way : your Rapporteur's opinion is that a country taking part in détente and genuine partnership on a wide scale should be prepared to review and if necessary improve the effectiveness of its own system. In any case there must not necessarily arise repercussion on security and peace : this eventual danger was included in the risk of the conference of which everybody could be aware in advance. Likewise it is not unknown that in the eyes of the Soviet Union peaceful coexistence is based merely on the renunciation of military means for imposing a type of society. The Western European countries are aware of the fact that the Soviet Union and its allies have no apparent interest in reducing political and ideological tension between the liberal and the communist societies. This is not peace as the Western European countries understand it and surely it must not be forgotten that the Helsinki agreement is not a peace treaty.

30. Nevertheless the British proposal for all countries to allow journalists freer access was accepted and allowed considerable hope of progress towards the opening of frontiers. However, in practice the Soviets have so far refused any requests in this sense, arguing quite fairly that such opening was subject to bilateral agreements and the Helsinki Final Act had only defined principles.

31. (*d*) *The fourth basket* concerns follow-up action. Until the last moment, the western powers were extremely reserved about creating any follow-up body, fearing in particular that an all-European body for political co-operation might — in practice and above all in the eyes of public opinion — vie with the bodies already existing in Western Europe for co-operation. They probably also feared that the prospect of a continuing body might encourage the indefinite postponement of a number of matters which they considered should be settled at the conference itself. It was mainly the smaller Eastern European powers and the neutral countries which were anxious to set up such a body because this would give them a possibility of continuing to play a rôle in European policy.

32. Finally, it was a Danish proposal which led to the compromise accepted by the conference. This was to postpone for two years a decision on the type of action to be taken further to the conference. During this time, it would be possible to examine the problems raised by the application of the Final Act and prepare a decision on action to be taken.

33. Your Rapporteur feels that it will be essential to pursue multilateral consultations on the consequences of the Helsinki conference, on the one hand because it will be necessary to set up bodies responsible for ensuring application of the principles set out in the first part of the Final Act, with particular regard to the arbitration of disputes, and on the other hand because co-operation itself, in so far as it develops, will raise new difficulties and disputes. The inevitable sources of friction must not immediately take on an air of East-West confrontation ; they must be dealt with from a technical, not a political standpoint. Thus one might consider setting up a number of committees with strictly limited terms of reference for each of the fields of co-operation, such as already exist moreover in certain bilateral relations between eastern and western countries.

34. When all is said and done, the fears expressed by the West about a follow-up organisation now seem quite exaggerated whereas on the contrary there is an evident need for constant precisions to be given concerning an agreement which is in many respects far too vague. The very nature of the Helsinki agreements leaves little likelihood of real competition between all-

European co-operation and co-operation between the Western European countries which is now leading towards a real European union. From the beginning no sympathy was shown by the Soviet Union for the EEC, but recently this attitude seems to be changing and the Final Act of the conference on security and co-operation in Europe gives it no new leverage for opposing it.

35. It should be recalled that Western Europe has every interest in the conference on security and co-operation in Europe being more than recognition of the *status quo* coupled with a declaration of principles which is not binding. On the contrary, it has everything to gain in finding means of showing constantly in which fields, to what extent and in which frameworks these principles could and should be applied.

36. Therefore it is important to point out that the baskets should be estimated strictly equal. Any follow-up bodies will have to keep that carefully in mind.

37. The conference on security and co-operation in Europe constitutes a whole and its very balance is the result of compromise which required long and arduous preparation. To upset this balance would give precedence to recognition of territories and frontiers over all the clauses concerning co-operation or the situation of persons, which is absolutely contrary to the aim constantly pursued by the western countries.

IV. *Conclusions*

38. (*i*) Most of the wealthy industrialised countries of the northern hemisphere gathered in the conference on security and co-operation in Europe and jointly defined a code of international behaviour. This must not lead to a kind of coalition between the industrialised countries of the northern hemisphere in face of the developing countries of the southern hemisphere, and the changes in the principles of international law being called for by the third world must not run up against a coalition of conservative powers.

39. (*ii*) Although the Helsinki conference recognised the territorial facts emerging from the second world war and consequently gave the eastern countries the satisfaction they required for their security, the West must also receive the guarantees which it needs for its own security.

40. In this context your Rapporteur wants to point out the somehow frail situation of Berlin. The way Berlin is fitting in in the whole framework of agreements must be looked at with a careful eye.

41. It is not a question of recognising régimes or frontiers but of the possibility of reducing military expenditure and numbers of armed forces without endangering Western Europe. This implies full implementation of the results of the mutual and balanced force reduction talks and of all the undertakings entered into by the nuclear powers in the framework of the non-proliferation treaty and the test-ban treaty.

42. The United States has just shown its desire to bring the talks on mutual and balanced force reductions to an early close by agreeing to include tactical nuclear weapons in the scope of the talks. This should facilitate the search for a means of effecting a comparable reduction in the forces of both sides and establishing a balance of forces in Central Europe since the West, which is in a position of conventional inferiority, is in a strong position as regards tactical nuclear weapons in Central Europe. The Soviet Union's response to this major concession will thus be followed with interest.

43. (*iii*) Clearly the western countries, in the same way as the Soviet Union, have much to gain from the development of economic co-operation and trade. It is evident that this is a guarantee of the maintenance of peaceful co-existence and peace.

44. (*iv*) While the western countries reproach the Soviet Union for wishing to maintain its political, economic and social régime and impose it on the Eastern European countries, they must not, in the name of European security, hold up all economic and social developments on their own territory. The opening which the Soviet Union has been asked to make must not be a one-way affair and the guarantees obtained by both sides in the security field should allow the free evolution of societies in both West and East since this evolution should not jeopardise the balance of forces in Europe.

45. (*v*) The conference on security and co-operation in Europe obviously did not establish lasting peace overnight. But it would be a misinterpretation to consider it as the start of a process of "Finlandisation" leading eventually to the end of democracy in the West. It would be pointless to join Solzhenitsyn in accusing the

West of relinquishing the values it claims to uphold by agreeing to deal with the Soviet Union. There is no alternative to coexistence and this of course implies that everyone must have the right to adopt the political, economic and social régime which suits him.

46. The conference met a common desire to bring a dangerous confrontation to an end and, merely by setting out principles concerning relations between the European States, it has reduced the causes of mistrust and uncertainty which might have led to hostilities. The continuation of its work and the progressive explanation of the provisions of the Final Act can but add to the effect of this instrument of collective security. The security gained by both sides should lead to frank intercourse, to genuine détente.

V. *Discussion in Committee*

47. This report was adopted by the General Affairs Committee on 17th November 1975 by 15 votes to 0 with 3 abstentions.

48. (*i*) During the discussion, many members of the Committee felt the Rapporteur was over-optimistic regarding the prospects afforded by the Helsinki conference. They emphasised that the Final Act was not a peace treaty and that it was not being applied sufficiently by the members of the Warsaw Pact both in respect of advance notice of military manoeuvres, given by neutral countries and by NATO but not by the Warsaw Pact, and everything included in the third basket.

49. (*ii*) One member of the Committee, however, said that in his opinion the tone of the report suited the WEU framework, where it was primarily a question of promoting détente, but there were other places, such as the Council of Europe, which were more suitable for denouncing the cases in which the USSR and its allies failed to apply the Final Act of the Helsinki conference.

50. (*iii*) Another member of the Committee felt that the report did not show enough confidence in détente.

Document 683
Amendment No. 1

2nd December 1975

Conference on security and co-operation in Europe

AMENDMENT No. 1 [1]

tabled by Mr. de Montesquiou

1. Leave out the fourth paragraph of the preamble to the draft recommendation and insert :

"Underlining the need to achieve a progressive reduction in the level of forces throughout Europe ;"

2. After the fourth paragraph, insert :

"Considering that such a reduction should not result only from a compromise between the United States and the Soviet Union but must take account of the interests of all the European countries ;"

3. In line 1 of the fifth paragraph of the preamble, leave out "nevertheless" and insert "further".

4. At the end of paragraph 2 of the draft recommendation proper, add : "and the creation of further imbalance in that area ;".

Signed : de Montesquiou

1. See 10th Sitting, 2nd December 1975 (Part 1 negatived ; parts 2, 3 and 4 adopted).

Document 683
Amendment No. 2

2nd December 1975

Conference on security and co-operation in Europe

AMENDMENT No. 2 [1]

tabled by Mr. Vedovato

In paragraph 4 of the draft recommendation proper, replace the word "sovereignty" by "sovereign equality".

Signed : Vedovato

1. See 10th Sitting, 2nd December 1975 (Amendment adopted).

488.7 +
420(65)

Document 684 17th November 1975

Northern European countries and the prospect of European political union

REPORT [1]

submitted on behalf of the General Affairs Committee [2] *by Mr. Steel, Rapporteur*

TABLE OF CONTENTS

1. Adopted in Committee by 13 votes to 0 with 2 abstentions.

2. *Members of the Committee:* Mr. *Sieglerschmidt* (Chairman); *Sir John Rodgers,* Mr. *Bettiol* (Vice-Chairmen); MM. Abens, Amrehn, Sir Frederic Bennett (Substitute: *Channon*), Mrs. von Bothmer (Substitute: *Schwencke*), MM. Brugnon, Cermolacce, Fioret, Fletcher (Substitute: *Lord Beaumont of Whitley*), Mrs. Godinache-Lambert, MM. *Grangier, Leynen, Mende, Minnocci,* Nessler (Substitute: *Bizet*), *de Niet,* Peijnenburg (Substitute: *Voogd*), Péridier, Portheine (Substitute: *de Koster*), Preti, Quilleri, Schmidt, *Steel,* Urwin, Van Hoeylandt.

N. B. *The names of Representatives who took part in the vote are printed in italics.*

L.1.3
482.4 (3)

Draft Recommendation

on Northern European countries and the prospect of European political union

The Assembly,

Considering that by their civilisation, culture and political, economic and social system, the Scandinavian countries belong to Western Europe ;

Noting that economic, political and military factors imposed by the situation of Northern Europe now prevent these countries taking their place in a European union with responsibilities which include foreign policy and defence matters ;

Considering that the European Community (which includes Denmark) cannot wait for these countries to be in a position to take part in the undertaking before forming a union,

RECOMMENDS THAT THE COUNCIL

1. Consider, in the framework of its study on "the possibility that Western European Union might undertake additional work connected with the standardisation of armaments in Europe", how countries of Northern Europe might be associated with this undertaking both in the Atlantic Alliance and in WEU ;

2. Invite the Scandinavian countries to send observers to an *ad hoc* meeting to study any project for the joint production of armaments.

Explanatory Memorandum

(submitted by Mr. Steel, Rapporteur)

Foreword

1. This report was drafted after the visit by the General Affairs Committee to Norway and Denmark from 21st to 24th October 1975. During its visit, the Committee was addressed by the Ministers for Foreign Affairs and Chiefs-of-Staff of Denmark and Norway, and was received at the NATO Command covering the northern area of Europe. It also had talks with a number of parliamentarians, members of the Foreign Affairs and Defence Committees of the Storting and Folketing.

2. Your Rapporteur obtained most useful information during these visits and wishes to express the gratitude of the General Affairs Committee to the Norwegian and Danish authorities for their welcome and the frank and very detailed way in which they gave their countries' points of view.

3. However, the visits did not allow your Rapporteur to deal with all the problems arising in Northern Europe. He was able to visit neither Sweden, nor Finland, nor Iceland. It must therefore be borne in mind that this report is based on direct information for only part of the subject assigned to your Rapporteur.

I. *Basic facts*

4. By their civilisation, economic structure, political traditions and culture, the Northern European countries are very close to the countries of Western Europe. They definitely belong to the western and European community. However, there are differences in respect of defence and membership of international organisations. An additional fact is that in spite of wide unity in their civilisation, circumstances have made individual Northern European countries follow different courses and they have a different approach to their relations with the countries of Western Europe.

5. However, despite these differences, which relate to membership of specific organisations or accession to specific treaties, your Rapporteur feels that there is far greater similarity between the behaviour of these countries at international level than might appear at first sight. This is mainly due to their geographic situation.

6. The Scandinavian world looks quite different depending on whether one looks at a map of Europe and a map of the world drawn up in accordance with Mercator's projection, or at a map having the North Pole as its centre. In the first case, the Scandinavian countries and their dependencies look like a sort of northern flank to the European and Atlantic world, a very extensive one at that, which can immediately be seen to be a weak point of western defence. In the second case, the Scandinavian world appears to be a portion of the polar area hemmed in by North America and the Soviet Union. It controls the majority of the ice-free passages between the Soviet Union and the Atlantic and therefore occupies a crucial strategic position. Moreover, the countries of which it is composed are, together with Turkey, the only member countries of the Atlantic Alliance to have direct frontiers with the Soviet Union and, because of the maritime area which they control, they are in contact with the Soviet Union over vast expanses.

7. A relief map shows other aspects of the problem. Extending over more than 3,000 km. from Denmark's southern frontier to the tip of Spitzbergen, these countries have particularly difficult communications problems. Norway's relief, which is mountainous and intersected by deep fjords, and its particularly harsh climate, make north-south overland communications very difficult for much of the year. The very jagged coastline, strewn with numerous almost uninhabited islands, makes it extremely difficult to defend Norway's coast and the islands in the Norwegian Sea. Norway's coastline measures a total of some 28,000 km., but only 2,800 if no account is taken of the indentations.

8. Norway is extremely vulnerable. It stretches about 1,800 km. from north to south but is very narrow, in one place measuring only 7 km. across. Aerodromes are rare and most of its population of 4 million live in the southern coastal area. Agricultural land accounts for only a little more than 3 % of the territory and forests slightly over 21 %, the rest being uncultivated and sparsely populated. The islands in

the Norwegian Sea and Arctic Ocean are even more vulnerable, particularly Spitzbergen.

9. Denmark is in a rather different position. It has a slightly larger population but a much smaller area. Communications are easier and its land links with the Federal Republic bring its economy and defence policy into far closer contact with those of Central Europe. But Denmark has a number of islands separating the three straits commanding the entrance to the Baltic Sea. Two of them are entirely within Danish territorial waters and the Sund is shared by Denmark and Sweden. Denmark therefore occupies a commercial position on which its wealth has been based for many centuries, but it also occupies an important strategic position. The island of Bornholm in the Baltic controls the entry to these straits.

10. Sweden, which is more highly populated and above all more industrialised than Norway, is also more isolated from the rest of the western world.

11. Finally, Finland is closely hemmed in by Soviet territories and almost its only means of communication with the rest of the western world is by sea.

II. *Defence problems*

12. The geographic considerations mentioned in the previous chapter obviously govern all the security problems facing the Northern European countries. To varying degrees, all these countries felt particularly threatened by the development of Soviet power following the second world war. They all felt rather isolated in face of this threat, so each country adopted a security policy covering both foreign and defence policy which took account primarily of their own specific situation. In no case did they hand over their security to an alliance system in which they would obviously not have been able to play a decisive political rôle and which might have considered as secondary matters which they felt to be vital. These problems can however be divided into two categories: the Baltic and the North Sea and Arctic Ocean.

(a) The Baltic Sea

13. The Baltic Sea is wholly dominated by the military, air and maritime strength of the Soviet Union and its allies, Poland and the GDR. NATO is hardly in a position to offset this power since Denmark and the Federal Republic are the only Baltic States belonging to NATO. Finland, which found itself with less territory after the second world war and lost its outlet to the Barents Sea, could base its security only on neutrality and its 1948 treaty with the USSR, allowing a balance of western and Soviet influence on its territory. Even its internal policy is largely based on its concern not to risk a conflict with its overwhelmingly powerful neighbour. It is therefore unable to take part in any economic, political or military system which would associate it with the West.

14. Sweden too has adopted a policy of neutrality but the relative importance of its population, its high standard of living and the importance of its industries, particularly in the field of metallurgy and branches requiring the most advanced technology, have allowed it to support this neutrality with a very considerable military force. Sweden is still one of Europe's leading producers of military equipment and armaments, but its outlet possibilities now seem to be rather limited. The Swedish army is not large enough to allow enough of its indigenous production of arms to be sold at reasonable prices. Outlets abroad are gradually becoming closed to military equipment from neutral countries. Possible buyers prefer to procure their equipment from their allies or powers likely to offer them political or military advantages, which is obviously not the case of Sweden. It may therefore be wondered whether Sweden's defence policy will not have to evolve in the coming years, Sweden either drawing closer to the countries of the Atlantic Alliance in an attempt to retain outlets for its arms industries there or on the contrary giving priority to neutrality even if this means letting its military strength decline.

15. Finally, Denmark has very few armed forces and could not defend itself for long in the event of a land, sea or air attack. It therefore chose to accede to the Pact as soon as the Atlantic Alliance was created in 1949. However, Denmark plays only a very limited part in the integrated defence structure which came into being in 1952. Admittedly, in wartime Denmark's territory and forces would come under NATO integrated command, but in peacetime Denmark has not authorised the stationing of either foreign military forces or nuclear weapons on its territory. It pursues its defence policy as a national policy, merely accepting combined

manoeuvres intended to prepare for a possible passage from the peacetime system to the wartime system.

16. The main problem for Denmark's defence policy stems from the Danish straits. International law allows Denmark to decide on the conditions for authorising warships to pass through these straits. Here Denmark has laid down two principles: first, submarines must surface to pass through the straits; second, no foreign power may have more than three warships in the straits at the same time. It may however be wondered to what extent Denmark would apply these principles if faced with firm pressure from a very great power. It is doubtful whether it would run the risk of war during which it might, with no means of retaliating, suffer considerable damage in order to ensure respect for a principle for whose application it is the only judge. Nevertheless, the problem of the straits is still the hub of Denmark's defence policy. Denmark's naval forces are relatively strong and are mainly concerned with controlling the straits. Its land and air forces are smaller, but the volunteer element is larger and the Danish Government is aiming at increasing it still further in the coming years. This means that the Danish army appears better adapted to meeting a limited attack effectively and rapidly than to taking its place in a vast interallied framework.

17. All things considered, NATO appears to provide Denmark with reassurance, represented essentially by American deterrent power, but the country is apparently almost unanimous in wishing to remain the sole master of its own defence. However, Denmark has authorised the United States to install bases in Greenland, whose defence it can hardly ensure itself.

18. In the circumstances, it can be seen why Denmark is very reticent towards appeals for integration in a European defence system. It is not very attracted by the prospect of nine-power European union in which it would not have full freedom of action in the defence field, and the possibility of joining Western European Union appears out of the question at present.

(b) The North Sea and the Arctic Ocean

19. The North Sea and the Arctic Ocean constitute a potential area of hostilities. Already during the second world war the maritime routes to the north of the British Isles and of Norway were of considerable importance which increased further with the development of submarine fleets, strategic aircraft and even ballistic missiles. Murmansk is now the main Soviet naval base and it is reported that some fifty of the seventy Soviet strategic nuclear submarines belong to the Soviet northern fleet. The range of Soviet nuclear missiles is still less than that of American missiles which compels the Soviet Union to send its submarines quite a long way away from their base in order to come within range of United States territory. This prompts the USSR to extend its control as far as possible in the Arctic Ocean.

20. Consideration of the Soviet fleet's outlets towards the Atlantic Ocean shows that there are only two: one passing through the Norwegian Sea and the North Sea and the other lying between Scotland, Spitzbergen and Greenland. The islands belonging to Norway and Denmark therefore allow the Soviet outlets towards the Atlantic to be controlled. But these islands are very sparsely populated and Norway has little means of defending them. They are also of great importance for the countries of the Atlantic Alliance since, in the event of world war, it would be essential to close the northern outlets to this ocean to ensure the security of maritime communications between the United States and Europe. Denmark and Norway therefore occupy positions which are absolutely crucial for the security of the whole western world.

21. Since the end of the war, Norway has had to face pressure to ensure Soviet control over these islands or at least prevent the West installing military bases. In 1944, Mr. Molotov, the Soviet Minister for Foreign Affairs, asked Norway to revise the Spitzbergen Treaty signed in Paris on 9th February 1920 and confirmed by the Act of 17th July 1925. These agreements gave Norway the Spitzbergen archipelago subject to its remaining demilitarised and practising an economic open-door policy. Molotov then insisted on the Bear Islands being ceded and a Soviet/Norwegian condominium for Spitzbergen, as well as abolition of the demilitarisation system. This would have meant a Soviet stranglehold on the northern outlet from the Atlantic. These negotiations were unsuccessful, but when the war ended the Soviet Union installed itself on the Kola peninsula, taken from Finland, and in Lapland it now has a frontier of about 200 km. with Norway.

22. The Soviet Union is afraid that the Arctic Ocean may be denied to its submarines at the level of Greenland because of the overwhelming strength of the United States air force in this area and perhaps also because of the stationing of United States aircraft carriers near its own bases around the Arctic Ocean. Soviet interest in the islands of the Arctic Ocean has remained at a high level and as recently as in September 1975 there have been reports of increases in Soviet forces massed in the Kola peninsula and large-scale military manoeuvres close to Norwegian territory.

23. To meet Soviet threats, Norway has adopted a policy intended to ensure both American support and the possibility of pursuing a conciliatory policy towards the Soviet Union. In 1949, Norway therefore joined the Atlantic Alliance but, like Denmark, refused to have foreign forces and nuclear weapons on its territory. However, its particular interests, which coincide with those of the Atlantic Alliance, led it to allow an early warning system and the NATO headquarters responsible for allied defence in Northern Europe to be set up on its territory. Finally, Norway has encouraged the development of the NATO mobile force and more inter-allied manoeuvres on Norwegian territory with the participation of Norwegian forces. Because of the length of its coastline, communication difficulties and the relatively small population and army, it would hardly be possible for Norway alone to meet any form of attack. Its security therefore depends on the possibility of its allies bringing in forces very rapidly, such forces being if not very numerous at least properly equipped and trained for combat in the country's particular geographic and climatic conditions, the north of the country, it must not be forgotten, being the most threatened. Tribute should be paid to the special expertise of the Norwegian forces in the far north, on which the rest of the Alliance is very dependent, especially since there is an extremely sensitive balance to be maintained between forces in the north of Norway and the Soviet Union with Sweden and Finland playing their part in between.

24. Finally, it should be added that the recent extension of territorial waters, the discovery of new oil resources round Spitzbergen, the exploitation of oil in the North Sea and the Norwegian Sea and certain incidents with unidentified submarines in Norwegian fjords have led to the development of a definite feeling of insecurity in Norway in recent years. Furthermore, a new defence problem has arisen in the North Sea: the vulnerability of oil wells off both the Norwegian and Scottish coasts to attack by international terrorist groups. A binding factor may however be the necessity for oil and gas in the Norwegian sector of the North Sea to be landed in Britain and Germany because of the deep land fault between certain of the fields and the Norwegian coast.

25. All these considerations mean that, like Denmark, Norway's security can be ensured only by a combination of a degree of independence in its foreign policy and the reassurance offered by NATO. Finally, the special strategic position of Iceland must be noted from the point of view of communications between Northern Europe and the United States and also for monitoring Soviet aviation or fleet movements towards the Atlantic Ocean. Although Iceland is a member of NATO, it has no armed forces which means its security depends entirely on the United States.

26. But in the case of Norway this reassurance is given mainly by the American fleet deployed in the Northern Atlantic, by American bases in Greenland (which is Danish territory) and the NATO mobile force. Indeed, the question whether the Americans would use nuclear weapons to help Norway in the event of a limited attack hardly arises, for it cannot be thought that a great power would run the risk of nuclear war for such sparsely populated territories. In this case, NATO conventional forces therefore play an essential rôle.

27. On the other hand, a European defence organisation, if ever one were set up, would probably not be able to offer Norway the equivalent of what the United States offers in the security field. Your Rapporteur felt that while Norway was prepared to show very real interest in any efforts to set up a European political and military union, it was not thought that Norway had a place therein.

III. *Economic problems*

28. The countries of Northern Europe have very varied economic activities. Everywhere, agriculture plays an important rôle — a primordial one in the case of Denmark — and the exploitation of natural resources is essential to the economy of Norway, Sweden and Finland: oil in Norway, iron in Sweden and wood in all three

countries. Finally, industrial activities are particularly important in Sweden. But all these countries need to import a large part of what they consume and the products they need for their equipment. Their balance of payments and industrial activities therefore imply the export of a large part of their domestic production, so that trade is particularly active ; in Norway, maritime activities are very important. Both Norway and Iceland draw considerable revenue from fishing.

29. In such circumstances, the countries of Northern Europe have every interest in securing the freest possible access for their goods to European and world markets. However, while much of Finland's trade is with the Soviet Union, Denmark's markets for its agricultural produce are mainly within the EEC, Sweden and above all Norway, whose trade, on the other hand, is very diversified, almost 50 % of which being with the EEC.

30. Many specific economic problems are now facing the countries of Northern Europe.

(a) Fishing

31. Where fishing is concerned, Iceland is in the centre of one of the richest fishing areas and, together with Norway, its constant aim is to extend the fishing area reserved for its national industry. The recent extension of this area to fifty miles off the coasts of Iceland stirred up a serious crisis in its relations with the maritime powers of Europe but this did not prevent Iceland deciding in July 1975 to extend its reserved fishing areas, as from 15th October, to two hundred miles off its coasts. Such a measure would seriously jeopardise the interests of the other countries of Western Europe and in particular those of the United Kingdom and Germany.

32. Moreover, Norway is envisaging extending its reserved fishing area to fifty miles off its coasts.

33. Such a matter cannot be settled unilaterally since it calls in question the law of the sea as a whole, the revision of which is to be the subject of an international conference in 1976. There are indications however that Europe could obtain a more reasonable attitude from Iceland and Norway if, for its part, it were to open its frontiers more freely than heretofore to imports of Icelandic and Norwegian seafoods.

34. Fishing accounts for more than 80 % of Iceland's exports. This country, whose strategic position makes it essential to the defence of the North Atlantic, may well be tempted to benefit from this situation to obtain the advantages it is calling for in the fields of fishing rights and although juridically its position has its weak points it cannot be overlooked by its allies.

(b) Oil

35. After the second world war, it became probable that there was a major oil layer under the North Sea, and in 1958 the United Nations adopted principles governing the division of the continental shelf into national areas for the extraction of ores and oil. In 1963 and 1964, the North Sea countries adopted a convention by which this division would be made in accordance with the half-way line principle. In 1964, the United Kingdom granted concessions in its area which now cover 112,000 sq.km. and concern about 75 oil companies. So far, drilling has taken place on about 15 % of this surface. Norway granted 78 concessions in 1965, 14 in 1969 and 2 in 1973, representing a total of 38,000 sq.km. Some of these concessions have already come back into the hands of the Norwegian State.

36. Since then, traces of oil have been detected in the Norwegian Sea and in the area of Spitzbergen. No systematic research or, of course, drilling, has yet taken place and no international agreements yet exist north of the 62nd parallel. The continental shelf is particularly vast in this area. Prospecting is made difficult by the depth of the water and it is to be expected that it will be many years before exploitation can start.

37. In the Norwegian part of the North Sea, known reserves amount to about 400 million tons of oil and 600,000 million cu.m. of natural gas. Total exploitable reserves in the Norwegian part of the North Sea are estimated at 1 or 2,000 million tons of oil and 1 or 2,000 million cu.m. of gas. No estimate has yet been made of reserves in the Norwegian Sea and round Spitzbergen.

38. In 1975, Norway will produce about 900 million tons of oil, which slightly exceeds its consumption. The same applies to natural gas. On the basis of known reserves, an output of 35 million tons of oil and 30,000 million cu.m. of gas may be expected in 1978, and 50 million tons of oil and 50,000 million cu.m. of gas per year as from 1981. Even if new discoveries were to be made in the coming years, it is unlikely

that output would increase considerably before 1982. This means that by about 1981 or 1982 Norway will produce from 1 to 2 % of the world's oil. From then on, output from oilfields now known will decline, at least in the case of oil, but the output of natural gas will be able to continue for far longer. It is thought that further discoveries will lead to an output of 100 million tons of oil by about 1985.

39. However, it is hard to make estimates because the Norwegian Government, which is not anxious for its economy to be revolutionised too suddenly, wishes to maintain its oil revenue at not too high a level. But it is known that when discoveries are made, technical, economic and political reasons make it difficult to limit exploitation. It is therefore a matter of preventing the over-rapid development of prospecting, which leaves the Norwegian Government in the dark as to the oil future of the country.

40. Oil exploitation has already led to a considerable transformation in Norway's economy since it will shortly become Europe's leading oil exporter. The increase in the gross national product and State income will be considerable. But Norway, which has only 4 million inhabitants, might lose its economic independence to oil companies and witness a brutal change in the structure and breakdown of its population if the State fails to exercise strict control over oil output.

41. That is why there is widespread discussion in Norway on the extent to which the increase in prospecting and production of oil should be limited. Decisions proposed by the Norwegian Government and adopted by the Storting provide for output to be limited to about 90 to 100 million tons per year.

42. In support of a rapid increase in output is the fear that alternative sources of energy will take the place of oil by the year 2000, which would thus reduce the value of Norway's reserves. The purpose of limiting output is naturally to prolong the period of exploitation but above all not to increase unduly the wealth of a country which wishes to retain its interests in the maritime, agricultural and industrial fields and not sacrifice its traditional economy for the sake of developing oil. Already with an output of 90 million tons per year the Norwegian economy would be incapable of absorbing all the revenue, much of which would have to be invested abroad. So far Norway has refused to join OPEC but intends to apply the tariffs established by that organisation which may bring it into conflict with the interests of many other European countries.

43. In fact, the oil problem has major repercussions on Norway's external relations. First, it is to be feared that the resources discovered in the Norwegian Sea may encourage the Soviet Union to resume with renewed vigour its long-standing claims to Spitzbergen and the islands of the Norwegian Sea and Arctic Ocean. Secondly, converging interests have led Norway to develop its relations with the OPEC member countries. Like them, it would be to its advantage to regularise oil output and prices throughout the world and certainly also to fix these prices at a level which would have to be high because the cost price of North Sea oil is considerably higher than that of Middle East oil. This is already a point on which Norway's interests do not coincide with those of the countries of mainland Europe, although they resemble those of the United Kingdom.

44. At the same time as Denmark and the United Kingdom, the Norwegian Government held negotiations for its accession to the European Economic Community. Various factors, among which economic considerations connected with Norway's oil interests certainly played an important part, resulted in the Norwegian people rejecting, in a referendum, the accession of their country to the European Community.

45. This decision is now considered final by the very people who, at the time of the referendum in Norway, campaigned in favour of accession to the European Community. It is a reality which it appears impossible to reverse in the coming years. With the oil question, Norway seems in the economic field to be turning far more towards the outside world than towards Europe, and its evolution may take it farther and farther away from the EEC. Thus, it did not agree to take part in the International Energy Agency in which in any event it would have run up against the views of the consumer countries of which the agency is composed.

(c) Trade agreements with the EEC

46. For the abovementioned reasons, the countries of Northern Europe were far more satisfied with the EFTA system than with that of the EEC.

47. The prospect of the United Kingdom joining the European Community was the only reason

why some of them changed their attitude because they were afraid of two vast markets being set up in Europe, one in the East and the other in the West, whose protectionism they feared and which would have left them on one side.

48. Since then, the situation has changed. Denmark has joined the European Economic Community, which has the considerable advantage of associating it closely with the two principal customers for its agriculture : the United Kingdom and the Federal Republic. However, Denmark has always been anxious that its widespread economic and trade relations with the other countries of Northern Europe should not be weakened because of this.

49. Furthermore, free trade agreements for industrial products have been concluded between the EEC and all the countries of Northern Europe. These are bilateral agreements concluded along the same lines but with implications which vary somewhat from one to another. The EEC has had such agreements with Sweden since 1st January 1973, Iceland since 1st April 1973, Norway since 1st July 1973 and Finland since 1st January 1974. The agreements aim at maintaining these countries' trade relations with their former EFTA partners, the United Kingdom and Denmark, and bringing their trading conditions into line with those of the six original members of the EEC in accordance with the EFTA system. Joint committees between the EEC and each of these countries meet twice yearly in order to supervise the application of these agreements. The agreements therefore contribute to the formation of a vast trade organisation covering the whole of Western Europe.

50. But co-operation between the EEC and the countries of Northern Europe does not include agricultural produce or, above all, joint policy. However, in the Nordic Council, of which Denmark is a member, a number of efforts have been made to align the economic and social development of the various Scandinavian countries and there is in fact a degree of economic and social community in Scandinavia whose links with the EEC are ensured by the presence of Denmark in both organisations.

51. This arrangement appears to work satisfactorily for the countries of Northern Europe but gives rise to problems, and would give rise to still more if the European Community were to move at an early date to a closer union and the development of joint policies, in the energy or monetary fields for example. In such circumstances, it may be wondered whether Denmark would be able to fulfil the rôle of bridge between the EEC and the Nordic Council, thus continuing its twofold membership.

IV. *Political problems*

52. In the political field, the countries of Northern Europe seem to hold very similar views but use very varied means to apply them. On the one hand, they are all very reserved about any integration in an international community, whatever it may be, which would limit their sovereignty and freedom of action in the political, defence or economic fields. At the same time, none of them wishes to remain outside the western world and a Europe which is tending to become organised. This led them to join various organisations : the EEC for Denmark, NATO for Denmark, Iceland and Norway, the Council of Europe for all these countries plus Sweden, and the OECD for all of them. Generally speaking, they apparently find the present situation in Europe and the West fairly satisfactory precisely because it allows them to choose the membership that suits them.

53. They are probably not wholly satisfied because the countries of Northern Europe often feel that their points of view do not receive due attention from their partners. For instance, they would welcome consideration of their special problems in the framework of negotiations on balanced force reductions in Europe. This desire not to be absent or ignored, even by organisations to which they do not wish to belong, has been shown *inter alia* by the frequent presence of Danish or Norwegian parliamentary observers at the WEU Assembly.

54. The following are among the different organisations in which the northern countries participate in different ways.

(a) The Nordic Council

55. The Nordic Council, set up in 1952, groups all five Scandinavian countries. Some of its originators considered it to be the starting-point for very far-reaching integration of all the Nordic countries, but their desire to retain the individuality of their policies, particularly in the defence field, led some of the member countries to oppose an extension of the responsibilities of the Nordic Council. Sweden, for instance, would

consider dealing with defence matters in this framework only if defence were based on the principle of permanent neutrality, which neither Norway nor Denmark could accept. Similarly, Finland has tried in recent years to have the Kekkonen plan for establishing a denuclearised zone in Northern Europe accepted, but this did not suit either Norway or Denmark. Furthermore, a plan for a Nordic economic union put forward in 1968-69 came to nought.

56. Centrifugal forces, stemming either from history — and above all the recent history of the Scandinavian countries — or from the influence of external powers, have thus prevented the Nordic Council going as far as its instigators hoped. However, this Council has achieved worthwhile results, particularly with regard to the harmonisation of economic, social and university legislation and regulations. A number of its concrete achievements deserve that the EEC study them closely and use them as a basis.

57. In the foreign policy field, the Nordic Council, which meets twice yearly, has also achieved results in the fields with which it has been able to deal, i.e. mainly its members' co-operation in the United Nations and the CSCE.

58. Norway has a rooted objection to the word "union" in any context, arising out of its previous submergence in union with Sweden.

(b) The conference on security and co-operation in Europe

59. This conference was followed with particular interest by the countries of Northern Europe which attach considerable value to the two basic principles defined in Helsinki : sovereignty of States and non-intervention in the internal affairs of States, which is *inter alia* the main basis for Finland's independence. Moreover, guaranteed frontiers are of special importance for the Soviet Union's neighbours, and particularly Norway with the prospect of an extension of territorial waters in the Barents Sea. The prospect of sub-Arctic oil being exploited as from 1977 may in fact give rise to disputes between Norway and the Soviet Union about the limits of the continental shelf in that area. Moreover, Sweden and Norway have a special interest in the clauses concerning notification of military manoeuvres near their frontiers and it is noted how important it would be for these countries if the planned force reductions in Central Europe were to be extended to Northern Europe. Thus, the Helsinki conference probably improved the security of the Northern European countries. The latter played an important rôle at the conference, particularly Denmark, which proposed the basis on which agreement became possible on the fourth basket. This means that matters relating to the pursuit of the CSCE, which the Scandinavian countries want, will be followed very closely by them.

(c) The International Energy Agency

60. The International Energy Agency, which groups the oil-consuming countries, does not include Norway, which is probably anxious not to find itself bound by undertakings with the other partners whose interests obviously differ from its own where oil is concerned. At all events, Norway has shown great interest in the international energy conference to be held in Paris, precisely because it seems to meet the country's wishes which are, apparently, to reconcile its interests as an oil producer with its interest in the economic stability and development of Europe.

(d) Nine-power political consultations and the European Council

61. When Denmark joined the European Communities, it was on the basis of the Rome Treaty, i.e. the Danish referendum was taken to mean a choice in favour of Denmark's economic integration with the rest of the European continent. Since then, the nine-power Community has declared its intention to make rapid progress with the harmonisation of the member States' foreign policies by means of nine-power political consultations. Denmark's membership of the Community is thus involving it in a course with which it is not very satisfied. There is in fact a risk of its solidarity with the other Scandinavian countries being called in question since they cannot or do not wish to bring their foreign policies into line with those of a European community. Denmark is therefore proving most hesitant about the prospect of European union, particularly in the political field. Some Danish leaders feel that another referendum would be necessary should this union become a reality, and they do not conceal the fact that the result of the referendum might be negative.

62. Inclusion of defence in the responsibilities of the European union would probably not be accepted by Denmark. Both Denmark and Norway consider security to be based on a national defence policy with the support of NATO and

American strength. A truly European organisation is of little interest to these two countries, which fear that such an organisation might make the United States move away from Europe. In fact, if the matter is looked at squarely, it may be wondered to what extent any form of European defence organisation whatsoever could contribute to the security of Denmark and particularly Norway.

63. For all these reasons, political integration is rejected by all the countries of Northern Europe. Denmark has specific reservations (recently reduced) even about electing the European Parliament. On the other hand, the Scandinavian countries seem anxious to strengthen the rôle of the Council of Europe because they feel it could form a bridge between Community Europe and Northern Europe.

(e) The diversity of commitments

64. This twofold concern not to let Europe come into being without them but not to lose their free will has induced the countries of Northern Europe each to seek fields of co-operation with Community Europe, provided such co-operation does not affect their sovereignty in any way. Thus, Denmark and Norway were associated with Belgium and the Netherlands in the affair of the "deal of the century", and Norway is co-operating with the Federal Republic in the joint production of an air-to-air missile in the framework of the NATO Eurogroup. The multiplication of projects, programmes and achievements of all kinds is probably the form of co-operation which the countries of Northern Europe desire, but its development requires great flexibility on the part of their partners.

V. *Conclusions*

65. The prospect of union, and particularly a European political union, obviously brings into contrast the federalist views which appear to dominate the report submitted by the Commission in Brussels in June 1975 and the special situation of the countries of Northern Europe, which cannot and do not want to accept real integration. But it is impossible to consider forming a Europe which leaves out the Scandinavian world, essential to its security and internal balance. It also seems difficult to insist that the countries of the European Community scale down their progress towards integration to a level acceptable to their Scandinavian partners, i.e. practically nothing.

66. Ways must therefore be found of associating Scandinavia with Community Europe without letting the countries of Northern Europe hold up all progress in the field of Community integration. Europe should therefore :

(*i*) pursue progress on political union without worrying about what possibilities the countries of Northern Europe might or might not have of taking part, leaving them free to follow at a later stage ;

(*ii*) abstain from insisting that these countries accede to treaties which they do not find satisfactory. The WEU Assembly has frequently underlined that the modified Brussels Treaty remains open to any European and democratic countries wishing to accede to it. This is certainly very desirable, but there is no point in going further and insisting that Denmark, in particular, join WEU ;

(*iii*) set up structures which are sufficiently flexible to leave open the possibility of *à la carte* participation. From this point of view the report drafted by the Commission of the European Economic Community in June 1975 is too rigid and over-simplified in that it rejects such *à la carte* participation. In any event, it must be considered that for a long time to come such rigidity in the institutions will exclude any Scandinavian participation in the activities of such a union. Partial agreements on trade between the EEC and the countries of Northern Europe already exist. Such *à la carte* developments seem particularly easy and desirable in the field of joint production of armaments.

Document 685 **17th November 1975**

The International Institute for the Management of Technology

REPORT [1]

submitted on behalf of the
Committee on Scientific, Technological and Aerospace Questions [2]
by Mr. Richter, Rapporteur

TABLE OF CONTENTS

1. Adopted unanimously by the Committee.

2. *Members of the Committee:* Mr. *de Montesquiou* (Chairman); MM. Warren, *Richter* (Vice-Chairmen); MM. Adriaensens (Substitute: *de Bruyne*), Boucheny, *Carter*, Mrs. Cattaneo-Petrini, MM. Cornelissen, Fletcher, Gölter, *Lenzer*, *Lewis*, Mammi, *Mart*, van Ooijen, *Pecoraro*, Schmitt, *Schwencke*, *de Stexhe*, *Treu*, *Valleix*.

N.B. *The names of Representatives who took part in the vote are printed in italics.*

Draft Recommendation

on the International Institute for the Management of Technology

The Assembly,

Noting with regret the failure of the International Institute for the Management of Technology which was established in Milan in 1971 ;

Considering this failure as a step back on the path of European collaboration and wishing to rescue as much as possible of this joint venture ;

Conscious of the fact that Belgium, Denmark and Ireland have not signed the convention setting up the International Institute for the Management of Technology but participate in the European Council,

RECOMMENDS THAT THE COUNCIL

1. Study, together with all the governments concerned, the possibility of using the institute's premises and other assets in Milan for alternative purposes in the interests of Europe ;

2. Submit the findings of its study to the European Council for implementation.

Explanatory Memorandum

(submitted by Mr. Richter, Rapporteur)

Introduction

1. Ever since the Deauville Conference in May 1967 on the technological gap between Europe and the United States, the Committee has paid the closest attention to studies in European and Atlantic frameworks on the possibilities of narrowing the gap by establishing an international institution for training European executives to a standard comparable to that of their American counterparts.

2. The OECD was instrumental in setting up the international institute for the management of science and technology in both industrial and government sectors — the term "management" being used in the widest possible sense.

3. Several of your Rapporteur's predecessors had contacts with competent national authorities and members of the OECD working party. The Committee followed with interest the setting up of the International Institute for the Management of Technology, which has its seat in Milan.

4. The convention on the establishment of the International Institute for the Management of Technology was concluded in 1971, whereupon the institute could start work. According to Article 1 of the convention, a joint intergovernmental and private non-profit educational and scientific institute was to be established with the principal object of providing advanced training for managers in industry and qualified teachers and facilities for associated research in the management of technological innovations.

5. The institute's teaching and research activities were to be developed in close collaboration with industry in the member countries and a central part of the institute's policy was to strengthen collaboration between the industrial, government and university sectors.

6. At the request of the Italian Government, the institute was established in Milan where the city authorities, with the support of the Italian Government, undertook to provide fully-equipped premises, rent free. A sixteenth century convent near the centre of town was to be converted and modernised to provide accommodation for 100 people (originally 350), lecture rooms, meeting rooms, a library, computer laboratories and offices.

7. Your Rapporteur visited the institute in Milan on 22nd August 1975 and was very impressed with the renovation of the central part of the former Collegio della Stelline. However, work on modernising the other two parts of the building stopped a year ago.

8. From the very beginning the institute and its leadership had great difficulty in securing support from industry. Failure to attain a satisfactory number of industrial members was a major weakness in the institute's development. The result was that its income was much lower than anticipated and far less young prospective managers were interested in following its courses.

I. *Reasons for the failure*

9. Although the city of Milan and the Italian Government were very anxious for the institute to be located there, it took them three years (much longer than anticipated) to provide acceptable accommodation for the institute and its officials. It was not until 1974 that the international institute could begin working in its own premises. Prior to that it had to hold its seminars in makeshift meeting rooms or hotel rooms outside Milan. This of course did not help to build up confidence in the institute.

10. Moreover, political and economic trends took a wholly new turn from the position in 1971; instead of a continuing interest in the technological gap, interest shifted radically to subjects dealt with in publications such as those of the Club of Rome, zero growth, environmental problems, and the 1974 economic and energy crisis. Less than before was industry inclined to send its executives — particularly junior ones — to seminars on the management of technology. Although the leadership of the institute canvassed for new industrial membership, its efforts had no success in attracting new members. In view of the attitude of their national industries the governments concerned were reluctant to make up financial deficits. When the institute was created it was thought that one-third of the costs would be borne by the governments, one-third by industry and one-third met from fees paid by participants in the seminars. With two-thirds uncertain, a financial crisis arose.

11. Italy, as well as other countries, was suffering from serious inflation and the purchasing power of contributions based on 1971 monetary values fell sharply.

12. In the summer of 1974, a large deficit became inevitable and the governments felt that the programme of the institute could not be continued. A reduction in expenditure had to be made and, for this reason, the contracts of more than 80 % of the staff were terminated. In circumstances in which an educational and research programme could not be maintained in 1975, the Director-General of the institute, Dr. Seetzen, resigned. Practically all of the fifty staff members were dismissed.

13. When your Rapporteur visited the institute he was received by the interim Director-General who had a staff of only seven. His main tasks were to assist the working group established on 6th December 1974 by the General Council of the institute. The working group had the following terms of reference :

(*i*) an agreed statement must be prepared on the objectives of the institute and the general form of its programme ;

(*ii*) a review of the management and budgetary structure shall be carried out. This would be concerned, on the one hand, with establishing within broad limits the size of the permanent staff and reviewing the functions and composition of the organs of the institute ; and, on the other hand, with the structure of the budget ;

(*iii*) to provide a realistic appraisal of the extent of industrial support in the context of the availability of financial support and the provision of participants ;

(*iv*) to study the question of the fullest possible utilisation of the institute's building ;

(*v*) in carrying out its task, the working group should maintain close liaison with the governing board ;

(*vi*) the working group shall provide an interim report to the governing board by 30th April and a final report by 30th June 1975.

These terms of reference indicate clearly in which field the difficulties lay.

14. In general it can be stated that during the preparatory period prior to 1971 the difficulties involved in creating a new academic institution were greatly underestimated. It was then thought that the institute would have to cope with some 350 people a year. Finally the facilities prepared were for only 100 people and not even all of those were utilised. Industry was clearly not prepared to send its staff in sufficient numbers to long or short courses — one year or six weeks — or to refresher courses for senior managers. In this respect the situation was not the same in all member countries and certainly the Italians, having no business schools of their own, were and are quite willing to use the institute. On the other hand, no French firms and very few German, Austrian and British firms were interested ; only one Netherlands firm was interested.

15. Expert meetings arranged by the institute however had greater success than more formal educational programmes. In particular, a series of seminars on "Alternative strategies for the energy crisis" organised under contract to EEC was considered by the Commission to have been successful.

16. Your Rapporteur wishes to mention in this connection that there was a difference of opinion between the French members of the management board and the others. From the very beginning the former insisted on organising long courses — twelve months — the preparation of which naturally demanded much of the teaching staff's time in spite of the fact that the need for such courses was never established.

17. The French Government's attitude has always been one of reluctance and even today it has not ratified the convention on the establishment of the institute. The Governments of the Federal Republic of Germany, the United Kingdom and the Netherlands ratified the convention in 1972 and Austria in January 1973. Due to parliamentary difficulties the Italian Government ratified it only in October 1974, by which time the institute's financial crisis was already so serious that its very existence was dubious. With this last ratification, the convention entered into force in accordance with Article 8, which required ratification by the State in which the institute's headquarters was located.

18. These legal problems also contributed to the failure of the institute.

II. *Future prospects*

19. After the institute's four years of existence it has become quite clear that there is no need for an international institute to promote improved performance in the management of technology. Although member countries' governmental and industrial problems caused by economic and energy crises had become even greater than before, the institute received no requests for studies to help in solving them.

20. With this fact in mind, on 21st July 1975 the governing board of the institute adopted a resolution, based on the report of the working group, in which it requested the chairman to arrange for appropriate consultations to consider alternative courses of action including (*i*) possible association with the European Community, (*ii*) the undertaking of independent studies of current world problems of technology which have socio-economic effects, and (*iii*) the transformation of the institute into an international technology management meeting centre.

21. In 1976, the governing board will have to take a decision on the future course of action. The convention provides for the liquidation of the institute. The procedure for dissolution is as follows: if all but one party to the convention denounces the convention, the institute is automatically dissolved without action by its General Council. The General Council (and not the Governing Board) may decide by a two-thirds majority of the votes cast, *including the concurring votes of all government members of the institute* to dissolve the institute under Article 8(1) (*m*) of the Charter.

22. There is a strong feeling in several countries that since the objective of the convention has not been achieved, its failure should be accepted and the venture terminated. Even more so since the institute has a poor reputation which would be difficult to overcome in order to attract the competent people required.

23. On the other hand, some authorities believe that the basic reasons for setting up the institute might still be valid and that all the work put into the legal structure, the convention, its ratification and the headquarters agreement, should be taken into consideration in future plans for the institute. Account should also be taken of the political implications if one of the few international organisations in Italy is wound up. Above all, the building in Milan is there, is one-third ready and should be used, if possible, within an international European framework.

24. There are several possibilities:

(*i*) The institute could become an agency of the European Community either as a conference centre, a research centre for economic sciences linked to the European University of Florence, or as a European meeting place for representatives of national institutes dealing with the management of technology.

(*ii*) It could be made a centre for transferring technology to developing countries, especially the Arab and African countries. It should however be understood that in this case these countries would wish to have a say in its management.

(*iii*) There might be a need for a transatlantic centre for the exchange of civil and military technology. It has become increasingly clear that in defence technology rationalisation and standardisation are of the highest priority in Western Europe in order to cut defence costs. Several Ministers of Defence have already pointed out that defence technology and the standardisation of armaments should be dealt with in a European or Atlantic framework. The Assembly has often recommended that the Standing Armaments Committee be used as a basis for a European agency for the standardisation of armaments and joint production. However, the question is whether an institute dealing with defence technology should be established in Italy or whether it would not be better to have it in or near Brussels in order to work in conjunction with the NATO authorities.

(*iv*) Finally, the institute could be handed over to the Italian authorities to establish a national business school.

25. Any of these solutions might raise objections and in particular one might wonder whether there is a real need to use the institute for any of these purposes. The institute has the advantage of being established in Milan which has an important international business community and a major university, and is acceptable as a central meeting place to many people from the developing countries. Problems common to all countries — to industrialists and civil servants from national administration or local government and municipal administrations — could be usefully discussed in the institute in Milan.

26. As with so many international undertakings, its membership does not correspond to that of

other organisations. For instance, if the European Communities took over the centre the Austrian Government might have objections. Furthermore, countries like Belgium, Ireland and Denmark which were not willing to sign the convention in the beginning might have objections to it becoming part of the Community.

27. Moreover, the international economic situation has forced many governments to exercise the utmost economy and, although the budget of a Community centre would not be very large, governments might still feel inclined to set an example and refuse to contribute to an institute whose existence has not proved a necessity.

Conclusions

28. Considering the options open to the governments of member countries, your Rapporteur considers it unwise to continue with the institute in its present form. This would involve further expense and important new capital outlay whereas European industry apparently has no need for an international institute to improve the management of technology.

29. The venture should therefore be terminated and Article 24 of the charter applied in order to dissolve and liquidate the institute. The charter of the International Institute for the Management of Technology will then cease to exist, but thought should be given to its material assets.

30. Speaking politically and not juridically, your Rapporteur is reluctant to see a European venture such as this brought to an end without further ado. Although the OECD helped to create the institute, the European Community should consider itself as its heir, even if the heritage has many negative aspects.

31. The Community is the centrepiece of every European edifice. It is building up the University of Florence, and to destroy in Milan what is being built in Florence would thus appear illogical.

32. Several possibilities for using the institute as an agency of the European Community have been referred to and your Rapporteur feels they should be given serious thought. He hopes that Austria will accept this point of view and that the non-signatory countries of the charter — Belgium, Ireland and Denmark — will give their consent.

Document 685
Amendment No. 1

2nd December 1975

The International Institute for the Management of Technology

AMENDMENT No. 1 [1]

tabled by MM. Vedovato, Treu and Pecoraro

1. In line 1 of the first paragraph of the preamble to the draft recommendation, leave out "failure" and insert "situation", and in line 1 of the second paragraph of the preamble leave out "failure" and insert "situation".

2. At the end of the third paragraph of the preamble, add "and that Austria, which is not a member of the European Council, has signed it,".

3. In paragraph 2 of the draft recommendation proper, leave out from "study" to the end and insert: "to the Committee of Ministers of the Council of Europe and, finally, to the European Council for implementation".

Signed: Vedovato, Treu, Pecoraro

1. See 11th Sitting, 3rd December 1975 (Parts 1 and 2 adopted; part 3 amended and adopted).

621.039.572

Document 686 **17th November 1975**

Second-generation nuclear reactors

REPORT [1]

submitted on behalf of the Committee on Scientific, Technological and Aerospace Questions [2]
by Mr. Lenzer, Rapporteur

TABLE OF CONTENTS

1. Adopted unanimously by the Committee.

2. *Members of the Committee:* Mr. *de Montesquiou* Chairman); MM. Warren, *Richter* (Vice-Chairmen); MM. Adriaensens, Boucheny (Substitute: *Bizet*), *Carter*, Mrs. Cattaneo-Petrini, MM. Cornelissen, Fletcher, Gölter, *Lenzer*, *Lewis*, Mammi, *Mart*, van Ooijen, *Pecoraro*, Schmitt, *Schwencke*, *de Stexhe*, *Treu*, *Valleix*.

N. B. *The names of Representatives who took part in the vote are printed in italics.*

1.1.1

482.4 W

Draft Recommendation

on second-generation nuclear reactors

The Assembly,

Considering the need to continue research and development for peaceful purposes in respect of advanced nuclear reactors ;

Aware of the tremendous financial outlay required for the successful conclusion of this research and development ;

Recognising the vast industrial complex required for the construction of these nuclear reactors and power plants ;

Conscious of the political and economic advantages deriving from the installation of multinational regional nuclear fuel centres ;

Aware of the advantages of such installations for better guaranteeing peace, security and control in respect of nuclear materials,

RECOMMENDS THAT THE COUNCIL

Urge the member governments

1. To formulate a long-term common nuclear energy policy, act immediately on decisions already taken in the Community and the OECD, and define the extent of co-operation with the United States ;

2. To promote the further development of the European nuclear power industry to meet the increased requirements for nuclear power plants on the world market ;

3. To make known in national parliaments and European assemblies their opinions on the United States proposal for multinational regional nuclear fuel centres.

Explanatory Memorandum

(submitted by Mr. Lenzer, Rapporteur)

Introduction

1. Following on the reports by Mr. Kahn-Ackermann on nuclear policies in Europe [1], Mr. Osborn on a European policy on nuclear energy for peaceful purposes [2] and Mr. Small on the state of European nuclear energy programmes — security aspects [3], your Rapporteur wishes to pay particular attention to new techniques in the building of advanced nuclear reactors.

2. Military reasons apart, the Committee's interest in nuclear energy is due largely to the fact that the prosperity and security of the free world depends on the availability of an adequate energy supply on satisfactory economic terms. The free world needs a realistic and economically manageable alternative to oil which at present is still meeting the major part of the world's energy requirements.

3. As the Soviet Union and, for that matter, the People's Republic of China do not depend primarily on external sources of energy, the free world has the additional responsibility of ensuring that its global defence commitments can be met without interference from the oil-producing countries. The free world simply cannot accept a growing dependence for its oil supplies on a handful of unreliable and unstable countries which would jeopardise its security, prosperity and freedom of action in foreign affairs.

4. It is absolutely essential for all member countries to accelerate the development of alternative sources of energy, particularly nuclear energy. Although such alternatives may now seem expensive, the cost of foreign oil imports is likely to escalate steadily and will certainly approach the cost of alternative sources of energy supply developed in the western hemisphere.

5. In Western Europe in 1972, 63 % of the total primary energy consumption was met by oil, 22 % by coal, 10 % by natural gas, 3 % by hydro- and geothermal power and less than 2 % by nuclear energy.

6. Since the oil crisis these figures have of course changed as oil consumption has fallen considerably.

7. Recommendations in the Committee's reports since 1973 have carried proposals for co-ordinating European energy policies in order to attain a fair division of resources. However, it has not proved possible to work out a common policy in the Community nor in an Atlantic framework. Individual European countries started outbidding each other in an effort to obtain special favours from the Middle East oil-producing countries and to secure a privileged position for themselves.

8. The OECD oil committee had some success as a forum for exchanging information and for co-ordination. It also has established policies for emergency stockpiling and has a function in the allocation of oil supplies. However, the member countries of the Common Market and of OECD are not yet convinced that a Community or OECD approach would add to their individual political and strategic bargaining strength.

9. All member countries, disappointed by the lack of success in such frameworks, have turned to national nuclear energy programmes. These programmes however involve the construction of major nuclear power stations and this has raised general environmental problems such as damage to nature and possible threats to the health of animals and human beings. For that reason a second generation of nuclear reactors is being studied as a matter of urgency.

A. *Industrial aspects*

10. The Arab embargo brought home the fact that oil resources were not inexhaustible and that the world could no longer depend on cheap supplies. Electricity utilities were particularly hard hit although the embargo placed a great strain on the whole economy of the developed countries. Funds had to be found to finance other sources of energy.

11. Primary energy might be produced from solar, geothermal, wind and tidal power but up to now none of these has been able to produce the

1. Document 607, May 1973.
2. Document 640, May 1974.
3. Document 655, December 1974.

output needed to feed electricity grids without vast, costly and usually unacceptable installations.

12. Consequently, there was little choice but to turn to nuclear power for which, in spite of some problems of application, the advantages seemed to outweigh the disadvantages. Distribution of uranium, although sparse, was better than that of most fossil fuels. In 1974, the price of uranium ore doubled from $10 to $20 per pound but this failed to produce the investment required for exploration. Both Canada and Australia were more inclined to establish processing industries in anticipation of exporting enriched fuel rather than cheaper ore.

13. In Western Europe, Eurodif and Urenco are competing for enriched uranium proving once more that it remains very difficult to maintain international co-operation on nuclear matters once projects reach the commercial stage.

14. In the United States a government-backed attempt to interest private industry in uranium enrichment failed.

15. Whatever price is fixed for uranium, consumption in nuclear power plants is relatively low and fuel costs are only a small proportion of the total cost of electricity. This will certainly be the case if breeder reactors are perfected.

16. According to the 1973 Britannica Yearbook of Science and the Future, nuclear electrical power output in 1973 from the world's nuclear power stations totalled 188,000 million kWh or 3 % of the global total from all forms of generation. Of this, 62,000 million kWh were produced by pressurised-water reactors, 60,000 million kWh by boiling-water reactors, 44,000 million kWh by gas graphite reactors, 17,000 million kWh by heavy-water reactors and the balance by various other types. In January 1974, 409 nuclear reactors were in service, under construction or on order.

17. On 1st January 1974, the United States had 42 reactors in service, 56 in various stages of construction and 101 on order. The total capacity was 204,473 MWe. In the United States as well as in France, nuclear power has become highly competitive as generating costs are half those of oil-burning stations.

18. In 1974 France made the biggest new commitment of any country to nuclear power and the EDF (Electricité de France) ordered thirteen reactors and announced that an additional six reactors would be ordered each year for the rest of the decade. However, the EDF's plans may be modified if the French Government decides to prolong the purchasing schedule for these reactors. The reactors will be built by Framatome under licence from Westinghouse, the first twelve being pressurised-water reactors.

19. As Mr. Osborn pointed out in his report [1], the United Kingdom's first nuclear power programme (Magnox reactors) began in 1956 and was completed in 1971. This was followed by a second programme of advanced gas-cooled reactors ; the programme has been delayed but may be completed by 1976. The United Kingdom authorities hesitated a long time before deciding which type of reactor should be ordered for the third programme. Although the Central Electricity Generating Board was in favour of the United States-designed light-water reactor, the government decided to base its nuclear plans on the British-designed steam-generating heavy-water reactor. A capacity of only 4,000 MW will be generated by the reactors ordered to be built over the next three years. This British design is similar to that of the Canadian CANDU reactor but will burn slightly enriched as opposed to natural uranium.

20. In the Federal Republic of Germany, eleven reactors were in use on 1st January 1974 and nine more reactors are under construction ; the total capacity will be increased to 12,488 MW. The fourth nuclear programme involves the construction of thirteen reactors with a total capacity of 15,542 MW.

21. Italy has started with three different types of reactor but in the new five-year programme American-designed light-water reactors will be built.

22. Several smaller industrial countries have planned to extend their nuclear capacity but their governments are still reluctant to develop their nuclear energy programmes on a vast scale before the larger countries have proved the viability of their reactors.

B. *The high-temperature reactor*

23. In paragraph 79 of his report on the peaceful uses of nuclear energy, Mr. Osborn mentioned

1. Document 640.

that the high-temperature reactor might hold out great possibilities for the future and it could also be used for industrial and heating applications, in particular the production of hydrogen. In paragraphs 85 and 86, Mr. Osborn mentioned the possibilities of building large steelworks around high-temperature reactors simultaneously yielding hot reducing gases and direct electrical power. Present-day techniques with their high degree of pollution would thus be avoided.

24. Your Rapporteur is of the opinion that security and environmental problems related to energy-producing plants are receiving more and more attention in public discussions, especially the building of nuclear power plants which will increase considerably in the near future as a result of the rising prices of oil and fossil fuels. At the same time special attention will have to be paid to these points, especially if the economic return is to be equal.

25. A major step forward in this direction is the development and building of gas-cooled high-temperature reactors which in several member countries have had strong government backing from the research and development stage onwards. Apart from security and environmental aspects which, because of the nature of the reactor, will be satisfactorily solved, the high-temperature reactor has a promising future due to its technological and energy-political possibilities and more particularly to the high temperature it will generate.

26. As a result of successful work carried out in the Federal Republic of Germany and in the United States, the high-temperature reactor will soon be ready for marketing as an advanced type of second-generation reactor. In the United States it was established that a high-temperature reactor of 4,000 MWth would be able to compete on a nuclear reactor market ; in Germany this stage might be reached when the first 1,160 MW research nuclear power plant is built in a few years' time in the framework of the fourth German nuclear programme. This positive development was based on research reactors such as the Dragon (United Kingdom), AVR (Jülich, Federal Republic of Germany), the Peach Bottom reactor (United States), the prototype nuclear plant at Fort St. Vrain (United States, 330 MWe) and the Thorium high-temperature reactor (Germany, 300 MWe) all of which have been developed since 1966 [1].

1. See Appendix I.

27. Contrary to existing water-cooled reactors, the advanced thermal reactors have helium as coolant and graphite as moderators. Much of the interest aroused by the high-temperature reactors stemmed from the technical prospect of reaching temperatures over 900°.

28. The development of high-temperature reactors goes back to the mid-50s when in Harwell (United Kingdom) and later in Germany, through Brown-Boveri and Company, one of the most important stages of development took place. In August 1964 the 20 MW Dragon reactor in Winfrith became critical. In March 1966 the United States 115 MWth Peach Bottom reactor became operational and was followed in August 1966 by the 46 MWth AVR in Jülich, Germany. The Peach Bottom atomic power station HTGR Unit No. 1 went into commercial operation on 1st June 1967. Since that time, it has operated extremely well. The plant has been operated on both manual and fully automatic control. With excellent stability, load changes from 30 to 100 % are readily accommodated under automatic control. It is the world's first nuclear power station to produce commercial electric power at modern steam conditions of 1,450 psi and 1,000°F temperature. The excellent record of this plant has been an important step in the demonstration of HTGR operation and performance characteristics. The other two reactors have also shown extremely good results since then. They have very favourable inherent safety characteristics and a very low activity in the primary coolant which has the merit of being chemically inert and non-toxic. These characteristics should qualify them particularly for installation in industrial areas.

29. In countries like Germany which have a limited coastline and where heat disposal problems could become very acute, these stations are viewed favourably. Moreover, in 1973 the AVR reactor had the best results of all reactors in Germany apart from the reactor at Obrigheim. In 1974 the AVR reactor reached a temperature of 950°C.

30. The 330 MWe high-temperature reactor at Fort St-Vrain was built by General Atomic for the Public Service Company of Denver, Colorado. This reactor may soon become critical.

31. In Germany in the summer of 1971, the Hochtemperatur-Reaktorbau, together with Brown-Boveri and Company and NUKEM began building the Thorium high-temperature reactor (THTR) with an electrical output of 300 MWe.

In 1972 they offered to build a THT reactor with an electrical output of 1,160 MWe for the Vereinigte Elektrizitätswerke Westfalen A.G. Since 1972 the companies have been discussing with VEW the best place for building this reactor ; the Federal Government supports the building of this power plant.

C. *The fast-breeder reactor*

32. The fast-breeder reactor is fuelled with a mixture of plutonium and uranium oxides, clad in stainless steel and made up into very compact fuel element assemblies. It relies on the nuclear fission of plutonium and uranium 238 atoms in an intense flux of high-energy — or fast — neutrons produced in a highly-compact core without any moderator.

33. All countries actively engaged in the development of nuclear power programmes consider that the fast-breeder reactor offers the best prospects for electricity generation in the 1990s [1]. It has the great advantage of producing more plutonium than it consumes — this process being known as breeding. Prototype plants at an advanced stage of construction are being built in France and England, i.e. the Phénix and Dounreay reactors.

34. The French project is somewhat more advanced than the British project and has experienced less difficulties, but both promise a far more economic type of reactor. The type of fast-breeder reactor at the most advanced stage of development is the liquid metal cooled fast-breeder reactor. The liquid metal used to provide very efficient heat transfer from a compact high-power reactor core is sodium.

D. *The gas-cooled breeder reactor*

35. A derivative of both new types of reactors is the gas-cooled breeder reactor. This concept is based on the advanced gas-cooled reactor and high-temperature reactor plant technology and engineering experience, as well as on liquid metal cooled fast-breeder reactor fuel technology.

36. A design group has been set up in Brussels by the Gas Breeder Reactor Association to study the economics and safety of a commercial reactor. The association has a number of full members and associate members from most Common Market countries and from Sweden [1].

37. The reason for introducing breeder reactors is to minimise uranium ore consumption. The electricity companies, however, are also taking into consideration low operating and maintenance costs. At present it is too early to judge how the capital cost of the different types of reactors will compare, but the introduction of competitive fast-breeder reactors will certainly cut back the demand for uranium ore and slow down further price escalation. From 1990 onwards this will be an extremely important consideration.

38. The gas-cooled breeder reactor has safety advantages inherent in its use of a gas coolant. Although the cost of such a reactor is still higher than that of current thermal reactors, it is generally considered that the system will become increasingly competitive.

39. As research and development is still at an early stage, there is every opportunity for international collaboration and expensive duplication could thus be avoided. This would also have substantial financial consequences for the countries participating in the association.

E. *Fusion power*

40. The attainment of economic and safe fusion power has been described as the most sophisticated and difficult scientific programme ever attempted by mankind. The fusion research programme began in the early 1950s and for a long time firm achievements in this field were elusive. However, in the last five years there have been a number of breakthroughs in experiments throughout the world and their cumulative impact has been to strengthen the confidence of the scientific world that the ultimate goal —

1. See Appendix II.

1. *Full members :* AB ASEA-ATOM, Västeras, Sweden ; Belgo-nucléaire SA, Brussels, Belgium ; Brown-Boveri-Sulzer Turbomaschinen AG, Zürich, Switzerland ; Centre d'Etude de l'Energie Nucléaire/Studiecentrum voor Kernenergie, Brussels, Belgium ; Hochtemperatur Reaktorbau GmbH, Cologne, Germany ; BV Neratoom, The Hague, Netherlands ; Nucleare Italiana Reattori Avanzati, Genoa, Italy ; Technicatome, Paris, France ; The Nuclear Power Group Limited, United Kingdom.

Associate members : Atomkraftkonsortiet Krangede AB and Co., Sweden ; Central Electricity Generating Board, United Kingdom ; South of Scotland Electricity Board, United Kingdom ; Statens Vattenfallsverk, Sweden; Vereinigte Elektrizitätswerke Westfalen AG, Germany.

practical fusion power — will be achieved by the end of this century. Research in the United States, the USSR, Japan and Europe has shown how to produce plasma fusion for fractions of a second.

41. Work in Europe is concentrated on the joint European Torus (JET) laboratory under the European Community research centre. European Community spending on the various associated research projects is about $300 million. A five-year research programme began this year with the particular aim of reducing European dependence on imported fossil fuels. The fusion power programme demands parallel research in materials in order to find new alloys and other compounds to withstand the extraordinary conditions of such a high-temperature reactor. There are various ideas on the best way to heat a gas to more than 100,000,000°C.

42. Advantages of fusion power as envisaged today are numerous. Firstly, the fuels such as deuterium and tritium can be found all over the world and in sea water. The low cost world-wide availability of these materials would therefore eliminate international tension caused by imbalance in fuel supply. In addition, fusion power plants will be inherently safe in that nuclear leaks are not possible. As no fossil fuels are used there will be no release of chemical combustion products. There will be no handling or disposal problems since no fission products will be formed. On the other hand, the capital outlay required to produce the fusion reactors will be enormous. New designs have to be studied and experiments carried out with new materials. Since the benefit at stake is that of unprecedentedly clean and plentiful power, the obvious course is to make the effort to find the initial capital outlay in order to achieve fusion power.

F. *Regional nuclear fuel centres*

43. In his address to the United Nations General Assembly on 22nd September 1975, Dr. Henry Kissinger, United States Secretary of State, outlined the need to collaborate in nuclear energy matters. He stated :

> "The world faces a paradox with respect to the proliferation of nuclear energy. Men have fashioned from the atom weapons which can in minutes end the civilisation of centuries. Simultaneously, the atom is fast becoming a more and more essential source of energy.
>
> It is clear that the cost and eventual scarcity of oil and other fossil fuel will increasingly spread nuclear power around the world in the decades ahead.
>
> But the spreading of nuclear power poses starkly the danger of proliferating nuclear weapons capabilities — and the related risks of the theft of nuclear materials, blackmail by terrorists, accidents of the injection of the nuclear threat into regional political conflicts. Now is the time to act. If we fail to restrain nuclear proliferation, future generations will live on a planet shadowed by nuclear catastrophe.
>
> Over the past year, the United States has repeatedly urged new efforts among the supplier States to strengthen and standardise safeguards and controls on export of nuclear materials. We must not allow these safeguards to be eroded by commercial competition. We must ensure the broad availability of peaceful nuclear energy under safe, economical and reliable conditions.
>
> The United States has intensified its efforts within the International Atomic Energy Agency and with other nations to broaden and strengthen international standards and safeguards and has proposed an international convention setting standards to protect the physical security of nuclear materials in use, storage or transfer.
>
> The United States continues to urge the widest possible adherence to the non-proliferation treaty and the associated safeguard measures of the IAEA.
>
> The greatest single danger of unrestrained nuclear proliferation resides in the spread under national control of reprocessing facilities for the atomic materials in nuclear power plants. The United States therefore proposes — as a major step to reinforce all other measures — the establishment of multinational regional nuclear fuel cycle centres. These centres would serve energy needs on a commercially sound basis and encourage regional energy co-operation. Their existence would reduce the incentive for small and inefficient reprocessing facilities, limit the possibility of diverging peaceful

nuclear materials to national military use, and create a better framework for applying effective international safeguards."

44. The idea behind reprocessing, also known as recycling, is to recover uranium and plutonium from the spent fuel from nuclear power plants. The plutonium recuperated is then mixed with natural uranium to provide the fissionable element for refuelling nuclear power plants.

45. Although there are several reprocessing plants in the world and others planned, none are operating commercially because of economic and technical difficulties. The generation of electricity through nuclear power has not yet reached a scale where it would be economically viable to operate reprocessing plants since these are extremely expensive to build and run. Even in the United States where fifty-five commercial nuclear power plants are operating, the operation of a reprocessing plant is not viable. Uranium supplies are adequate and the cost of uranium does not yet warrant the building of a recycling plant.

46. However, countries developing nuclear programmes have been seeking reprocessing facilities ; for instance, Germany agreed to sell a complete nuclear fuel cycle, including reprocessing plants, to Brazil. Other countries, like South Africa, want the same facilities. It is quite clear that co-operative centres would make it easier to make important savings and at the same time they would enhance security and safeguarding arrangements. To group all the plutonium in one region in a single centre would have a significant advantage in preventing its diversion to weapons. Although control over such regional centres is an open question, the United States would like it to be associated with the International Atomic Energy Agency in Vienna which currently supervises the safeguarding of nuclear plants.

47. As proposed by the United States Secretary of State, Dr. Kissinger, the multinational regional fuel cycle centres would contain other facilities besides reprocessing plants, i.e. a storage facility where spent fuel would await reprocessing, waste disposal plants and uranium enrichment facilities. If the latter were also added this would bring together the entire nuclear fuel cycle.

48. Your Rapporteur is of the opinion that this American proposal is of the highest importance and should be studied by Western Europe. It could have military, political and economic consequences and its adoption would have a strong influence on the building of second and third generation nuclear power plants.

Conclusions

49. It is evident that the European governments and the Communities must continue and further increase their efforts to develop advanced nuclear reactors — high-temperature, fast-breeder, gas-cooled breeder reactors — as well as fusion power.

50. It is vital to hasten the development of these advanced reactors if Europe, which is almost wholly dependent on external sources of energy, is not to come under pressure from without. Europe should and will be able to safeguard its own security, prosperity and freedom of action if it unites in financing the research and development of the new reactors and lays the industrial foundations for building power plants.

51. It is regrettable that at this very moment the British Government wishes to withdraw from the OECD Dragon project. This high-temperature reactor (based at Winfrith, Dorset, in the United Kingdom) is of major importance in the development of high-temperature reactors.

52. This type of reactor has considerable potential, especially since the European Nuclear Steelmaking Club is of the opinion that temperatures of between 800 and 850° C will be required for steelmaking whereas earlier assumptions had estimated a requirement of 1,000° C for producing steel.

53. Another reason for promoting advanced reactors is because present nuclear technology is within reach of such countries as Brazil, Pakistan, South Korea, Iran, Iraq and Israel which may even seek to buy plants for separating plutonium from spent fuel rods. These plants could enable them to manufacture nuclear weapons. At present the only use for plutonium is in the manufacture of nuclear weapons, but in the near future it will also be required for fast-breeder reactors.

54. The only way to prevent such a dangerous development would be to restrict plutonium

separation plants to multinational regional nuclear fuel centres where plutonium could be extracted, adulterated against use for weapons, and then economically made into new fuel rods with maximum security against theft or diversion to weapons production.

55. Since advanced nuclear reactor development is too costly for any one country — the nuclear superpowers apart — it is obvious that international co-operative projects will have to be established. Such projects would in fact exclude nuclear weapons development and prepare the way for the acceptance of multinational regional fuel centres.

56. Your Rapporteur trusts the Council will concur with this view. It should be noted that a $500 million chemical reprocessing plant serving thirty giant nuclear power plants would be necessary to reach the economic threshold at which the recycling of plutonium might be commercially feasible.

57. Bearing in mind the uncertainties inherent in long-term planning, these points have been incorporated in the draft recommendation.

APPENDIX I

Table of HTR reactors

Name	Country	Electricity production	First year of operation
In operation			
Dragon	United Kingdom	8 MWe	1964
Peach Bottom	United States	40 MWe	1966
AVR	Federal Republic of Germany	15 MWe	1966
Under construction			
Fort St. Vrain	United States	330 MWe	1975
THTR	Federal Republic of Germany	300 MWe	1978
Planned			
Delmarva	United States	2 × 770 MWe	1981*
VEW	Federal Republic of Germany	1,160 MWe	1983
GKM	Federal Republic of Germany	1,160 MWe	1985
Plants in Europe		50,000 MWe	till 1995
		100,000 MWe	till 2000

* Plan liable to be withdrawn.

APPENDIX II

Technical data on prototype breeder reactors in Europe

Technical data	USSR		United Kindom	France	Fed. Rep. of Germany /Benelux
	BN 350	BN 600	PFR	Phénix	SNR 300
Reactor output :					
thermal (MWth)	1,000	1,470	600	600	760
electric (MWe)	350	600	250	250	300
Fuel	PuO_2/UO_2	PuO_2/UO_2	PuO_2/UO_2	PuO_2/UO_2	PuO_2/UO_2
Volume of core	1,900	2,350	1,320	1,150	1,750
Maximum output of rods (W/cm)	470	500	450	430	368
Loading principle	swivelling cover	swivelling cover	swivelling cover	swivelling cover	swivelling cover
Primary heat-transmission system (type)	Loop	Pool	Pool	Pool	Loop
Coolant	Na	Na	Na	Na	Na
Number of circuits	6	3	3	3	3
Temperature of coolant :					
at entry (°C)	300	380	400	400	380
at outlet (°C)	500	550	562	560	546
Number of steam generators	6	3	3	3	3 evaporators and 3 super-heaters per circuit
Condition of steam (at entry of turbine):					
temperature (°C)	435	505	513	510	495
pressure (atm)	50	140	163	163	163
Site	Shevchenko	Beloyarsk	Dounreay	Marcoule	Kalkar
Date of coming into service	1972	Under construction	1975	1973	1980

62.0045(8)

Document 687 **17th November 1975**

United States-European co-operation in advanced technology

REPORT [1]

submitted on behalf of the Committee on Scientific, Technological and Aerospace Questions [2] by Mr. de Montesquiou, Chairman and Rapporteur

TABLE OF CONTENTS

1. Adopted unanimously by the Committee.

2. *Members of the Committee:* Mr. *de Montesquiou* (Chairman); MM. Warren, *Richter* (Vice-Chairmen); MM. Adriaensens, Boucheny (Substitute: *Bizet*), *Carter*, Mrs. Cattaneo-Petrini, MM. Cornelissen, *Fletcher*, Gölter, *Lenzer*, *Lewis*, Mammi, *Mart*, van Ooijen, *Pecoraro*, Schmitt, *Schwencke*, *de Stexhe*, *Treu*, *Valleix*.

N.B. *The names of Representatives who took part in the vote are printed in italics.*

1.1.2

482.40

Draft Recommendation

on United States-European co-operation in advanced technology

The Assembly,

Aware of the political and technological necessity for Western Europe and the United States to co-operate in such fields of advanced technology as space, nuclear energy, oceanography, computers and electronics;

Conscious of the fact that the Soviet Union has a highly-developed industry for civil and military products of advanced technology which makes it the greatest power on the Eurasian continent;

Satisfied that joint European-American space ventures undertaken to date have been successful and that the Spacelab project is progressing smoothly;

Fearing that the space shuttle flight will constitute the end of the European Space Agency's participation in the Spacelab programme;

Fearing, further, that in the absence of new major space programmes in the United States or Europe there will be no further activities for this association;

Considering the budgetary restrictions in both the United States and Western Europe;

Regretting that in many other fields of advanced technology Western Europe has not organised itself so well as in space matters and that co-operation with the United States has therefore proved to be far more complicated,

RECOMMENDS THAT THE COUNCIL

1. After reviewing the present policies and varying approaches of member countries, promote and develop an overall European policy in advanced technology in order to guarantee Western Europe's place in the world and foster fruitful co-operation with the United States;

2. Give active consideration to Europe's need for an oceanographic authority of its own and arrange for such a body to be formed in the framework of an existing European organisation;

3. In liaison with the European Space Agency, join the United States Government in working out an advanced space programme for future joint payload development for the Spacelab and the shuttle.

Draft Resolution

on setting up a European technology assessment body

The Assembly,

Considering the setting up of an Office of Technology Assessment by the United States Congress to provide effective means of helping its members to assess the impact and shortcomings of technological programmes put forward by the Administration;

Considering also the initial tasks of that office which were related to oceans, transportation, energy, materials, food and health;

Realising the high cost of such an office, but convinced that in a European framework it would be extremely useful in assisting a European parliamentary contribution,

INVITES THE GOVERNMENTS OF MEMBER COUNTRIES

To study the possibility of setting up a European technology assessment body accessible to all European parliamentarians so that they may form a considered opinion on political decisions taken in the field of advanced technology.

Explanatory Memorandum

(submitted by Mr. de Montesquiou, Rapporteur)

Introduction

1. When the Committee visited the United States from 17th to 21st March 1975 it had two meetings with the Committee on Aeronautical and Space Sciences of the United States Senate[1] during which it was pointed out that one of the fundamental difficulties in United States-European political relations stemmed from the fact that Western Europe was not yet united and therefore did not yet possess an effective overall administration and government. All important policy decisions have to be referred back to national governments which in turn have to satisfy the interests of many different groups such as industry or trades unions.

2. In the technological field many reports, recommendations and resolutions have been made but the results so far have been slender. Nevertheless, with the extension of the Soviet Russian empire to most of the northern Euro-Asian landmass, "Europe" has been reduced to Western Europe alone and it has become evident that Europe has to co-operate with the United States. Immediately after the war, the Marshall plan was implemented, followed by the formation of a number of civil and military organisations, all more or less based on the need to remain free of Soviet Russian influence and power.

3. As the Soviet Union now has a highly-developed industry for the production of advanced technological civil or military items, the threat to Western Europe is more pronounced. In the nuclear, space, military and many other fields the Soviet Union has become the greatest power on the Eurasian continent. If Europe is not to fall behind, it must make a far greater effort to combine its resources in order to be able to collaborate with the United States and attain its goals.

4. Your Rapporteur pointed out to the Senate Committee that although Europe realised the need for the Soviet-American dialogue which had led to the joint Soviet-American Soyuz-Apollo flight, he feared this collaboration might lead to a situation whereby Soviet astronauts and technicians would learn far more from the exchange than their American counterparts and consequently draw even further ahead of West Europeans in this field.

5. In Appendix I on the visit to the United States, your Rapporteur has given detailed consideration to the various aspects of space policy and will therefore not go over this ground again here. His remarks on the space issue will be brief. Other issues to be discussed in the report are present ways and means of European-American collaboration in advanced technology. This takes place in OECD and NATO and bilaterally between the United States and individual Western European countries. There is, of course, collaboration between Euratom and the United States in the nuclear field.

A. *The Community approach*

6. As soon as Euratom started its work in 1956 it was decided that it should co-operate closely with the United States in the peaceful applications of atomic energy. By 1958, a basic agreement had already been concluded in which it was decided that Euratom and the United States would co-operate in programmes for the advancement of the peaceful applications of atomic energy. This agreement was followed by a number of co-operation agreements on the building of reactors. In 1961 an agreement was concluded on the procurement of 140 kilos of uranium 235 from the United States. Several amendments to these agreements were accepted and in November 1974 Euratom and the United States agreed a convention on the exchange of scientific and technological information in the nuclear field.

7. However, all these agreements and conventions have not amounted to very much mainly because the different European countries have different attitudes towards the application of certain articles of the Euratom Treaty. The more the nuclear energy problems became industrial, the more difficult it became to find a common attitude, and co-operation with the United States lapsed with the result that several countries such as the Federal Republic of Germany and France concluded separate agreements with the United States.

1. See Appendix II.

8. During the 1974 meetings which the Federal Chancellor and the French President had with President Ford, it was agreed to collaborate in research and development in several fields, and particularly that of energy resources.

9. There has not been much further development since the initial common nuclear programmes concluded between the United States and Euratom. Present-day developments are considered particularly from an angle of security and are discussed more fully in the report submitted by Mr. Lenzer on second-generation nuclear reactors [1].

B. *The Atlantic Alliance approach*

10. Although the North Atlantic Treaty Organisation was created to allow co-operation between its members in the event of an armed attack, Article 2 of the treaty also states that: "the parties will contribute towards the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being." In 1969, the NATO Committee on the Challenges of Modern Society was created in order to orient the technology and industry of member countries towards a better quality of life. In this framework eight areas are being followed: coastal water pollution, advanced health care, advanced waste water treatment, urban transportation, disposal of hazardous wastes, solar energy, rational use of energy and air pollution.

11. In his May 1973 report on nuclear policies in Europe [2], Mr. Kahn-Ackermann proposed that a common energy policy should be formulated on a basis of equality between Europe and the United States and that an approach similar to that of the NATO Committee on the Challenges of Modern Society should be adopted. He considered that this would help to reduce the cost of nuclear energy and perhaps of nuclear weapons. In its reply to Recommendation 235 contained in that report, the Council said: "It is too early to predict the lines along which co-operation with the United States will proceed as overall European policy on the peaceful uses of nuclear energy develops."

C. *The OECD approach*

12. The oil crisis has clearly emphasised the worldwide significance of energy supplies. A logical consequence was that the highly industrialised countries co-operating in the framework of OECD should join together under the auspices of that organisation. In 1974 the OECD published an important report on energy prospects in 1985 which contained an assessment of long-term energy developments and related policies. It stated that international co-operation between OECD countries on energy and related policy was urgently required. The main areas for international co-operation within OECD in energy-related fields are the following:

- a concerted effort in conservation of energy;
- accelerated development of OECD indigenous resources and intra-OECD energy trade;
- provision of adequate mechanisms for lowering the risk of financial and monetary instabilities related to energy imports;
- co-ordination of energy research and development;
- co-ordination of new efforts to overcome growing environmental problems.

13. At world level is the dialogue proposed by France between the oil-producing countries, the industrialised consumer countries and the non-oil-producing countries. Here too Europe can make an important contribution.

14. OECD is conducting work on civil technological aspects which is important from the point of view of research and technology policy. This European-American co-operative structure is not and never was intended to be exclusive. It is a structure to which Japan, Australia, New Zealand and Canada have adhered. This collaboration should, however, be strengthened in order to withstand attempts at disruption by the Soviets. As is well known, every effort towards European unity, especially in advanced technology, has sparked off Soviet resistance and this is increasing with the growth of American-European collaboration in this field.

1. Document 686.
2. Document 607.

D. *Co-operation in specific fields*

(i) Space

15. Present-day developments in space are a good example of the successful division of effort and co-operation. It is obvious that the risks and costs of space technology exceed the means of individual European countries and on 15th April 1975 the convention setting up the European Space Agency was signed in Brussels.

16. The new agency is continuing the ESRO satellite programmes and has also included in its working programme the Ariane launcher and the Spacelab to go with the American shuttle. The agency will also elaborate and implement an industrial policy appropriate to its programme.

17. This is very necessary as Europe has to stay in the forefront of developments in advanced technology. It must produce high quality industrial products such as aircraft, a complete nuclear power plant or a communications satellite system in order to be able to import its necessary raw materials and minerals. Its position is basically different from that of the Soviet Union, the United States and China as, apart from coal, it has to import its materials and energy resources. It is not by exporting bicycles or textiles that the necessary funds can be raised.

18. The new space agency has provided Europeans with the chance to work together with the Americans in the post-Apollo programme [1]. Your Rapporteur will not go into further detail, but he wishes to point out once again that the intergovernmental agreement on Spacelab stresses the importance of co-operation between the United States and Europe over and above the shuttle. However, both sides will then have to draw up a programme and these programmes will have to be co-ordinated. For the moment the Americans are hesitant about committing themselves and this for both political and financial reasons. Nor has there been any discussion on the European side, and it is regrettable that the convention setting up the agency makes no mention of regular meetings at ministerial level, this being the only level at which a long-term policy can be formulated.

19. For the short term, the rôles of Europe and America in the use of Spacelab should be specified. In the scientific field no great problems are likely to arise, but the situation is quite different for applications. As far as possible, American industry wants to recuperate its investments in space in general and in application satellites in particular. Only a short time ago the data collected by its earth resources satellites were made available free of charge whereas now a charge is made. This change of attitude shows the direction of American thinking.

20. When the Committee visited Japan in 1973 [1] it became clear that the Americans would not provide Japan with hardware and know-how if the Japanese were prepared to accept them from European competitors too. As the Japanese had political reasons for maintaining special relations with the Americans, they avoided answering the Committee's questions on Japanese-European space co-operation.

21. Nevertheless, the American space effort has been conducted openly and its results have been shared with many nations. More than eighty countries have joined NASA in co-operative space flights and ground-based projects.

22. Important bilateral projects such as the German-United States sun probes, the Franco-American satellite project on information on oceans, the aerial navigation satellite, the world-wide meteorological programme and many others indicate the amount of space co-operation which has already taken place and which is continuing.

(ii) Oceanography

23. In the beginning of 1970 the United States and the Soviet Union introduced a new draft treaty to prevent the deployment of nuclear weapons or other weapons of mass destruction on the world's seabeds. Important scientific and technological discoveries had made possible practical exploration of the seabed and ocean floor. The United States and the Soviet Union had made rapid progress in the field of oceanography and its associated technology. The fact that last year the American oceanographic ship Glomar Challenger was able to bring to the surface a Soviet nuclear submarine, indicates the military importance of oceanography. At the same time, mining of the ocean floor is now possible since new techniques have been developed for bringing polymetallic nodules to the sur-

1. See Appendices.

1. See Document 617.

face. One American firm, Deepsea Ventures Inc., has already started exploitation.

24. In the United States the National Oceanographic and Atmospheric Administration (NOAA) co-ordinates all work in these fields. It operates its own satellites — the NOAA environmental satellites — which provide twice daily global coverage of the earth's atmosphere and oceans.

25. In Europe several efforts have been made to organise national activities. Oceanography and meteorology were included in the programme of the so-called COST group of the Communities, but no real progress has been made. The main reason is that, apart from France, the member countries' oceanographic activities are dispersed between several departments and institutions with the result that in Europe large sums of money are spent on oceanography with considerable duplication of effort.

26. Co-operation with the United States is therefore haphazard and bilateral rather than European-American.

27. The American budget is oriented towards exploitation of the oceans, protection of the environment and basic research. The 1975-76 budget has increased 16 % compared to the 1974-75 budget.

28. It is regrettable that Europe has not managed to achieve greater co-ordination in this field since most European nations have a close interest in the sea and oceans and the United Nations Law of the Sea Conference might basically change the present legal principles on which the law of the sea has been based until now. Without a joint European organisation in the framework of the Communities, it will be extremely difficult for Europe to deal from a position of strength with the Americans.

29. As Europe is already working with the United States in space matters it would be most important to extend this co-operation to meteorological satellites, sea monitoring satellites, deepsea programmes, ocean pollution and the technology of buoys. Europe already has extensive knowledge of aquaculture and deepsea diving.

(iii) Computers

30. Several of the Committee's Rapporteurs have dealt with European difficulties in establishing a computer programme. In 1969, Mr. Chapman submitted a report on European co-operation in the field of military and civil computers [1]. As he then indicated, the European computer industry is dominated by IBM which has subsidiaries in practically all the European countries and which has dominated the market from the beginning. The main objective of European policy must therefore be to promote and encourage the formation of at least one major European grouping which is both economically viable and capable of maintaining a balanced relationship with partners in the United States.

31. The IBM challenge remains great since it is making rapid progress towards providing customers with a total information system, including telecommunications facilities and a very great variety of on-line application systems.

32. Mr. van Ooijen, reporting on advanced technology in Canada — the consequences for Europe [2], stated that a proliferation of private computer systems providing for machine-to-machine communication or for machine-to-man communication might not be commensurate with the general welfare.

33. IBM is now able to provide mini-computers which can be relayed to a very wide range of terminals and which would allow such a proliferation of private systems to develop. It is quite clear that if Europe does not organise itself in this field and establish its own data-processing industry, a single company — IBM — will dominate not only the traditional world of central processors, but also the new world of distributed computing. It is difficult to see how Europe should organise itself in this field. Some speak of European mission-oriented institutions which should aggregate the research and development effort. However, even if a special computer institution is considered a possibility for furthering European collaboration in this sector, in view of the failure of Euratom it is not likely to be accepted by the governments of member countries. The main emphasis should be put on industrial policy on an inter-governmental basis to encourage the harmonious development of the industry rather than set up a new mission-oriented institute to subsidise the users. The European Community should play an important rôle in promoting this harmonisation.

1. Document 474.
2. Document 649.

34. Events have shown that Western Europe has difficulty in achieving independence in data-processing resources and in fact the future of European data-processing is an open question.

35. The market of the world data-processing industry represents about $ 25 billion annually with a growth rate of some 15 % yearly. It has been forecast that, in the industrial category, it will be exceeded only by the motor and petroleum industries by 1980.

36. Research and development in this industry involves very heavy expenditure which can only be recuperated if the production runs are long. About 60 % of computers are installed in the United States and Canada, another 24 % in Western Europe — of which for instance 5 % in the Federal Republic of Germany, 4.5 % in France, 4 % in the United Kingdom and 2 % in Italy — and 5 % in Japan. Therefore, companies other than IBM, which has about two-thirds of the world market, are competing for only a fraction of the market. To be profitable, they need the support of the American market. This is possible only if one is associated with an American firm already installed in the United States with a good customer base and valid experience in data-processing. This type of industrial collaboration would seem to offer Europe a means of becoming more actively and more profitably engaged in the computer industry — the only means by which it will be possible to continue the advanced research necessary for keeping abreast with latest developments in this field.

37. It is therefore obvious that this development makes it difficult to maintain purely European collaboration, as was originally envisaged by the European Community which hoped that computer firms such as ICL, Siemens, Philips and others would provide a European option in this field. This state of affairs will certainly have a negative effect on any endeavours to bring about harmonisation of related fields (communications technology and electronic components).

(iv) Electronics

38. The United States President's visit to China in 1972 highlighted recent advances in electronics technology's oldest branch, telecommunications, when an Intelsat IV communications satellite went into service over the Pacific Ocean and two ground stations were installed in China — one in Shanghai and the other in Peking.

39. In the field of communications, co-operation between Europe and the United States is rather difficult as the United States Government, through the office of telecommunications, merely supervises private industry which provides the communications services. The private telephone companies are installed locally and are each independent. Special liaison companies are also formed to ensure connections between these companies.

40. In the field of radio and television four major networks cover the whole of the United States.

41. Where telecommunications are concerned, the American Telegraph and Telephone Company has about 85 % of the market.

42. A new development has started since Comsat-IBM are proposing a data communications system with electronic computers which would allow conferences to be held without participants having to travel. The situation is therefore changing rapidly and it is very difficult to predict what changes there will be in the years 1980 to 1985.

43. On the European side all communications are government-owned and this slows the introduction of new types of communications. Alternatively many people, aware of the capabilities of new types of equipment, are afraid of government agencies entering the private lives of its citizens. There is therefore no great pressure on governments to look for co-operation in this field with the United States.

(v) Armaments production

44. Your Rapporteur will not discuss armaments production at great length as this is done in the Committee on Defence Questions and Armaments, but he nevertheless wishes to raise some points to complete his report. In this field co-operation with the United States has been the subject of many studies and conferences in the NATO framework and elsewhere. After being dormant for many years this type of collaboration has again come to the fore since the American Defence Secretary declared on 23rd May 1975 that the United States would be interested in working with the Europeans if it were a two-way street leading to cheaper and better weapons. At the same time information is being exchanged between the United States, Britain, France and Germany on current and future prospects. The

truth of course is that for the time being the United States does not need to work with other countries while all European countries must do so, at least in some fields.

45. In aircraft production, however, the enormous costs of new weapons systems might encourage a trend towards United States-European co-production.

46. At the same time, all governments are becoming increasingly aware of the fact that due to unemployment and other economic difficulties they may not be able to buy their weapons systems abroad, although this might be cheaper.

47. American Senators and Congressmen will not easily forget that Texas is the only State in the United States where the economy is still in fairly good shape because of advanced technology investments directed to that State in the 1960s by its Senator and later United States President, Lyndon Johnson.

48. In a report dated 4th June 1974, the United States general accounting office set out the advantages and disadvantages of international collaborative programmes. Among the advantages it listed standardisation, lower costs due to longer production runs, technical and scientific advantages in pooling the resources of Europe and the United States, and lastly the possibilities of access to certain geographical regions. The bilateral American-Canadian testing of jointly-produced equipment near the Arctic circle is an example. The disadvantages, according to the report, are unemployment, security problems, balance-of-payments difficulties and problems of fair return. Another difficulty is that many allied countries do not have the industrial infrastructure to carry out certain parts of a collaborative programme.

49. The future situation will therefore remain difficult, particularly since few European countries will be able to offer the Americans equipment which is technically superior to American armaments. This does not mean that transatlantic co-operative projects will not occur in the 1980s. The form of split programmes is unlikely where development and production is divided between countries in approximate proportion to their requirements for the item, with final assembly being carried out in each participating country. Instead, as in the case of space collaboration, complementary programmes and reciprocal purchases might be agreed to, one country developing one type of equipment, the other country another, and both buying each type. *Reciprocal* purchases are already taking place for instance between the United States and Germany. However, they are difficult to negotiate. There is seldom a point at which one country, wanting to buy another's weapon, has on offer a weapon of its own which the other country wishes to buy.

50. The European powers are in general too small to make this kind of deal with the United States, but of course together they might be able to offer a whole range of weaponry. As in other fields, the Europeans have to agree between themselves, establish what the European armaments industry should represent, what its programmes should be, how many employees they should have, what their turnover should be, whether the industry should be private or State-owned, etc. The answers to these questions are the more urgent as the German armaments industry might resume its exports and therefore expand.

E. *Technology assessment*

51. In writing this report your Rapporteur had to touch on a number of technological aspects of modern society and he has become aware of the difficulties for a member of parliament to assess advanced technology and its consequences for modern society.

52. When in the United States, he learned that by act of Congress in 1972 a special office was installed after the fashion of the Library of Congress to equip Senators and Congressmen with "new and effective means for securing competent unbiased information concerning the physical, biological, economic, social and political effects" of technological applications and to serve as an aid "in the legislative assessment of matters pending before the Congress, particularly in those instances where the Federal Government may be called upon to consider support for, or management or regulation of, technological applications". The office has a non-partisan congressional board; the current board chairman is Senator Edward Kennedy.

53. Public issues of a political nature with which parliamentarians have to cope are growing increasingly complicated. Different technological approaches may result in different economic, social and environmental consequences, not all of which are expected or desired. European par-

liaments have not the means for technology assessment as their staffs are not equipped to handle this type of work.

54. The Office of Technology Assessment identifies alternative approaches to technology-related issues and provides analyses of the probable consequences of the options. It is presented in a manner suitable for use by the committees of Congress.

55. The purpose of each assessment is to provide an early appraisal of the probable impacts and uncertainties of technological programmes so that beneficial and adverse factors alike may be identified and considered in the legislative planning process. Both short-term and long-term effects, whether intended or not, are examined together with the various interests and viewpoints of all who might foreseeably be affected by the technology. Technology assessment is an aid to, not a substitute for, the judgments which must be reached by elected officials in policy-making positions.

56. It is the first time since the establishment of the Library of Congress that Congress has set up a new office. Last year's assessment activities were related to oceans, transportation, energy, materials, food and health.

APPENDIX I

Visit by the Committee on Scientific, Technological and Aerospace Questions to the United States

17th-21st March 1975

NASA

On Monday, 17th March 1975, the Committee was received at the NASA Headquarters by Dr. James C. Fletcher, Administrator, accompanied by Mr. J. Lloyd Jones, Deputy Associate Administrator for Aeronautics, Mr. Leonard Jaffe, Deputy Associate Administrator for Applications, Mr. Charles J. Donlan, Deputy Associate Administrator for Manned Space Flight (Technical), and Mr. Arnold W. Frutkin, Assistant Administrator for International Affairs.

Dr. Fletcher welcomed the Committee and opened his address by indicating that NASA had begun in 1958 as a $100 million establishment. In 1966 it had a budget of $6,000 million and its budget for 1975 was $2,300 million.

In 1976, its budget would be $3,500 million which, because of inflation, meant less money would be spent than in 1975. Therefore no new programmes would be started except in the energy field. If inflation continued, further programme adjustments would have to be made as the President's policy was to keep within agreed expenditure ceilings. The main adjustments would be in the training element. Civil service employment would be reduced and some launch schedules changed to cover longer periods.

On the other hand, the 1976 budget would permit NASA to proceed with all the present major programmes as originally planned.

Space shuttle development would proceed on the present schedule which should result in a first manned orbital flight by mid-1979. Landsat-C, formerly called ERTS-C, would proceed normally and therefore NASA's third experimental earth resources satellite would be launched in autumn 1977. In particular it would carry out experiments in crop survey and water resources management, thus continuing the experiments of Landsat-B which was launched on 22nd January 1975.

The Apollo and Skylab programmes would be phased out and for budgetary reasons the reusable tug would be put into operation in 1981.

NASA's policy would be to continue international collaboration and not charge for original research and development costs. The only costs charged would be real costs at the present rates. Canada and Europe would therefore have to pay only their share of the real costs. Another advantage was that the reliability of the launchers had greatly improved.

For 1975, the Viking programme was of the greatest importance as further Congressional willingness to vote the budgets for future outer space research might well depend on its success. The programme would cost about $300 million. The launchings for the Viking missions were scheduled for August 1975 and the satellites would reach Mars in the summer of 1976. Viking was by far the most ambitious and complex unmanned spacecraft ever attempted. If it succeeded, NASA would have accomplished another big step in space exploration.

An important new field of study was aircraft energy reduction. When NASA started its study in this field it became aware that new factors were playing a rôle in aeronautics. To the old ones — speed, efficiency and safety — had been added pollution, noise and congestion, followed, in 1973, by energy conservation.

NASA had identified technologies which had the potential to reduce fuel requirements of commercial jet aircraft by 50 % in the next ten years. If these advances were achieved by 1985 and could be incorporated in United States commercial aircraft flying today, savings in petrol requirements would be nearly one-third of a million barrels a day.

NASA was studying the possibility of using hydrogen as a fuel and different cargo aircraft concepts : new wings, engines over the wings, etc. In short-haul transportation systems the short take-off and landing system might give improved service and congestion relief could be achieved through traffic redistribution. NASA was studying tests of a quiet short-haul research aircraft.

NASA had also built a remotely-piloted research aircraft, the pilot remaining on the ground. The advantage of this technique was

that there was no risk to the test pilot during flight manoeuvres. High risk, more advanced technology could be investigated and high risk manoeuvres performed very early in the flight test programme. Additionally, scale models of aircraft or spacecraft were used instead of more expensive experimental vehicles, and equipment such as the cockpit did not have to be man-rated. Consequently, such a test flight programme could cost less than half the full-scale manned programme.

The future for hydrogen-fuelled aircraft was promising for very large and long-range planes. Hydrogen had a much higher content per pound than fuel now in use. The main problem was cost, but hydrogen costs might fall as nuclear breeder reactors came into being. Hydrogen could very easily be a by-product of this type of reactor.

By 1985, the cost might be the same as that of present-day fuels. A great advantage of hydrogen was the absence of environmental problems as the principal by-product of burning hydrogen was water.

The main application disciplines now being undertaken by NASA were earth observations, communications, space processing and technology applications.

The EOS programme had been established to conduct earth observation research in the late 1970s and 1980s. It would use a system compatible with the shuttle and designed for low cost. Three types of surveys would be made : land use management, sea surveys and environmental surveys.

In connection with the satellite system were the earth observation aircraft programme, both low and high flying, and balloons. For this type of activity NASA had been contacted by forty-five foreign countries; Brazil and Canada had their own ground stations and received data directly.

In the field of communications the original NASA programme had come to an end since operational communication satellites had come into being. Nevertheless, complete termination of the NASA effort was not acceptable and it had therefore set up an advanced communications research programme. One of the reasons was that the United States wanted to keep the technological lead in satellite communications. NASA efforts included the development of microwave frequencies and spacecraft technology to produce more efficient and reliable operation.

In the field of space processing applications it was NASA's intention to initiate commercially-oriented private utilisation of space flight capabilities in fields related to material science and technology. The weightless conditions in space flight could be used to control a variety of technically important processes in novel ways. This related to crystal growth, metallurgy, electronic materials and biological preparations. During the Skylab experiments this road looked very promising. NASA hoped that private industry would participate increasingly in space research and development work as flight capabilities increased and that this work would lead directly to product applications.

The NASA technology utilisation programme continued to measure the effectiveness of the transfer of aerospace technology. Special relationships had been built up, for instance with the city of New York for a school alarm system. This system, developed by NASA with its space technology, would greatly enhance the safety of the New York "high schools" which suffered from vandalism. To get widespread applications of space technology, NASA believed commercialisation had to be achieved.

The shuttle

One of the key aims of the space shuttle programme was to develop an operational system with low cost per flight. To accomplish this, design decisions were evaluated not only in terms of development costs but also ground operations, spares requirements and other programme support activities. The probability of achieving a cost per flight of $10.5 million in 1971 dollars looked feasible.

In 1975 NASA was requesting $800 million to carry on shuttle activities during fiscal year 1975. The fabrication of all major systems elements had started at the contractors' plants. The first manned flight was foreseen for 1978.

The orbiter offered an unobstructed cylindrical payload bay of 4.6 metres in breadth and 18.3 metres in length. The maximum payload was 29,500 kilos to be launched from Cape Canaveral into an orbit of 390 kms round the earth. The fully-equipped Spacelab being developed by ESA could be accommodated in the orbiter payload bay. A normal flight crew consisted of three persons : the commander, the pilot and the mission specialist. Should the payload fail to operate satisfactorily after deployment it could be retrieved and returned to earth for repair. The

return base for the orbiter would be Vandenberg air base in California.

The main advantage of the shuttle vehicle would be to eliminate large launchers and offer frequent flight opportunities and especially low cost payloads. The nominal design duration of initial missions was seven days. The mission duration could be extended to as long as thirty days with the necessary refuelling and restocking.

Mr. Frutkin addressed the Committee on international collaboration and discussed in particular the availability of launchers. Since the inception of the space programme it had been United States policy to extend the benefits of space research "to all mankind", as required by the 1958 Space Act. The American space effort had been conducted openly and its results shared with many nations. Now NASA was giving advance notice of flight opportunities and it even gave foreigners an opportunity of participating in the definition of the mission. The results of missions were also published.

One great advantage that the United States derived from the openness of its space missions was a free flow of information about new technologies and new products from the space programme into the main stream of American economic life. This did not happen in the Soviet Union where missions were conceived and executed in a shroud of mystery.

On international telecommunications, he said that more than ninety countries benefited from the communications satellite system. More than forty nations participated in the weather forecasting system. A great many nations were working with NASA on sounding rocket research. Cost-sharing satellite programmes — as with the Federal Republic of Germany on the Helios project — were executed on a bilateral basis. The purpose of this mission was to provide information about the sun which would lead to greater understanding of its source of life-sustaining energy. However, at the same time, the United States wanted to maintain its leadership in space science in the coming years.

As far as launchings were concerned, NASA would not refuse to launch a satellite unless it was not for peaceful purposes. If a payload on an American satellite was offered, and this was of interest for the NASA programme, no launcher cost and no interest had to be paid. If a European satellite was launched, the cost would be the nominal cost and original research and development costs would not be charged.

As far as future space stations were concerned it was not inconceivable that one day Western Europe and the Soviet Union would join in with NASA to design and develop a tripartite space station. However, this was for the more distant future.

The State Departement and space affairs

On Tuesday, 18th March 1975, the Committee made a special tour of the White House, followed by a visit to the State Department where it was received at the Bureau of Oceans and International Environmental and Scientific Affairs, the Assistant Secretary of which was Mrs. Dixy Lee Ray. The Committee was received by Dr. Leo Packer, Director of the Office of Technology and Space Affairs, assisted by his collaborators, Mr. Ronald Stone and Mr. Arthur Freeman.

Dr. Packer stated that his directorate had a staff of ninety and took care of the State Department's rôle in aerospace affairs. As such, an important part of his work was to follow the work of the *United Nations Committee on the Peaceful Uses of Outer Space.* This committee was handling the follow-up of the 1967 treaty on outer space. All major space powers except China were represented on this committee.

Further to the treaty provisions, it had drawn up three new treaty texts since 1967. The 1968 agreement on the rescue of astronauts, the return of astronauts and the return of objects launched into outer space was a follow-up of Article V of the treaty on outer space which prescribed that States should regard astronauts as envoys of mankind and render them all possible assistance. The 1972 convention on international liability for damage caused by space objects was also an outgrowth of treaty provisions on the responsibility of launching States for space activities. Until now the States had been very lucky as no damage had been done by space objects re-entering the atmosphere. Thirdly, the convention on registration of objects launched into space stemmed from concepts of registration and notification to the United Nations Secretary General which were also mentioned in the 1967 treaty. The line of development of those international space agreements had been consistent in recognising the treaty as giving direction through general principles which had been extended into more specific measures as being necessary in particular circumstances.

In contrast to registration, less progress had been achieved on a moon treaty. The three outstanding issues — expansion of the treaty's scope to cover the other bodies of the solar system, provision for advanced notification of mission, and provisions concerning possible future exploitation of natural resources of celestial bodies — remained unresolved.

Due to opposition from Brazil and Argentina, the Outer Space Committee could not conclude on the merits of establishing a facility to acquire earth resources data from the countries collecting it and to make it available to the specialised agencies of the United Nations as well as member States. Brazil and Argentina would restrict the rights of space powers to collect and disseminate satellite information. The United States opposed any restriction on the collection of data. This activity was covered by Article I of the outer space treaty which provided that outer space be free for exploration and use by all States without discrimination of any kind.

The United States saw no justification since it did not accept the theory that a State's sovereignty over natural resources included control over all information about such resources. It would deeply regret any setback to the principle of open and unimpeded exchange of information on an international basis.

The USSR took a more limited view, envisaging no more than a collection of catalogues which would list data available to users and indicate where they could be obtained.

France was inclined towards the views of the USSR whereas Britain and the other WEU countries favoured an open dissemination system.

Sweden proposed the creation of a United Nations space agency which would handle all these matters and the equipment involved. This proposal was not agreeable to the United States, although it would accept a United Nations data indexing system and United Nations training of experts and other educational aid.

Although it would be technically possible, it would become extremely expensive if all data were hemmed in countries' frontiers, apart from some very big countries. Moreover, to study systems of waterways one could not be bothered by frontiers. That such data could be of great assistance to the countries concerned could be concluded from the fact that Brazil would not have had to build so many bridges for its Amazon highway if it had used satellite images which gave a better picture of the course of the Amazon and its affluents than could be obtained from observation on the ground.

Many governments of emerging countries strongly wished to be the only ones to obtain information and data on their country from satellites. They thought they would be more vulnerable if their neighbour knew about their resources. However, one first had to have the satellites before obtaining information and the United States did not accept restrictions on the outer space treaty.

In the Outer Space Committee the United States wished to give highest priority to efforts to complete legislation on the moon treaty; the USSR wished to give priority to the legal implications of direct broadcasting satellites. In the end the USSR had signed the moon treaty too because the problem of direct satellite broadcasting would not be acute before 1985.

Direct radio and television broadcasting

Much confusion had been created by articles in the press that technology was now available that would allow the United States to broadcast television programmes directly from satellites to receivers in homes anywhere in the world. However, this statement overrated the current state of technology and greatly underestimated the attendant system problems and associated costs and ran counter to existing international agreements. Broadcasting from satellites into community-type TV receiving stations costing $5-6,000 had been demonstrated technically. The stations were inexpensive compared to an Intelsat station but expensive compared to the average home TV receiver. The applications technology satellite No. 6, launched on 30th May 1974, was able to broadcast TV programmes over a substantial area to ground stations with a three-metre parabolic antenna. Satellite broadcasting direct to present home receivers would however not occur as the technology was not yet developed and might not be developed before 1985.

Individual reception was further divided into two parts: broadcasting into "augmented home receivers" and later into "unaugmented home receivers". The main issue in the United Nations Outer Space Committee was whether or not prior consent would have to be obtained from States before programmes could be broadcast. This in fact would probably be so as the

ITU radio regulations required co-ordination regarding transmissions from broadcasting satellites, especially from outside the originating countries.

Of much more present-day importance was the satellite system for broadcasting direct to community-type ground stations to meet the telecommunications requirements of the developing countries, particularly in education. An experiment was now taking place in India as well as an experiment with the joint Canadian-United States co-operative satellite.

Intelsat

The Committee was also briefed on the present position of Intelsat, the International Telecommunications Satellite Organisation, whose final agreements entered into force on 12th February 1973. The organisation had ninety-one members; the Soviet Union, the Eastern European countries, Cuba and China were not members. A ground station had been built near Peking. An Intelsat station was being built in Low in the Soviet Union which, in fact, enabled the Soviet Union to use the system. This station was also used for the so-called "hot-line agreement" between Washington and Moscow. It was only a question of time before the Soviet Union and other Eastern European countries joined the system. Moreover, the USSR's Molnya system, which was supposed to be a competitor to Intelsat, had proved too expensive and was now used only for domestic service.

Countries such as Algeria and Norway were considering establishing a domestic service such as Canada already had.

Since the establishment of the final agreements, United States preponderance was declining as was the rôle of Comsat, which would provide the technical and operational management services only up to 1979. Thereafter they would be taken over by a secretariat-general which so far had provided financial, legal and administrative support. Intelsat's capital was divided among the ninety-one member countries according to their percentage use of the Intelsat system. Comsat held about 40 % of the capital as of 30th September 1973.

Since the system had proved to work well, opposition to the United States lead in running it had disappeared.

The relationship between NASA and the State Department was very close. The State Department office relied on the International Affairs Section of NASA to provide all the technical assistance. The State Department office was therefore much smaller and took over from the NASA office only when diplomatic and policy decisions were involved.

On launch assistance policy the Committee was informed that so far the United States had never had to delay or decline a launch for peaceful purposes. Ten reimbursable launches had taken place : two for Canada, five for ESRO, and one each for France, Germany and the United Kingdom. Eleven launches were foreseen : five for ESRO, three for Japan and three for Indonesia. As far as Japan was concerned this country was trying to develop an independent launch facility.

The Senate Committee on Aeronautical and Space Sciences

On Tuesday, 18th March (afternoon), and on Thursday, 20th (afternoon), the Committee was received by the Senate Committee on Aeronautical and Space Sciences. During the discussions, the Committee was received in the Chamber of the Senate and presented to the members of the Senate during a recess of five minutes. Mention of this visit was made in the Congressional record, Volume 121, No. 44, page S 4256.

A separate record of the discussions [1] was made by the Senate Committee.

Goddard Space Flight Centre

On Wednesday, 19th March, the Committee visited the Goddard Space Flight Centre where it was received by Dr. Lester Meredith and his collaborators — MM. O'Leary, Meyer, Shehab, Dr. McDonald, Mr. Holweck, and Dr. Walters.

Dr. Meredith gave an introduction to the centre which was established on 1st May 1959. It was NASA's first major scientific laboratory devoted entirely to the exploration of space. It now dealt especially with earth orbiting spacecraft. Goddard had scientific missions, space technology, application satellites and the tracking and data system.

There was a staff of about 4,000, plus 2,000 men working at Goddard under contract. It had a budget of $400 million a year.

1. See Appendix II.

Spacecraft under 1,000 lbs were built at the centre ; larger spacecraft were built by private industry under control of the centre.

The management of international satellites — Helios, ANS, UK 4 and 5 — was also handled at the centre.

Many satellite and sounding rocket projects gave information about the earth's environment, the sun-earth relationship and the universe itself. A satellite in orbit around the moon was registering messages from outer space.

Applications spacecraft projects concerned communications, meteorology, navigation and the detection and monitoring of natural resources. The centre was also the home of the national space science data centre. This facility, housing banks of high-speed computers, was the central depository for much of the data collected by space science experiments.

As far as European satellites were concerned, Dr. Meredith believed that they were fully comparable to the American satellites, and even in some respects better. The main launchers used by Goddard were the Thor-Delta ; it used the Centaur for very heavy satellites.

One of the highest priorities for NASA was the earth resources technology satellite, now called Landsat. The results of the investigations by this satellite were relevant to three important problems : the need to accelerate the identification of minable minerals, especially of petroleum, and the preservation of the environment. A particularly valuable use of this satellite was for land use mapping which was cheaper than conventional means. Water resources management was also an important by-product. Many features on the surface of the earth could not be seen in pictures from aircraft. The satellite always took pictures at the same time of day with the sun at the same angle so one could better calculate heights and distances.

The office of tracking and data acquisition operated the tracking networks, the deep space network, the NASA communications network and many other operations which were being conducted with advanced computer methods and scientific equipment. In the future the office planned to utilise relay satellites for more effective data acquisition and to improve other electronic and optical systems. The general result of all the information which arrived at Goddard was that one always found more things unsuspected than imagined beforehand.

After the briefings, the Committee visited the shuttle bay simulator, the high energy astrophysics building and other installations.

The Pentagon — space activities

On 20th March 1975 the Committee went to the Pentagon where it was met by Miss Ruth Kirby of the Directorate of Community Relations and escorted to the office of the Deputy Director, Strategic and Space Systems, of the Directorate of Defence Research and Engineering. There the Committee was briefed by Mr. Bob Cooper who stated that an important part of his work consisted of supporting research and development. In the space-defence area the department wanted to retain the technological initiative. For that reason, the department was spending in fiscal year 1975 more than $2,000 million for its space-related programmes. This was some $400 million more than in fiscal year 1974. The military authorities were using space systems more and more to support tactical as well as strategic military operations. The satellites for command and control systems as well as the early warning satellites, which were established in particular for strategic military operations, were now also going to be used in tactical military applications. This meant a changing of military thinking. The supporting research and development in the areas of space surveillance, satellite survivability and other selected efforts were increasingly affecting future military capabilities. This meant that the space posture had to be improved since the military leadership was increasing its reliance on satellite systems to accomplish functions which were important to military operations. The goal was to protect the functioning of satellite systems critical to national defence in times of international stress. The goal of the research and development was therefore in space surveillance in order to detect, track and identify in a timely manner all objects in orbit up to 20,000 miles altitude.

The main reasons of interest of the military in space were the global nature of these space systems ; they were much cheaper than any other means of communication, and space technology, as all advanced technology, had spin-off in many fields.

The most important present-day development was the Navstar global positioning system. This programme was one of the most far-reaching in its impact and one of the most forward-looking in its structuring in the Department of

Defence. It could have a revolutionary impact on both strategic and technical warfare. If the system became operational, it would be possible for the military commands to have direct communications with the smallest units through mobile terminals which would consist of a square black box to be inserted in jeeps, other vehicles, planes and ships. The system might become operational in the early 1980s and would be much cheaper than present-day communication and navigation systems.

The Navstar joint programme office now had officers and civil service staff from the army, navy, air force and marines and was therefore a totally integrated effort. In July 1974, the first technology confirmation satellite had been launched and this year four satellites would be put into orbit in order to test several aspects of the programme.

It was clear that this capability for precise positioning and navigation could also prove useful to the civil community. The price for civil user equipment might be about $10,000 ; industry was now developing competitive prototypes. These prototypes would be used in aircraft, ships and vehicles. For fiscal year 1976, more than $100 million would be used for this research and development.

Early warning satellites were now operational in geo-stationary orbits, one in the eastern hemisphere which provided warning of launches of intercontinental ballistic missiles and of orbital ballistic missiles, and two in the western hemisphere to warn of submarine-launched ballistic missiles.

As to whether these satellites could verify withdrawals of troops and equipment from specific areas, respect of arms control agreements and give early warning of enemy troop movements, Mr. Cooper said that it was not possible for him to give a direct answer, nor could he to the question of European-American collaboration in this field and especially whether European governments had direct access to information collected by satellites or whether they received information already processed by the Pentagon.

In 1976, the government intended to evaluate a technique to expand the surveillance coverage of each satellite and to continue radiation-proof testing of satellite components and development of ground station modifications to accommodate a system of anti-jamming capabilities.

According to the space treaty there should be no military tasks as such in space. However, as the space system became more and more important for the military command structure, these systems had to be protected — hardened to nuclear radiation against potential attack in order not to be destroyed. The space hardware had to become lasting installations and therefore had to be protected.

The Soviet space activities were very substantial and the Soviets certainly allocated more resources to them than the American authorities were spending. This could be deduced from the great number of launches which meant that the Soviet military had ample resources. Even so, the American authorities were of the opinion that in their competition and management systems they were more productive than the Soviet Union whose budget was one and a half times that of the United States. However, they were concerned that the Soviets might be developing the use of man in space for military missions in addition to routine testing of the Soyuz spacecraft.

On the relationship between military and civil meteorological satellite systems, the military satellite programme in this field produced specialised weather data to satisfy military requirements which were quite different from civilian requirements. The air force global weather centre in Nebraska for processing and use of the data recorded worldwide declassified the data and made them available to the civil scientific community. The air force was now testing a new series of meteorological satellites and hoped to complete testing in mid-1975.

In ocean surveillance, special attention was being given to the Soviet and Soviet bloc naval forces. This increased threat was being met by providing the competent commanders with all the information they needed on the position of the Soviet naval forces, especially those which used sophisticated weapon systems. In order to improve the United States capability to provide targeting information for the launching of over-the-horizon anti-ship cruise missiles, an overall study had been undertaken on the possibilities of all types of surveillance platforms, including ships, helicopters, fixed-wing aircraft and remotely-piloted vehicles.

On the space shuttle, which the Department of Defence was committed to support, great use would be made once it became operational in 1980. The Department would be a major user

after development was completed. For fiscal year 1976, $22 million were being spent on the Defence Department effort on the military use of the shuttle. The existing upper stage might be modified to ensure uninterrupted military space operations.

The Defence Department was also preparing to build an interim upper stage which could meet military needs over the early 1980s and as long as the NASA tug had not come into operation. One-third of all launchings of the shuttle would be with a military payload and this proportion might grow. For the moment twenty-five launches per year were being considered, eight of which would be military.

For relations between the Defence Department and NASA, Mr. Cooper said that there was a co-ordinating board. Last year the board had met four times and discussed the need for large aeronautical facilities essential to United States civil and military aeronautical pre-eminence. It had also discussed the upper stage development of the shuttle in order to secure early effective military and civil use of the shuttle.

There were great commercial interests in the use of navigation satellites which could help to determine the exact position of the ship within one mile. If the new satellite now being tested was a success, the one mile might be reduced to ten metres.

If the Navstar satellite system became operational it would replace twenty-four 800 lb satellites with four satellites and the different systems would all be standardised, which meant a great reduction in costs.

In conclusion, Mr. Cooper stated that as space systems were providing increasing support for tactical forces, national security would become more dependent on military space programmes. Soviet and, in time, other foreign space systems would have the potential to alter the strategic equilibrium and the American deterrent position. The space shuttle, with its new capabilities for payload retrieval, re-use and more flexible and effective space operations, would play an important rôle in future activities. Eventually, as access to space became routine and less costly by using the shuttle, Mr. Cooper believed that man would have a rôle in military space operations.

Comsat

On Wednesday, 19th March 1975, the Committee visited the Communications Satellite Corporation, Comsat, at 950 L'Enfant Plaza, in Washington and was received by Dr. Joseph C. Charyk, Chairman of the Board of Directors, Mr. John A. Johnson, President of Comsat General, and several of their collaborators.

After a word of welcome, Mr. Johnson addressed the Committee on Comsat, its purpose and what had been achieved during the ten years of its existence. Under the Communications Satellite Act of 1962, Comsat had been established in 1965 to be the American representative in the 91-nation International Telecommunications Satellite Organisation (Intelsat). Intelsat had currently eight operational satellites providing global commercial service between more than 100 nations.

Comsat was the representative of the United States and at the same time the manager of Intelsat on behalf of all the international partners. Since 1973, a Secretariat-General had been established which dealt with Intelsat financial and administrative management. Comsat was the technical manager. Its contract with Intelsat was to expire on 11th February 1979 and all Comsat functions would then be taken over by the Secretariat-General.

Comsat derived most of its revenue from communication satellite services between the United States and a great number of foreign States and United States off-shore points. It had an ownership interest of 33 % in Intelsat and a 50 % ownership interest in United States earth stations.

In addition to its operations in the global system, Comsat was engaged, through its wholly-owned subsidiary, Comsat General, in programmes to establish domestic United States services as well as maritime and aeronautical communications satellite services. The ground network of the global system was, at the end of 1974, 104 antennas at 82 earth stations in more than 60 countries.

Intelsat's ownership of the satellites and ground control equipment was made possible by capital contributions of its members which included Comsat for the United States, and 90 foreign telecommunications organisations representing their respective countries. Eight Intelsat satellites were now in operation and since

the beginning only one launch of an Intelsat satellite had failed. Six new Intelsat IVA satellites had been ordered and they would be used through the 1980s. Each of the Intelsat IVA satellites would have a communications capacity almost double that of an Intelsat IV satellite, which meant they would be able to transmit simultaneously about 8,000 telephone calls and two television programmes.

The commercial maritime satellite system, Marisat, would be established during 1975 and be operational from July 1975 onwards. Three satellites were being built, one to be stationed over the Atlantic Ocean, one over the Pacific Ocean and one to be held in reserve. The satellite design was adapted to military and civilian requirements. The navy would use the system for two or three years as long as its own fleet satellite communications system was not operational. On the other hand, in the near future the merchant navy would not require many communications by satellite. Its requirements would increase probably after the naval system had been established.

Ever since the late 1960s the United States had been negotiating with ESRO, Canada and other countries on a proposed aeronautical communications satellite system, Aerosat, to provide communications and navigational assistance to international aviation. In August 1974, the United States Federal Aviation Administration, ESRO and the Government of Canada agreed to a joint programme to test and evaluate the use of communications satellites to assist aircraft flying transatlantic routes.

In September 1974, Comsat General had been selected as the United States company to participate with ESRO and Canada in the provision of the space segment for the Aerosat programme. Under a joint agreement, signed in December 1974, Comsat General and ESRO each had a 47 % ownership interest and Canada a 6 % interest. The space segment would include two satellites and related ground control facilities and electronics equipment. The first of these two satellites was planned for launch in 1978.

Under the United States domestic programme, four satellites would be launched in 1975-76. Comsat General would own and operate these satellites and lease their communications capacity to the American Telegraph and Telephone Company under the terms of a seven-year agreement. Comsat would also provide earth stations facilities for satellite control on the east and west coast, launch services, a system control centre and monitor the communications of the satellites. Apart from the continental United States, the system would also serve Porto Rico, Hawaii and Alaska. The earth station facilities for this domestic system would be located at the same site as those for the Marisat system.

Since 1966, Comsat had provided technical services to some twenty-eight foreign countries interested in constructing earth stations to operate within the global Intelsat system. Initially, these services had included such activities as site selection, preparation of specifications, evaluation of proposals, training of personnel and monitoring of operations. The programme now encompassed a broad range of management and engineering services to assist countries in all phases of telecommunications, planning, construction and operation. Since 1974, technical services had been provided to nine countries and new contracts negotiated with eight other countries, the most important of which were Brazil, Indonesia and Saudi Arabia.

Kennedy Space Centre

On 21st March 1975 the Committee visited the Kennedy Space Centre where it was received by Mr. Miles Ross, Deputy Director. Mr. Ross gave an introductory welcome before the Committee visited the flight crew training building, the Apollo spacecraft simulator and the lunar modular. It also visited a number of launch platforms.

Back at the headquarters, Mr. Ross addressed the Committee, outlining the history of the Kennedy Space Centre. One of his preoccupations now was the fact that he had had to dismiss a great number of the centre's personnel. At the height of the Apollo activities in 1968 the centre had 26,000 men whereas at the time of the visit only 10,000 were still employed there. During the coming four years no more important launches would take place until the shuttle was ready.

In the first ten years from 1962 to 1972 the centre launched 186 space missions employing eleven different launchers. Ten manned Apollo missions had been launched from Cape Kennedy and only one mission had encountered serious difficulties. Eight missions had reached the moon and five had made lunar landings.

Since then, in 1973 and 1974, the Skylab programme had been executed.

In the 1980s, United States accomplishments in space would depend on the space shuttle, which would be used for civil as well as military purposes. NASA had planned six flights in the first year of shuttle operations, fifteen in the second year, followed by a build-up of traffic density to forty flights per year in the 1980s.

APPENDIX II

Meetings of the United States Senate Committee on Aeronautical and Space Sciences with the Assembly of Western European Union Committee on Scientific, Technological and Aerospace Questions

18th March 1975

The Committee met, pursuant to notice, at 2.05 p.m., in room 235, Russell Senate Office Building, Senator Frank E. Moss (Chairman), presiding.

Present : Senators Moss, Goldwater, and Garn.

Also present : Assembly of Western European Union Committee on Scientific, Technological and Aerospace Questions : P. de Montesquiou (Chairman) ; Mr. Warren (Vice-Chairman) ; H. Adriaensens, Mrs. H. Adriaensens, H. de Bruyne, Mrs. H. de Bruyne, R. Carter, M. Cerneau, P. A. M. Cornelissen, R. Fletcher, R. Hengel, C. Lenzer, J. Lester, D. A. T. van Ooijen, J. Osborn, F. Tomney, P. Vitter, and G. M. A. M. Huigens (Secretary and Counsellor to the Committee).

Also present : Robert F. Allnutt, Staff Director ; Craig M. Peterson, Chief Clerk/Counsel ; Glen P. Wilson, James J. Gehrig, Craig Voorhees, Gilbert Keyes, and James T. Bruce, professional staff members ; Mary Rita Robbins, Patricia A. Robinson, Rhea B. Bruno, clerical assistants ; Charles F. Lombard, minority counsel, and Mary Ann Fay, minority clerical assistant.

The CHAIRMAN. — Mr. Chairman (Mr. de Montesquiou), members of the Committee on Scientific, Technological and Aerospace Questions of the Assembly of Western European Union, and Counsellor Huigens ; it is a great pleasure to have you visit the United States and to welcome you to the Committee on Aeronautical and Space Sciences.

We are delighted that you are here ; we hope you have a good visit, that our meetings go well and that our discussions proceed informally back and forth.

Senator Goldwater, whom I am sure you all know, is the ranking Republican member of this Committee, and I am the Chairman at this time. We expect some of our other colleagues to get here. Typical of the untidy way that we arrange our work here, the Senate is in session at this time, and discussing legislation on the floor so it may be that the bells will ring and we will have to leave for a short time to go to the floor and vote.

Mr. Chairman you and your colleagues all serve in the legislative bodies of nations that have strong ties with the United States. Your visit here and these meetings are clear evidence of the excellent ties between our countries and our people.

For many years now your nations and the United States, as trusted allies and good friends, have stood together to defend the cause of freedom. The Brussels Treaty, which gave birth to the Western European Union and to the Assembly of that Union, is the cornerstone of your common defence. Together with the North Atlantic Treaty Alliance, it is the foundation of our common defence.

Western civilisation has been in the forefront of the planet Earth's political, economic, and cultural development. Science and technology have played a major rôle in this process. The challenges we face today — those of defence, international finance, recession, inflation, environment, energy, and equitable access to fairly priced resources — are difficult indeed. Though different from past challenges, the solutions to these problems depend in a major way on science and technology. I believe the aeronautical and space sciences and technologies, in which all of us are interested, will contribute to those solutions.

I want to say that the United States is fully prepared to co-operate closely with Western Europe and others to find appropriate solutions to these challenges. The goal of multilateral collaboration is most rewarding ; but the path to that goal is often difficult. We hope that these talks will be one more step along the path of understanding and of mutual confidence to help provide the climate for closer co-operation.

So I say that you, Mr. Chairman, and your party are most welcome here.

We understand that your meetings with this Senate Committee will be your only meetings with the legislative branch of the govern-

ment. So we will try to discuss and give you some feeling for the legislative and political aspects of those subjects of interest to you.

We have been provided with a list of subjects you wish to discuss. Perhaps the best way to introduce each subject would be for one of us to make a very brief statement to open an exchange of our views.

To begin, I would like to say just a brief word about the Congress and this Committee.

The Congress

The legislative branch of the United States Government is bicameral, as you well know, and the Senate is one of its Houses. The Houses are independent of each other, and come together only in committees on conference to work out differences between the Houses on legislation. Occasionally we meet together to receive an address from the President or the head of another State or other dignitary.

The Senate carries on its business in two principal places, on the floor of the Senate and in its committees.

There are several different kinds of committees of the Senate, those having legislative jurisdiction being the most important. The Committee on Aeronautical and Space Sciences is one of the eighteen standing committees of the Senate. It has legislative jurisdiction over the National Aeronautics and Space Administration — NASA. This means that only this Committee can report legislation to the floor of the Senate dealing with aeronautics and space policy and the programmes of NASA.

You are now sitting in the Committee's hearing room where we hold our hearings and mark up our bills.

With that sort of general opening and before we get down to discussing any of the topics, I would like to know whether the Chairman has any statement he would like to make, and then I will recognise my colleague, Senator Goldwater.

Mr. de Montesquiou. — Mr. Chairman, I have a few words to deliver and beg your indulgence for my English which I do not practise enough, but I hope the feelings between members of our two houses are such, are so friendly that sometimes we do not need to talk.

I should like to begin by thanking you and Senator Goldwater for inviting us to the United States — an invitation we had great pleasure in accepting.

As you know, the Committee was last in the United States in October 1971 when it visited numerous space installations. We are therefore particularly happy to have the opportunity on this occasion of holding political discussions with you and your colleagues as well as representatives of NASA, the State Department, and the Pentagon, and much appreciate the two meetings you have arranged between our Committees.

As an introduction to our discussions, perhaps you will allow me to emphasise the wider aspect of United States-European political relations. One of the fundamental difficulties in these relations is caused by the fact that Western Europe is not yet fully united and therefore does not yet possess an effective overall administration and government. We fully understand why Americans complain about us : any negotiations with a body as pluralistic and lacking in political integration as the European space organisation — whether they be on Intelsat or other space systems — automatically assume a laborious character. All important policy decisions have to be referred back to national governments which, in turn, have to satisfy the interests of many different groups such as industry or trade unions.

However, in view of the fact that for many years the situation within the United States itself was not very different, and even as recently as last year's air navigation satellite negotiations the United States pluralistic attitude was quite clearly to the fore, we remain optimistic regarding the future integration of the European States.

I believe that here we shall have to be patient as it will take several years for our technique for co-ordinating sectional as well as national interests in Western Europe to be developed to the same extent as in the United States. Only then will it be possible to conduct straightforward and rapid negotiations.

Lack of political unity in Europe is another source of irritation to the Americans who believe that a politically united Europe would relieve them of some of the burden and cost of world leadership. However, it is doubtful whether the European countries, having lost their colonial empires, will try to exercise a new political

influence in far-away countries. Again the analogy is the United States itself — its break with the traditions of the old world is worth noting.

On the other hand, the European countries would like to have some influence and perhaps even participate in the American-Soviet dialogue. However, your government does not favour such participation which it considers would hinder the mobile diplomacy it employs to attain its objectives and which at the same time frequently involves secret negotiations. Dr. Kissinger put it quite clearly when he said that European interests are regional interests, whereas United States interests are worldwide.

The Soviet-American dialogue has also led to a certain détente in space, now symbolised by preparations for the joint Soviet-American Apollo-Soyuz flight. In this venture the lives of all involved will depend upon how precisely they co-operate and co-ordinate every phase of activity. This means a high degree of collaboration.

Of course we in Europe realise the necessity for this détente in space. Individually, neither the United States nor the Soviet Union has sufficient resources to do more than merely begin exploiting the possibilities for fruitful human activity in space in the decades ahead. It is therefore of great interest for Washington and Moscow to work together. However, one result of this collaboration will be that Soviet astronauts and technicians will learn far more from the exchange than their American counterparts — American space technology being far ahead of the Soviet Union. This also means that the Russians are becoming much better versed in this field than the Western Europeans. What is therefore needed is broadly based co-operation in space efforts taking in the personnel and talents of other nations, too.

Turning now to points of special interest, you have received, Mr. Chairman, a list of topics about which the Committee would be particularly interested to acquire further information — especially political information. I have just mentioned Soviet-American space co-operation, and would also like to mention European-United States co-operation going beyond the shuttle ; we would be very interested to know your opinion on prospects here.

Another point which is of great interest to us as politicians is co-operation for launching satellites and especially guarantees for launching satellites for commercial purposes, either for the European countries' own use or produced in Europe for third countries.

Finally, it would be most useful if we could hear your opinion and that of your colleagues concerning European-American collaboration on new means of air transport, such as supersonic aircraft.

We are all aware of the great knowledge at the disposal of your Committee and we would appreciate hearing your opinions since we are conscious of the great influence of aeronautical and space sciences on the military posture of the western world and the defence of our ideals.

The CHAIRMAN. — Thank you very much, Mr. Chairman. You have touched on many of the things that I hope we can discuss here. I think I can assure you that we are very anxious in the United States to continue with co-operative projects and to embark on additional ones with the countries of Western Europe.

We are very pleased with Spacelab, Helios, Ariel 5, the ANS Explorer and the other co-operative space projects that we have, and we foresee that there will be many more.

Mr. Chairman, I would like to discuss the question of our Soviet collaboration, too, but I shall defer to my colleague for any remarks he would like to make.

European contribution to technology

Senator GOLDWATER. — I met these gentlemen before you came, Mr. Chairman. I just want to take this opportunity to thank you and through you your countries for the great contributions you have made to us that have enabled us in turn to make contributions to you.

I am thinking of the United Kingdom and the jet engine, of France and lighter-than-air, of Italy and the preachments of General Douhet, and, of course, Willy Messerschmitt, who is a friend of mine, from Germany.

So we who sit on this side of the ocean are thankful that you gentlemen have the history that we are now exploiting and if you can gain anything from us, it is just a way of our paying you back for what we have borrowed from you.

Senator Goldwater congratulated

Mr. DE MONTESQUIOU. — Can I say we just heard very good news about Senator Barry Goldwater. I just happened to learn of it now.

We heard that you have been recently elected an Honorary Member of the American Institute of Aeronautics and Astronautics for your leadership and outstanding work in this field.

Senator GOLDWATER. — Thank you.

Mr. DE MONTESQUIOU. — Our whole Committee is happy to give you all our best congratulations.

Senator GOLDWATER. — Thank you very much.

The CHAIRMAN. — We are very proud of Senator Goldwater, whose interest and expertise in aviation and space extend back beyond mine and that of most of us. He gives great leadership, and he is being recognised for it here. I am certainly pleased that he is so active on this Committee.

I want to echo what he says. We genuinely consider that the aeronautics and space programme is a co-operative venture.

Spacelab

We are developing here in the United States a capacity for launching payloads into space, but you are proceeding with another part which is just as intricate and advanced in its requirement for science and technology as is the launching process. As I see our development of the space shuttle, it is to have a reliable, reusable system to be able to get into and out of space. So we are pleased that you are developing spacelab and other payload experiments, the actual functioning pieces of hardware that have practical, everyday effect, which we expect to be utilising with you. It is to be a partnership affair as far as we are concerned. We are very appreciative of that.

Apollo/Soyuz

In your remarks, Mr. Chairman, you indicated that you thought that we were giving the Russians a lot more than we were getting from the Russians on the Apollo/Soyuz link-up and that may be so, but I do not think so. But whatever the trade-off is, we consider it of vast importance that finally we have opened it up to where we now can see to some extent what they are doing and understand it. When we stood apart, we did not really know and now we know, and I must say that they are co-operating very well with us now. We do not have any complaints about the degree of co-operation. We also see the possibility that you suggested ; that as we get into huge space ventures, perhaps neither of us would have the resources individually to do it alone.

Perhaps now we can work out co-operative ventures where each country can contribute to the resources needed so we will need resources from other countries, too, and we will expect all of your countries to become involved with us.

Space has been just barely opened up so far. There is so much yet to be done as we see it, so we hope to continue to put some of our resources into it.

Space programme support

Politically, in our country, we have a little difficulty in getting adequate funding for a space programme. We are undergoing a lot of economic stress as you are in your countries, too. There are those in political office, and out of office, that just seem to have a cry, cut down on all moneys for space. We hear rumours that we are going to be faced in the Budget Committee with a proposal to cut out entirely the funding for space.

Now, I do not think that will happen. I think there is still a basic political commitment in this country to utilise our space capabilities and we have been able to keep the appropriations roughly up to the annual request. We are always a little bit behind, but close to the five-year projection that we made some years ago as to what we ought to appropriate and spend.

So we feel relatively satisfied so far with what we have been able to do.

I do not want to monopolise this. I want Senator Goldwater to break in at any time and if I am not accurate in any statements that I make, I hope he will help me out.

I would like to ask whether in your countries there is a similar situation. Are you having a little trouble getting the adequate support, financial support, in your projects ?

Mr. DE MONTESQUIOU. — Yes. There have been some cuts, for instance in France, but we stick to our projects. We keep most of our resources for Ariane which we hope will be a success after an earlier failure. There is a big effort to be made. But there are some cuts in other parts. I do not know for Germany or England.

Mr. WARREN. — Certainly from the United Kingdom point of view where we face the problems of eternal doubt about the value of space.

The CHAIRMAN. — Yes.

Mr. WARREN... And looking at space from the population base of 50 million people, it is difficult to contemplate doing everything other than from the European population base, equivalent to your own, of 250 million.

Tomorrow the Government of the United Kingdom will be announcing the defence cuts that it has brought in as part of its policy. In this Committee, the United Kingdom representatives come from both major parties, so therefore I could not express a partisan opinion about the effect of those defence cuts or their wisdom, but without doubt the cuts themselves must have a substantial effect on the aeronautical industry and I think everybody is concerned in Europe about the effect it may have, particularly on the seed corn end of research and development where the British have always produced a good performance.

Space benefits

Senator GOLDWATER. — We have a little packet of documents that each one of you is going to receive. One of the documents lists some of the contributions that space has made to our society so I would like to make a point that I have been trying to make, and I think it will have reference or bearing on your countries.

We have spent roughly $55 billion in space, and my prophecy is that within five years we will be getting that much out of space from the developments of space, every year.

We are not having great success right now in selling that idea, but I think we will.

For example, one of our major problems in the United States, as it is elsewhere, is energy, electrical energy. We lose about 20 % of energy in the transmission over long lines. In skylab, we experimented with the growing of crystals. Now, crystals, as you know, are important to electricity and to avionics and electronics, but on earth you can only grow them so big, and then gravity begins to make them imperfect. In space, we hope to grow 14-centimetre crystals which is about the size that is needed to transform direct current into alternating current or vice versa, and also to control the transmission of electricity through very cold lines underground, about minus 270°.

Now, these supercold lines controlled by these crystals will reduce the transmission line loss to less than 1 %, we think. Therefore, we could take care of the whole power deficiency of the United States at the present time through the proper investment in space ; and the investment of an additional maybe $10 billion on earth here to make this possible.

These are the things, and I think you will recognise what I am getting at when you see your little portfolios, that we are trying to get across to the American people. Not just getting a man on the moon. It was great, but we have done it. Now, from here on out it is, what can we do ?

The economic situation

Mr. TOMNEY. — Senator, as far as I can see, we are both now floundering, both nations. That is the problem. But it is through no fault of our own. We are in an economic morass which will pass. The Appropriations Committee, whether we like it or not, will have to find money for outer space exploration, just as we in Great Britain have to find money for Rolls-Royce, for the simple scientific fact is that 30 % of Great Britain's scientific effort was contained in the aircraft industry, and so is yours. So, until this economic breakthrough comes through, whether it is in space or in orientation of the economy, this entire positive scientific labour force has to be kept as an entity, and this is the factor, you see, for which we are most concerned, because there are international pressures, economic and otherwise, and political pressures throughout the world at this stage, to break this economic western domination, and it is a real threat. The rewards are there when the economic breakthrough is achieved, both in your country and in France and in Germany. And it is these factors which impinge upon collaborations which are most important to us and to the French and to the Germans.

You outlined the basic contribution of the British aeronautical industry to the jet engine and so forth, and developments from that. These industries will not live unless we in Great Britain maintain a separate national aircraft industry. There is not a large geographical population able to sustain it. The same is more or less true in France and Germany. We average a lot of co-operation in producing the Concorde

and which has been a scientific bank for our technology.

Those kinds of things have to stay, but whether it is Lockheed — and Lockheed has been in trouble here, and other companies too — whether it is them or us, there has to be some point where we dovetail for the sake of holding together during a very, very difficult economic situation, whether it is in energy or otherwise, until we can break through. We know it is something we cannot do until we have enough oil and until we have enough oil, we cannot have a foreign policy. This is a cardinal fact. You cannot have foreign policy. And once we get that, we will have a different orientation in Europe. This will be the strategic reserve if necessary for NATO.

What we are really asking for is co-operation through your Committee, from your scientific and economic industries, along with Great Britain and France.

Senator GOLDWATER. — I agree with you 100 %, and I think I can say, having observed this for many, many, many years, that where the United States you might say absolutely dominated the airframe industry twenty years ago, we no longer do that.

The need for co-operation

Now, I want to lead up to a point of immediate co-operation, but I will not get to it for another second or two. I have watched at various airshows in Europe, particularly in Paris and England, the growing ability of the combined manufacturing of European countries to meet the competition from America to the point that, partly from your foresight in the development of the A300 — the A300-B airbus — you now have an opening for a good market in this country because our manufacturers are just now — a month or so ago — beginning to get into the wide-bodied, short-haul aircraft.

Where we can co-operate immediately — and I want to kind of put your fears a little bit aside, if I can — is with the intertraffic of the Concorde with the United States. Now, you hear a lot of noise from this country and a lot of noise from the Congress about the Concorde flying into the United States. I do not think that that is going to be prohibited. The governing body has said it will allow it. I have flown on the Concorde. I have watched it fly and listened to it fly. It is noisy. But, where we can handle it in this country, it will be handled I am sure, which will begin another breakthrough.

We have very recently had to go to France and to Germany and to England for technical know-how and technical improvement to help us build bigger jet engines. This is the Rolls-Royce contribution. And contributions from France also. So I think it is coming, and I agree with you that whether any of us like it or not, it has to be, because we are at the same time watching the Soviets develop a real ability in airframes. In fact, I picked up one of our best weekly air magazines this morning, and there is an ad for the Tu-144, and they are selling them, or trying to sell them, in this country, something that five years ago we would have laughed at. So I think out of the interests of self-preservation, we are going to have to do this.

You also have Red China, whether we like it or not, now building rather sophisticated aircraft and engines, so the competition to us is no longer just a handful. It is a lot of nations. And I would hope that out of a meeting like this we could develop a better understanding for the needed co-operation between our countries. I have often said if we could somehow get politicians out of the act and just get the engineers and the professors and the scientists and the people who use these things together, I think we would come to a faster understanding. The trouble with those of us in politics is that we are always looking for a vote, and we do not think far enough ahead.

Mr. WARREN. — Can I come in there and say, Senator, I respect what you say, but I think surely it is the responsibility of politicians to make sure that if we have got competition, that it is good competition, between both sides of the Atlantic.

If we have got an achievement, then the politicians must see that that achievement is allowed.

What is disastrous, with great respect for the civil service and the agency authorities, is that they frequently stand in the way of the achievement which has been backed by the politicians which you know from the engineering point of view ought to be permitted. So I do think that I do not want to work us out of a job but I think you ought to stay in yours, sir.

Senator GOLDWATER. — To tell you the truth, what I was applying that reason to was not your country, but I find, for example, I have

not been invited to the Soviet Union for reasons that I think could be understood...

Mr. TOMNEY. — That makes two of us.

Senator GOLDWATER. — Yet I have no difficulty when I go to these air shows sitting in the cockpits with Russian pilots, talking with Russian engineers, through the interpreters. As I say, in a case like that, if we could get the politicians out, and let the engineers and scientists talk, we would be better off.

I agree in this country we have been bitten by the environmental bug, and this is pursued vigorously by a handful of people. Somebody said there was good news and bad news when Moses came down from the mount. There was going to be a parting of the waters, so people could cross, but first he would have to prepare an environmental impact statement.

The Concorde

That is what we are playing with. We are playing with politics in the field of the Concorde. Some people from New York and the other big cities who shudder at the thought of modern jet noise have appealed to the Congress as they have every right to do, and the resultant clamour makes it seem like we will not allow these flights to happen. Yet there have been over the continental United States in the last ten years over five million supersonic flights with practically no complaints. Moreover, the Concorde will not fly over the United States or near it.

The CHAIRMAN. — Well, fortunately, the draft FAA environmental impact statement is favourable to the Concorde and unless something new comes up I think it will be permitted to land at the airports here in this country.

Legal problem of United States-Soviet agreements

Mr. TOMNEY. — I do not want to monopolise this, Mr. Chairman. There is one thing bugging me, and has been bugging me for a long time, and I mentioned it once or twice during this visit. That is the agreements being arrived at between you and the Soviet Union over Intelsat and satellites which seem to be building up a doctrine of case law as between nation and nation in which other nations are not active participants in the scientific and mechanical sense. They may go along in terms of signature with the agreement.

Now, it is all right so far as the *status quo* is maintained, but what is to be the situation if in fact the Soviet Union were to break away from any agreement for political purposes and we would have a situation whereby we should be confronted with a case of case law of the International Court at The Hague where we would not be able to proceed on other contracts.

This is a fascinating thing because a thing is being built up apparently, the inherent dangers of which are not being recognised, a case of case law being built up out of the necessity for co-operation which could backfire.

Senator GOLDWATER. — Well, that whole field of law is a very interesting one and one that I do not think has even been touched.

Now, as far as the Soviets breaking away, I would like to see them keep their word just once. We have had fifty-two agreements with them formally, and they have broken fifty-one of them. That is the United States.

When you get into the international use of satellites for photographic purposes, for infrared searching, and so forth and so on, then I think you also do get into some very, very troublesome areas of law. We call it in our country the Blue Sky Law. How far do I extend my property rights? You know, some people contend they go right on up to Heaven and down to Hell, and others say no.

I do not think we are that far along, Mr. Tomney, that we can discuss it — I am not a lawyer, unfortunately.

Mr. TOMNEY. — Neither am I.

Senator GOLDWATER. — Fortunately or unfortunately we are not. But I think it is something that should be put up for legal discussion.

Mr. TOMNEY. — In the context of the world at large, take Morocco, or Indonesia, 127 million Moslems who are not a political force. Direct transmission by satellite would have a tremendous effect. It is this kind of thing which I do not think we are looking at effectively.

Public scepticism of science and technology

Mr. CARTER. — Senator Moss, I wonder if I could take you back to what both of you have said about the need to maintain the scientific effort at a time when there are great economic

pressures on just about everything at the current time ? In addition to that, is there not a great deal of scepticism generally throughout the developed world as far as science and technology generally are concerned, and therefore it is not just a question of compelling economic arguments and forces that are causing people to look at scientific programmes but also an increasing level of scepticism, and in that sort of dual context, does not something like the space shuttle pose your government with very big problems ?

We have heard, for example, from varying sources, differing opinions about whether this is going to go ahead or not. Some people seem to feel very enthusiastic about it. NASA, for example, they are quite convinced that the whole programme will go ahead. But others we have talked to have been rather more guarded in their long-term projection.

How do you feel about it ?

The CHAIRMAN. — I would like to respond to that.

Mr. DE MONTESQUIOU. — I would like to say that the United Kingdom representatives have made their declarations ; we would like other representatives — the Germans, and Dutch — to be able to speak after you answer.

The CHAIRMAN. — All right ; surely.

Mr. Carter, you are correct. There is an element of scepticism among some people of our country and it is hard for us who are working with it on a daily basis to understand that degree of scepticism.

Scepticism and the space shuttle

Now, on the shuttle, it is going ahead on schedule. We have had no major problems with it really, although I cannot say that every detail has yet fallen into place. While we cannot say that all problems are absolutely solved, there is no reason to believe that NASA will not meet the programme laid down, or that the shuttle will not fly as scheduled, or that it will not be able to do the things that are set out for it.

Now, this space shuttle is in the research and development phase and as this has happened on our other space hardware programmes it is coming along. There is among some, especially those not closely associated with technology, this feeling of scepticism. I guess the Apollo programme has the greatest scepticism of all. We did not have very many people who believed that we could land on the moon, take off from the moon and come back, expecially by 1969, and the shuttle is one great step really beyond the technology we developed in Apollo.

Now, in order to combat this and that is another problem — it is a problem really of communications. People readily just sort of absorb something when it happens and take it for granted. For instance, we can send radio signals clear out to the edge of the solar system and back again ; we can make our space vehicles perform as required many hundreds of millions of miles from earth and all this sort of thing, and people just sort of accept that as though it was always done. In that respect, I do not know why there should be any large measure of scepticism on shuttle or any of the other programmes that we have so far approved but of course there is and part of our job is to overcome as much of that scepticism as possible.

We would like to hear from you, if you know how we could better answer that scepticism which does indeed hamper a little bit — hamper us in our seeking the funds needed to carry out these programmes.

Senator GOLDWATER. — I do not know if it is scepticism in this country, although I think there is an element of that. What we are faced with in America is the fact that, as you all are too, we are in a — I would not call it a depression, having lived through the big one back in the twenties and thirties — but we are in a period of increasing inflation. We do have recession and perhaps even depression in spotted places. So the political question, and it gets back to that, is where can we spend the money in the best way to help the country. What expenditures will have the most appeal to the people so that they feel in turn that their government is trying to do something ?

Now, we have never had a question about our military expenditures of a serious nature until the last two Congresses. We are spending less for our military in comparison to our gross national product than we did when we had our little trouble with England nearly two hundred years ago.

We are spending less in real dollars than we did twenty years ago. And yet the cry is out, cut national defence. They also want to cut up

NASA. We have the National Institutes of Health they want to cut.

The National Science Institute — they want to cut that. They want to spend all the money in HEW — Health, Education, and Welfare — which, when we get to it, means spending the money on people.

Now, I do not know how it is in your different countries, but that is our problem. It is not so much, then, scepticism, as it is the real nitty-gritty of politics that we have to fight, even though when you get right down to it, NASA is responsible, directly responsible, for about 110 thousand jobs in this country, and that does not count all the sub-contractors, all through the different States.

[Off the record discussion.]

Mr. de MONTESQUIOU. — After members of the United Kingdom, I would like to give the floor to Mr. Lenzer, the representative from Germany.

The CHAIRMAN. — Mr. Lenzer.

Concerns of Germany summarised

Mr. LENZER. — In our country there are big problems as far as the aircraft industry is concerned ; space activities are reduced only to European co-operative activities. As far as the aircraft industry is concerned, there are doubts in parliament whether the airbus project will ever reach the break-even point and in the military field, there is doubt about MRCA, the multirôle combat aircraft. For a small country, even though our country has a considerable economic basis, it is quite a bit to accept all multilateral projects in Europe.

As far as space activities are concerned, after the foundation of the European Space Agency, our national priority is spacelab ; we contribute to the French launcher Ariane in order to keep up with launching capacity technology.

Availability of space launch assistance

We are afraid of the interpretation of the Intelsat treaty, you know that in a letter from Under-Secretary Johnson to Minister Lefèvre, the chairman of the European Space Conference, is this sentence :

> "In this respect, United States launch assistance will be available for those satellite projects which are for peaceful purposes and are consistent with obligations under relevant international agreements and arrangements."

I should be very glad if you could give your opinion on that. Do you think that there could be a guarantee for a launch of European satellites for commercial use, telecommunications satellites ? That is a question debated in our country.

The CHAIRMAN. — If I understand the question, it is whether or not, and you quoted Under-Secretary Johnson's statement of a few years ago, launch facilities would be available for launching communications satellites, for any legitimate peaceful purpose, for any other country. I think that this is an offer of the United States to utilise its launch facilities for any country that comes forward with a satellite that it would like to have put into orbit and to do this at just the cost to the United States to get the satellite up.

Now, what I think the statement is trying to say is that the United States will not show favouritism to any country or group of countries, that we will do it if they come forward in a straightforward way and make the necessary arrangements. Out of this could come facilities for many things, many kinds of communications.

We have been putting up communication satellites for the Canadians, as you know, and for others.

I do not know whether that answers what specifically you had in mind but that is the way I see it.

Mr. LENZER. — May I ask an additional question, Senator, just to make it clear ? You know that Symphonie was launched. Symphonie is supposed to be an experimental satellite, but it is not yet strictly a commercial satellite. Now, if the Federal Republic of Germany had the opportunity to come into the market, in Iran, or for instance, in an Arab country, for a commercial telecommunications satellite, would the United States provide in this case launch assistance for such a commercial satellite, competing with other satellite systems, Intelsat systems, or something like that ?

The CHAIRMAN. — Let me consult with the staff and see if my understanding is correct.

Senator GOLDWATER. — In this country we have corporations that handle commercial communications satellites. It is private money, but I see no reason personally why we would not launch a satellite to do what any of your countries wanted to do in the way of commercial work.

The problem that I see, and I will let the Chairman have his say because he has talked to the brains, is keeping a situation or maintaining the system so we do not have one country breaking the rules. Now, you know that we have satellites that survey the entire world. We particularly aim these at one country ; they have the same thing, doing the same thing to us. We have geostationary satellites that will tell us any time a rocket is launched any place in this world where it might mean a missile coming toward the United States. I do not have any doubt that they have the same.

Now, are these being used for non-peaceful purposes ? I do not think so. Also, we have in development a navigational satellite system that will make it possible for airplanes and boats to navigate precisely any place on the globe or in the air and all countries will benefit by that.

Did you find out anything, Ted, that would be contrary ?

The CHAIRMAN. — Well, what I am told by the staff is that we have indeed reserved the right to consider the usage of the satellite before we finally agree to launch. In every instance we have provided the launch service and it does not seem that this has been utilised. But the question, the very narrow question I guess this comes down to, is whether the United States would provide the launch service if that launch resulted in a degradation of Intelsat which we support. Would we not launch it because it was a competitor ?

Personally I do not think it would come to that, but I guess we have reserved the right to look at it on that basis.

I would prefer that we just said straight out that as long as it is for peaceful purposes we will put it in orbit, and I think that actually, as a practical matter, that is where it will come out. I do not think we would refuse to launch a satellite that was made by the Germans but was going to be utilised by the Iranians, for their own purposes. I cannot imagine our going that far.

Mr. DE MONTESQUIOU. — We have now the representative of the Netherlands, Mr. Cornelissen.

The European concern re airline flights to the United States

Mr. CORNELISSEN. — Yes, Mr. Chairman. I am accompanied by my colleague from the Netherlands, Mr. van Ooijen.

I must confess I am not very optimistic about the availability of the required funds for space activities in the near future in a country like the Netherlands. There is, first of all, of course, the economic concern, then concern about the environmental problems, but apart from that, in the Netherlands the space investigation is seen primarily as an American activity and I must say that many people feel concerned nowadays about the prospects of co-operation with the United States whenever there may arise real problems in your country. And I will tell you why.

These people refer to the present American policy toward the European airlines and you probably are aware of the fact, that your government has asked our government to cut down the number of flights of KLM of the Royal Dutch Airlines to the United States by some 50 %.

Now, people in the Netherlands just do not understand a policy like that from a friendly, good ally like the United States and I am afraid it will be very detrimental to the friendly feelings between your country and the Netherlands. It has a much greater effect upon the future than many people do realise, and I must say I would be very grateful if you would use your influence to avoid a partisan, and in my opinion, unwise, decision in this field, not only in the interests of our economy but much more for the sake of friendship and co-operation in a much broader field in the future.

The CHAIRMAN. — I understand that, and I am sure that although we may have curtailed flights somewhat, it was not intended to be any sort of impediment to the Netherlands or any other country. I think that the reduction of the number of flights is based on the fact that we have only two scheduled overseas airlines, TWA and Pan Am flying the North Atlantic. National does fly just one place overseas. Both of them, of course, have been losing a vast amount of money in the last two or three years and Pan Am was about to go into bankruptcy. So there has been

concern about restructuring their routes and trying to get these two airlines back into a profitable basis or at least to a breakeven point. I think it may have grown out of that and the fact that there are so many other airlines in the United States they could not attract enough passengers to be profitable.

Now, that policy may seem not to be in accord with our doctrine of just, open, and free competition, but our airlines are not supported by the government and so it does serve something of a national interest. If we had no international airline functioning out of the United States, we would be left in a very difficult position.

Mr. CORNELISSEN. — But you are a big country. What would a small country do without an individual airline ?

The CHAIRMAN. — Yes, if we prohibited KLM flights entirely, you would have a good case, but we asked only that the number of flights be cut back. I do not know that I can give a satisfactory answer. I think that the strained economic conditions that obtain around the world create friction between countries at times, but we must do our best to keep things on an even keel and not permit the effect to fall heavily on any one country. Senator Goldwater may have a comment on that.

Senator GOLDWATER. — I would like to make a comment. As I look back on the history of transportation, I think all of your countries have gone through the development of transportation by private money and then seen nationalisation move in, not necessarily because you wanted it that way, but because it got to be the only way the transportation could survive.

Now, we are looking in the United States today at a railroad situation and frankly, we will either have nationalised railroads within five to ten years or, we will not have any railroads. Out of the great mass of railroads in this country, there are only five or six that make a profit.

Now, in aviation, this same free enterprise, if you want to call it that, that same spirit that has built all of our systems, just got away with itself. Pan American had way too many overseas routes and flights and TWA has, too. I might say in the case of your airline, you run one of the best airlines in the whole world, and you are real competition. So, our airlines are faced with a kind of competition that private enterprise I think cannot meet ; and, we may be faced, although I would hate to see it, as a great believer in our economic system, we may be faced with the eventual nationalisation of our transportation systems just like in many of your countries, merely to have them survive.

Iran is coming in to bail Pan American out and they may still go under. TWA and Pan American may have to merge. The happy days of aviation I think are over and I think we are facing a time now when people are going to think two or three times before they say well, "Let us fly to Brussels ; it is only going to cost us $600 or $700 and we will have a nice weekend".

Things are getting a little tough.

Now, when things get loose again, if they ever do, maybe that will change, but transportation in this country is in a much different situation than it was a few years ago, even a year ago, now it is in real danger.

Mr. CORNELISSEN. — I quite agree with looking together for solutions for a common problem, but I would like to ask for partial desistance. I think that would hurt very much the friendship between the nations and I think in an international community it would be a step back. I think it would be very bad for all of us.

Senator GOLDWATER. — Before I yield, I would like to make one more point. It does not apply to your country that I know of. But we were faced, for example, with landing fees in Australia of as much as $2,500, where we charged Qantas $225 to land in our international airports. We are selling some of the international airlines jet fuel at a cost below what our airlines are buying it for, we are paying two and three times more for jet fuel in some overseas landings. The President was implored to talk to the countries that were guilty of that and he is trying to get some adjustment.

We do not want to raise hell with anybody's airlines. We do not want to see ours go broke and I do not want to see them become nationalised, but I am afraid that is going to happen.

Mr. WARREN. — I was just going to suggest, Senator, does this not illustrate the fact that the Bermuda agreement against which frequencies are determined, is now out of date as a method of regulating capacity which is now the problem. There is a need for a new style of international agreement, thirty years after Bermuda, to identify how one could tie capacity to demand and so a new Bermuda agreement would evolve. This is the real problem I think countries like Holland are facing.

Senator GOLDWATER. — Well, let me point out something that has developed in this country, it may exist in your country, I do not know. Here it is possible for me to go to any airline or any non-airline and hire an airplane, say a 707 or 747 and I can charter that airplane to go any place in the world as long as I do not make a stop in the United States. And I can do this with certified crews or non-certified crews and I can sell the transportation at a terrific saving. This procedure is used here particularly by groups who would like to visit Brussels or London or Paris for some artistic or musical event and they will fill the whole airplane at a price that would be half what Pan American or TWA could sell.

Now, that is hard to control as it gets back into politics. Are you going to make the whole Symphony Society of Atlanta, Ga. mad ? No. You are going to let them charter that airplane. So it hurts KLM and it hurts Britain, France, and it hurts us. I do not know if you have that in Europe but it applies to your statement about the Bermuda agreement because in those days such charters did not exist.

Mr. DE MONTESQUIOU. — Mr. van Ooijen.

Satellite interceptor

Mr. VAN OOIJEN. — Mr. Chairman, I would like to ask a question about satellites. If I have been informed correctly, the United States Air Force is beginning to develop a small ground enemy satellite interceptor and also the space and missile systems organisation is developing a non-explosive interceptor which will be guided by a long-wave infra-red homing system. Do you not think that the development of these satellite interceptors is contrary to the idea expressed by the United Nations that outer space should not be open to warfare ? What do you think about that ?

Senator GOLDWATER. — Well, you get into a very highly classified region here. I have tried to unclassify it by saying I think any country that can develop a satellite can develop the ability to destroy another satellite or destroy the other satellite's ability to perform, not necessarily to shoot it down as we think of that, but, by electronic means, to render their electronic equipment inoperable. I would say that could be done today. And I would guess, without knowing for certain, that the Soviets have that ability although I do not know that it has ever been used.

I know I am safe in saying that the United States has never employed anything like that, but it is not a difficult thing to do. It would not be done necessarily by infra-red or even by laser. It could be done by jamming designed for that purpose. If you have somebody spying in your country, and you render him inoperable, is that an act of war?

Now, I think we have to admit that both the Soviets and ourselves are using satellites for surveillance purposes, we are anxious to know what they are doing and they are anxious to know what we are doing. So it is a matter of interpretation, we view such use of space to be for peaceful purposes.

I do not think any country is developing a satellite that could be used for war purposes unless the Soviets have the ability for bombing from one. I do not believe they have.

The CHAIRMAN. — I think in response to that I might say that there is a capability for doing this and it possibly could be done, but we surely have not done it. We have adhered very strictly to the space treaty of 1967. The DOD tells us when they come to testify that they have not used any of their satellites for anything but peaceful purposes and nothing this Committee has found out in its reviews would contradict that testimony. We are doing research and development to be able to assess capabilities but we certainly have not violated the treaty and unless there is an act of war, as the Senator referred to, we will not. Somebody else will do it first.

Mr. DE MONTESQUIOU. — Thank you very much. Mr. de Bruyne from Belgium.

Earth resources

Mr. DE BRUYNE. — Mr. Chairman, I would like to refer to item 12 on the agenda. There is mentioned "Earth resources.' We have already spoken about it. But I have a question on fishing activities from satellites. I am interested in that problem.

The CHAIRMAN. — Well, I am not aware of the fact that we have been able to detect actually schools of fish. But we can get a readout on currents, we can read water temperatures and we can detect some pollution. So we can locate some of the surrounding circumstances that probably could point to where fishing was likely to be successful. We now have two ERTS satellites (now called Landsats) aloft and we are now

fabricating the third one which will be somewhat more sophisticated; it will be launched about two years from now. I am not enough of a scientist to know but I would suspect that we can detect conditions that are conducive to fishing areas ; but we cannot do it on a real time basis always.

Senator GOLDWATER. — This is true.

Mr. DE BRUYNE. — Thank you.

Senator GOLDWATER. — I think one of our biggest steps forward in space applications will be the geothermal exploration of both the land and oceans to determine where there are big differences in temperature. These should be important discoveries. We think substantial amounts of electrical power can be generated using the high temperature water and steam. It is embryonic but it will certainly help in the location of fish. I think to some extent it has been employed by some of our Portuguese-American tuna fisherman who watch these things.

The CHAIRMAN. — We might say, reverting back to what we were talking about — the practical daily benefits of space — we have been able to sell this idea better to our people than almost anything else we have done in the programme. The ERTS readouts — that is pictures — that we can give them, are used by our farmers, lumbermen, town planners, and many others, because every eighteen days you go over the same part of the earth and you can read it to see what is happening. With two of them up there, we will do it every nine days, so you can see changes just as they happen all over the face of the earth. The Landsats as we call them now ; have been immensely successful.

Mr. DE MONTESQUIOU. — Thank you very much. We have two more gentlemen who would like to put questions. Mr. Cerneau, French Member of Parliament, and Mr. Fletcher. Oh, not Mr. Cerneau ? Mr. Fletcher.

Airships

Mr. FLETCHER. — Senator Moss, I would like through you, sir, to address a few remarks to Senator Goldwater, whom I have come a long way to see. I would have found you out even if you were not on this Committee because I want to turn to item 6 on the agenda, and I want to say I represent nobody, not my government, parliament, or even this Committee. For four years I have been regarded as a lunatic in my own country for advocating the return to the airship in a modified form. I founded an association where our project is on three levels, one at a very advanced level indeed, one in the field of intermediate technology, and the third one, the Shell natural gas project to lift natural gas using the cargo as the lifting medium.

I wonder what is the attitude generally speaking in the United States ? In other words, how successful have you been, sir, in converting this Congress and your colleagues to the view that there is something in this ? I would like to know, and my eyesight is getting very dim as I get older, what is the significance of the mark ? The Goodyear Corp. has offered to build an experimental ship which is likely to be accepted. In other words, what is the state of the game over here ?

Senator GOLDWATER. — Well, I am glad you brought that up.

The CHAIRMAN. — Quite a surprise. (*Laughter*)

Senator GOLDWATER. — It has only been a few years ago when I was asked to address an aeronautical meeting. My good assistant, Charlie Lombard, whose father is French by the way, prepared a statement for me on lighter than air ; it carried me back to the days of Shenandoah and to when I was a boy and balloons and dirigibles were the thing. I made this speech and within three months I found myself an honorary member of five different lighter-than-air associations in the United States. So there is a big interest.

Now, this one (*points to a model of an airship*), by the way, is one that has been developed by Mr. Piasecki who is one of our pioneers in helicopters, and the army, I understand, has just expressed an interest in this for heavy lift.

Charlie, do you know the dimensions of that ?

Mr. LOMBARD. — Yes, sir.

Senator GOLDWATER. — They would get their forward movement from the helicopters and some of their up and down and lateral movement.

Mr. LOMBARD. — This particular configuration would be overall 770 feet.

Senator GOLDWATER. — 770 feet long.

Mr. WARREN. — What lift would that give you ?

Senator GOLDWATER. — Do you have the lift on there ?

Mr. LOMBARD. — The useful load would be 168,400 pounds.

Senator GOLDWATER. — Now, I think you are talking about the Shell development in England, 180,000 pounds ?

Mr. FLETCHER. — Yes.

Senator GOLDWATER. — We are watching that very, very closely. This is another one (*points to a second model*) that the navy is interested in for ship offloading. What we are interested in in this country — and this has a 50-ton sling load, just for unloading ships — we are interested in lighter than air to provide heavy transportation and to augment our, you might say, disappearing rail freight lines and to eliminate the compounding of traffic jams on our highways by heavy trucks. We feel that lighter than air can carry freight between communities where great speed is not of importance. I am thinking of forty, fifty miles an hour. I am very happy to say that there is a great revival of interest in this country in lighter than air. There are a number of companies, including Mr. Piasecki's, that are interested. Goodyear, of course, is interested. I even have a man and his son building a 150-foot lighter-than-air vehicle out in Arizona. I do not know where they got the know-how, but they seem to have it. I would not be surprised that within eighteen months to two years you are going to see some very material demonstrations of this interest in this country.

I think it has a great future. I think we can even see the day again of transoceanic, trans-Pacific passenger travel, with the improved ability we now have for knowing what weather is ahead, and so forth, again, where great speed is not the problem. I have been very amazed by the interest in this in this country. I wish we had more time. If I had known about your interest we could have had somebody from NASA up here to speak to it because NASA is devoting some of its budget to this.

Mr. FLETCHER. — Yes. We read that.

Senator GOLDWATER. — You were told that. I am glad you brought it up. It is like wanting to talk about my grandchildren and I will talk about them any time.

Mr. DE MONTESQUIOU. — Mr. Osborn.

The aerospace industry

Mr. OSBORN. — Mr. Chairman, I am sorry I was a little late. I found it a most interesting discussion. We are faced in the whole of the western world with overcapacity in our aircraft industry. We are faced with overcapacity in our airline industry. We are faced with phenomenal expenditure in the western world on, shall we say, the shuttle programme. What can we do as a European Committee meeting you, an American Committee, to spread the load and do more to give Europe pride in joint projects, civil aviation, civil airlines, and space ? We feel we are the poor cousins. You are faced as a nation with a phenomenal expenditure. You have the opportunity of spreading your hand out to us in Europe so we can share the load and go forward together.

I would like your views on what a second, third, and fourth step could be, a step taken by members of parliaments and governments.

The CHAIRMAN. — Thank you. I tried to say in the beginning, and I do not know that I said it well, that we hope that we could expand and grow in the partnership that we have begun in the exploration in space, all the way from planetary and purely scientific exploration down to the practical things such as ERTS that we were talking about just a little while ago.

Especially we are hopeful that in the space shuttle we will have such a reliable means of transportation that the economy of re-use will come into effect so that it will be used much more and that we could then be in co-operation with all of our European allies, the Japanese and others who want to go into space, whether it be for practical development of something such as the crystal that Senator Goldwater was talking about or for scientific reasons. There are many experiments that indicate that high purity materials such as vaccines can be made in space that cannot really be made here on the earth. We can do practical things like that. And we would want to have the closest kind of collaboration, not only to use the brains and the know-how of all of your scientists as well, but having you contribute economically in a joint venture.

In other words, I view it, and I am sure that my colleagues on this Committee do too, that this push into space should involve all of mankind doing it. We are somewhat in the vanguard

now because we put the resources there and did certain things, but there is no wish of exclusivity on our part. We want it to be utilised by others as well. And the same with advances in aeronautics generally — in aviation.

You alluded to the fact that we are probably overbuilt somewhat in the airlines and I think maybe we are. I think for one thing it became sort of a prestige thing that every country have an airline. So we find small lesser developed countries that really do not need an airline have one ; and they put resources into it just to keep it flying and that is probably a mistake.

Now, it is going to take economic collisions of some kind to shake the thing down a bit, but I think we can survive that. Our area of effort is to continue to make improvements in these systems.

For instance, this Committee has just urged NASA to increase its research and technology efforts to cut down the fuel consumption of aircraft by 50 % ; that is, improve their efficiency by that amount.

Now, this probably will take until 1985, but at that point when the technology is there in place, then we will probably begin to have a new generation of aircraft. Structurally, aircraft will be somewhat different than they are now. In this kind of research and development we would like you to participate. It may very well be that breakthroughs will be made in many things.

We recently developed the supercritical wing, for example, and other things of that sort have come along. Although I cannot tell you on a day-to-day basis what we are going to be doing, I know we will be depending on this spirit of co-operation — this tradeoff back and forth with the Europeans especially and with other countries with whom we have interchange.

If anything has really broken down the national barriers of the world, I think space and aeronautics have done it and national borders will become less and less important, I think as our techniques improve.

The political rôle

Mr. OSBORN. — Can I put a quick supplementary question ? This Committee had a very interesting colloquy in September 1973 when we had representatives of the aircraft manufacturers, airlines, airport authorities, and parliamentarians at a seminar discussing common problems. Everyone left very much wiser as to the broader picture than when he arrived. Are there any initiatives that American and European politicians can jointly take to broaden the horizon of men working in so narrow a field? So that all brains can be used and initiatives taken ?

The CHAIRMAN. — You state it very well and I would hope that that can be the function of us politicians. We talked a little earlier about what the politicians' rôle, and the government's rôle would be as against the purely scientific. I heard Senator Goldwater say to some of our scientists when they were before us that they probably had the sharpest minds but the least communication of anybody be knew of.

So I think it takes a mix of the two. And you are right, where you have very concentrated and narrow scientific investigation and research, you need to broaden that out to where they begin to see across the whole spectrum an interchange with one another.

We need to do these things with other countries — other people, worldwide. We should not keep to ourselves the things we work on. We want to be sharing with you. You in turn can share with us because you are developing many things.

If you were a little late, Mr. Osborn, you probably did not hear Senator Goldwater's opening remarks, pointing out that we got the jet engine from the British where it was first developed, and our airframe largely from France where the early work was done. He went on to say that we have been heirs to and we started with what we learned from Europe. We have taken something of a lead in space, but it is the whole scientific mix coming together with the cutting edge always out there trying to move on as the British and French have now done with the Concorde. They have built the first supersonic commercial aircraft. For political reasons — or whatever else — it was shelved over here and so you are at the cutting edge there on commercial supersonic airplanes.

We have military supersonics, of course. So I foresee a high degree of increasing co-operation.

Landsat (ERTS) picture of east coast

Senator GOLDWATER. — I might call you gentlemen's attention to the picture[1]. That picture covers the entire east coast of the United States from Martha's Vineyard down to the tip of Florida. I would say that is over two thousand miles. It is a composite of Landsat photographs that not only shows us what the coastline looks like but, by using the different colour spectrums that come out of those photographs, we can tell the condition of the soil, where we have too much water, too little water, the condition of crops, whether they need water, whether they are planted too late, too early. We think similar photos have discovered minerals in the far west. We know we have discovered water. This is the first breakthrough that we politicians can get our hands on because almost every State Governor has to have these photographs of his State. We have now completely mapped the United States from ERTS, so he can have a picture of his State. You may be interested in one problem we are running into out in my part of the country, out in the far west. When our grandfathers got out there, they did not have very good transits, so we now are finding some of the property lines maybe four or five miles off.

The CHAIRMAN. — If you look at the picture closely, you will see that you can observe a great amount of detail. You see the amount of sediment in the Potomac River and right there (*pointing*) it changes and from there on out it does not carry the sediment. Here is Washington, D.C., by the way, and that is Baltimore. You can see those cities and they can be enlarged right up to where city planners are using them now. They can have before them a whole plat of the city as it is now and then they can see it nine days later and nine days later and nine days later and just keep it right up to date if they want to see it that often. It is of immense value.

ERTS is certainly one of the most dramatic and appreciated things by the common man, the State Governors, and others who utilise those images.

Conclusion

Mr. Chairman, we can go on as long as you want or we can recess. We do want to invite you over to the Senate floor and we hope you will have time to see something of the Capitol itself, and of course, we do have a reception.

Mr. DE MONTESQUIOU. — Yes, Mr. Chairman.

Mr. Chairman, colleagues of the Senate, we can tell you one thing, and it is that we are for the first time after our second visit in the United States, happy men, men who have met for the first time their American colleagues with whom we can speak the same language. We have submitted in a very summary way a few questions to which we are sensitive. We appreciated that.

I believe we have achieved a great step forward in friendship and in an area of human relations while dealing with serious problems. These problems touch on technology, on the future of science, industry, and the economy. The few minutes that we have spent together will allow us first to know each other better and to wonder if it would be possible to renew this kind of contact in the United States as well as in Europe.

We are representatives of seven countries ; we are friends without jealousies ; we work only on a scientific and technological level in order to help our countries, its technicians, and all its workers who benefit from the aeronautical and space activities of our countries. When we send a machine in space, whatever it is, or we fly a subsonic or supersonic airplane, we compete with you, but we belong to each other or, if you want an image, we are like an engaged woman who does not always understand the behaviour of her fiancé. We have to continue together our way forward. In the name of the Committee, I want to thank you. We hope that we can renew the discussion very often in order to better understand each other and to work for peace and for whatever we hold dear for mankind.

Thank you very much.

1. Since the ERTS cameras look straight down from very high up — about 565 miles, or nearly ten times higher than an airplane can fly — there is very little distortion in the pictures. Adjacent frames, each about one hundred miles square, can be fitted together to form nearly true flat cartographic maps. This mosaic was made up from parts of 38 separate colour pictures, each built up by photographing three black and white images of the area through colour filters. You will recognise such familar map features, coming down from the upper right, as Cape Cod, Long Island, Delaware Bay, Chesapeake Bay, Cape Hatteras and if you look closely, Cape Kennedy. One of the entire United States is being assembled. Maps of some smaller areas made from ERTS imagery are already being produced by the United States Geological Survey.

The CHAIRMAN. — Well, thank you for that very eloquent statement, and let me say that it really is an inspiring thing for us in this Committee to meet with our counterparts who come from Western Europe. We are just happy that you are here. We, hope that we can have other meetings here as well as in Europe to sit down and talk — it is really a matter of communications.

Mr. DE MONTESQUIOU. — Thank you very much.

(*Whereupon, the hearing recessed at 3.45 p.m.*)

20th March 1975

The Committee met, pursuant to notice, at 3.20 p.m., in room 235, Russell Senate Office Building, Senator Frank E. Moss (Chairman) presiding.

Present : Senator Moss.

Also present : Assembly of Western European Union Committee on Scientific, Technological and Aerospace Questions : P. de Montesquiou (Chairman) ; Mr. Warren (Vice-Chairman) ; H. Adriaensens, Mrs. H. Adriaensens, H. de Bruyne, Mrs. H. de Bruyne, R. Carter, M. Cerneau, P. A. M. Cornelissen, R. Fletcher, R. Hengel, C. Lenzer, J. Lester, R. Mart, D. A. T. van Ooijen, J. Osborn, F. Tomney, P. Vitter, and G. M. A. M. Huigens (Secretary and Counsellor to the Committee).

Also present : Robert F. Allnutt, Staff Director ; Craig M. Peterson, Chief Clerk/Counsel ; Glen P. Wilson, James J. Gehrig, Craig Voorhees, Gilbert Keyes, and James T. Bruce, professional staff members ; Patricia A. Robinson, Rhea B. Bruno, and Karen Ledford, clerical assistants ; Charles F. Lombard, minority counsel ; and Mary Ann Fay, minority clerical assistant.

The CHAIRMAN. — Good afternoon, ladies and gentlemen. I think we had better begin. The Senate is embroiled in debating and voting and I am not sure whether I will have any of my colleagues here this afternoon or not but I am certainly delighted that you are here. I know your time is short since you must be at the French Embassy later this afternoon.

Mr. Chairman and members of the Committee on Scientific, Technological and Aerospace Questions, it is my great pleasure to welcome you for the second of our meetings. It is my view that our first meeting was both successful and useful. I hope that today's meeting will follow that precedent.

Mr. Chairman, I again want to emphasise that the United States is fully prepared to co-operate closely with the countries of Western Europe and any of its organisations to carry out scientific and technical work relating to aeronautics and space. The co-operation we have had in these fields has been rewarding to both sides.

As you mentioned in your statement Mr. Chairman, reaching agreement is sometimes difficult but the collaboration and close co-operation that we have enjoyed has made past agreements worth much more than the time that they took to negotiate.

I have adjusted the agenda of our first meeting, eliminating those items which we have already discussed. However, if anyone wishes to discuss an item not on the agenda, he should feel free to do so and to bring it up.

Mr. DE MONTESQUIOU. — My dear Chairman, I think you put our co-operation in perspective. Thank you very much for this offer of co-operation between you of the Senate and us the representatives of the Western European States. As we are very short of time I think we have to discuss quickly the items you have put on the agenda. We can do good work now and in the future and together preserve all the freedom of America and Europe. The more we understand each other, the more we know how to act in order to preserve what you always fought for, the freedom of humanity.

The CHAIRMAN. — Thank you, Mr. Chairman. I think we should proceed as fast as we can. We may not be able to complete this full agenda.

First, on the launch vehicle availability. During our last meeting some of your members discussed the concern in Europe over the availability of launch vehicles. I know some European countries are more concerned than others about this matter. So I would like to make a very brief statement on the subject.

To begin with, I support the policy that the United States provides launch assistance, on an appropriate reimbursable basis, to other countries and organisations where the spacecraft are

intended for peaceful purposes. I think that is our policy and I support that policy.

In this respect I want to make several points. One, there has never been an occasion when the European community collectivity through ESRO or any European government singly, has been denied United States launch service.

Two, the United States experience in working with the Europeans has been good and the launch vehicle policy to date has wide acceptance.

Three, the Congress has never insisted on any restriction other than fair and equitable reimbursement.

And four, the President of the United States has declared that the United States launcher capability is available to all nations on a non-discriminatory reimbursable basis to launch spacecraft which are intended for peaceful purposes.

President Nixon, in making his statement, added a series of conditions. These conditions relate solely to international communication satellite systems, separate from Intelsat. The conditions do not apply to domestic communications or to military communications systems. Even in the case of these conditions, ways are left open for the United States to agree to provide launch services for systems opposed by Intelsat.

I do not foresee any situation in which a serious problem would arise for any of your countries.

I have obtained copies of the President's statement on the availability of launch services for you (see appendix) and I will have the staff pass out copies of that statement so that you have them, and if you wish to discuss it further we will be glad to do it. If questions remain about the availability of launch services, we will be glad to talk about it.

French launching site

Mr. DE BRUYNE. — Mr. Chairman, what do you think about the future of the French launching installation in Kourou ?

The CHAIRMAN. — I may have to have some help on that.

I really know very little about it. I see no problem with the French continuing to use that. There is nothing that is unacceptable as far as the United States is concerned. We have declared our policy that we have available launch services and we intend to make them available to other countries if they want to use them. If other countries develop their own launch facilities, it is not objectionable at all to us. We do not object.

Mr. de BRUYNE. — Thank you.

The CHAIRMAN. — We do not believe that it is necessarily good to have exclusive service.

Mr. DE MONTESQUIOU. — Mr. Osborn is going to ask a question. I do not think that Kourou base is a French problem, it is more a European problem. Every nation can use it.

The CHAIRMAN. — I understand.

Mr. DE MONTESQUIOU. — Mr. Osborn.

Mr. OSBORN. — I understand that it was Comsat who wanted a look at this site for their own use because it has a 15 % load advantage. Would it be possible in the foreseeable future if Europe and the United States looked together at their launch resources and reviewed the advantages and disadvantages of Kourou as an American-European launch site ? It is on the Equator. It is not far from the United States. I gather inquiries were carried out at an American initiative and got nowhere. When there is time, it might be worth looking at it as an international venture involving the Americans as much as the Europeans.

I speak from a personal point of view, not a special view of my country.

The CHAIRMAN. — I understand, and I would agree that it certainly should be examined and I would urge the United States to consider again whatever the advantages are in launching from that location because if it makes for a more efficient launch, more economic launch, then it would be to our advantage to utilise that as a launch site rather than staying with the ones we presently have at Cape Kennedy and out at Vandenberg on the west coast. We have only those two areas that we utilise in the United States.

United States-European technical co-operation

Mr. CARTER. — Senator, I wonder if I could ask a fairly wide-ranging political question. I came to the United States with the view that

Europe should have or try to obtain as much independence in aerospace as possible. However, it seems to me from what I have heard since I came here that the United States is more anxious probably than ever before, as you have just stated in your opening statement, to arrive at more co-operative understandings with Western Europe and no doubt the rest of the world, too.

However, there are political and technical obstacles to that wish. In particular, the status of Comsat which is a private organisation. There are many others, but I wonder if you could deal with that one first. Do you think a private enterprise-based corporation like Comsat can ever be the vehicle for greater co-operation between Western Europe and the United States ?

The CHAIRMAN. — Yes. I think a private enterprise organisation can be a vehicle for greater co-operation because each entity comes into that organisation with the same status, seeking the same services. There is, I believe, a feeling of the need for greater co-operation with the European countries and other countries in the aeronautics and space field. One thing that we got into earlier in our discussion was the immense costs that now loom as we expand into space stations and other new space projects. If those costs can be borne co-operatively by many nations, it will enable the United States to move along in company with its neighbours much faster in space exploration.

The United States is constricted somewhat now, and we are sensitive to it because of the economic downturn being experienced in the country ; that is, we are restricted somewhat in the amount that we can commit to space exploration. So we will welcome partners, especially since our policy is that space is an area of neutrality, it is to be used for peaceful purposes ; neither we nor others claim any sovereignty there. The one caveat we were talking about with respect to launch facilities and the space vehicles, whatever they are out there, is that they be used for peaceful purposes and that means for the use of all mankind.

So I would say yes to both parts of your question. One, that there should be greater co-operation and two, that the private corporation might enhance that, might enable us to go ahead more readily than when we act just government to government.

Aeronautical and space technology priority

Mr. CORNELISSEN. — May I ask a question in connection with the previous question ? Which priority should be given to the development of aeronautical and space technology ? Is that a real political issue ? What is the difference in that respect between the Democrats and the Republicans, for example ?

The CHAIRMAN. — Space policy in the United States does not really cleave on party lines. It would be hard for me to say whether one political party or the other is more inclined to any particular policy. The restriction that exists, the feeling in some is that space is an expensive sort of venture, that we cannot afford to put resources into it when we have demands for social services of various kinds. That is the breaking line.

Now, we constantly try to make the point that it is not only a scientific advance, but really it is an economic advance, We can do things with our space capability that make life better for people and therefore when we put $3 billion or $4 billion into a project, we expect in a matter of a relatively few years when the economic benefits are added up that the cost will be more than paid back to us here in our own country and that people around the world will benefit too. That is one reason we talk so much about the ERTS satellite, because that can be shown clearly ; it can be shown very clearly.

Mr. Chairman, I am sorry I must leave for the floor for another vote. Mr. Allnutt the staff director, and Mr. Gehrig a senior staff member, perhaps can carry on a dialogue with you so the time will not be wasted.

Propaganda by satellite

Mr. TOMNEY. — I would like to be assured, if I can be assured, that the President's legal advisers took into full consideration the various connotations and conjectures of the word "peaceful".

Mr. ALLNUTT. — Neither of us were party to the drafting of the President's statement and I would assume that those considerations were involved in the drafting but I do not know that either of us could really say.

Jim may have some comments to make.

Mr. GEHRIG. — I think that what you are talking about is a satellite that broadcasts in some way or another. If you look closely at the technical characteristics that would be required for a satellite that could broadcast television signals into home receivers, for example, this is really not very practical. Moreover, this is governed by other treaties ; the treaties that are negotiated multilaterally between countries in the ITU, the International Telecommunications Union. These agreements control, for example, the use of frequencies. And the frequency spectrum now is becoming — is regarded as a very valuable resource.

Mr. TOMNEY. — Good point.

Mr. GEHRIG. — It is regarded as a resource that belongs to each individual country, so that you are governed really legally by this treaty and technically I do not think it is possible to do it with television signals. There are countries, let me say, that are worried about broadcast satellites. I think if I were going to worry about anything, I would worry about something like an FM broadcast satellite. But it is not very likely, I think.

Mr. TOMNEY. — That is the answer. That is very good.

Mr. FLETCHER. — You are satisfied, are you ?

Mr. TOMNEY. — Yes.

Mr. DE MONTESQUIOU. — Mr. Warren ?

Mr. WARREN. — No questions.

Mr. FLETCHER. — I wonder if I could put not a question, but a suggestion. I have no further questions. I am going back from here as a completely satisfied customer or client. But I wonder if you could help us back in our own parliaments. It is quite obvious if Europe is going to play a larger rôle in a United States programme we have to buy the admission ticket. You do not get into this theatre unless you have a ticket, and we have to fork out the money in order to do so.

How to create public awareness of space benefits

Now, for reasons which have already been mentioned by Senator Moss, it is very difficult to sell this kind of programme both to our parliaments, and even more so to our electorates, many of whom are in a far worse condition, even in the affluent belt, than the people in the poverty belt in the United States and I wonder if you have documentation in a sort of simplified form that we can have on the spin-off, actual and potential, that would help us to talk to our colleagues back in our national parliaments in these terms because unfortunately, the occasions of technological advance are dying down for very obvious reasons and we have to sell it in terms of what is going to be the yield over a five-year period or a ten-year period.

Now, unfortunately, democracy gives us a five-year span in which to think and plan. After four years you are electioneering again as parties and as governments, and I wonder if we could make a suggestion — I am quite sure no one would disagree — if we would get this kind of assistance because you with your technical knowledge are better able to give it than any other nation on earth.

Mr. ALLNUTT. — I think some of the material that was in the package you received the other day was designed with that in mind and we certainly have some other materials we can put together and send to each of you, I would be in error if I said that anyone has done a very good job of accomplishing that here. The greatest difficulty here is explaining particularly the long-term benefits of research that do not pay off every day. I think those of us who have been involved in the space programme here for some years feel much better about its ability to show real payoffs than we did a few years ago. It had to be taken almost totally on faith ten years ago. Today there are increasingly concrete benefits that one can point to but still not enough. We are still looking to the future.

One document that I do not think is in your packet that is not a sales document but has some interesting technical information is a hearing that the Committee had about one and a half years ago on space shuttle payloads. I think that with spacelab and space shuttle you are very much paying for your ticket and moving into the era when you will be able to participate, if the funding is there, very heavily, in activities that are going to have very high payoff, whether in high purity vaccines, space manufacturing or earth-looking experiments, and we have some materials on that which we can give you.

But it is a difficult thing to get across in this country. Everyone is proud of Yankee ingenuity. Everyone says we have Yankee inge-

nuity, but not everyone wants to invest a dime in it. So it is a difficult thing.

Mr. DE MONTESQUIOU. — Thank you. Mr. Huigens, Secretary, wants to ask a question.

Launch availability

Mr. HUIGENS. — I just want to make sure I understood you rightly. When the Committee accepted some years ago a report by Mrs. Walz, we incorporated this famous exchange of letters between Alexis U. Johnson, and the then Belgian Minister, Lefèvre. If I understand you rightly, the position of the American Government is now much more liberal than indicated in the letter by Mr. Johnson.

Of course, it is understood that international treaties, such as the Intelsat treaty which has been signed by European countries, and other treaties, will have to be kept, but in general the attitude of the American Government is more liberal.

Mr. ALLNUTT. — I think that is fair to say.

Mr. GEHRIG. — That is a fair statement.

Mr. HUIGENS. — That is the point. Thank you.

Mr. CARTER. — Could I come back to the point that Mr. Fletcher raised ?

You referred to ten years ago, the situation of the world economy was quite different. Still a large part of the impetus behind the space programme was political.

Space programme priority

Now, with détente, that has eased off. Is there a feeling within the administration which is perhaps equalled in American society, that we in the West do not need to pursue space in quite the same rigorous way, as in the past for purely political purposes ? Is it not just a question of the economics but political factors, as well ?

Mr. ALLNUTT. — Yes, I think so, and if indeed you look at the funding, the NASA funding here, it very much reflects that. All over those past ten years or so, the total Federal expenditures in dollars here have approximately tripled. The expenditures for NASA are half what they were, or with inflation, one third what they were ten years ago. So today in this country expenditures for the space programme are being forced to compete with other expenditures, space expenditures now are made less in an atmosphere of a race or fear and more on their own merits.

Mr. CARTER. — Given that that is the case, is it not one of the ironies of the situation, that the more peaceful the world becomes, the less in fact space can lay claim to resources ?

Mr. ALLNUTT. — I think that is true, except for the fact that as we get further into the space age, the advocates of space spending are more and more able to point to things that have happened that are beneficial because of space, weather satellites, communications satellites, the ERTS satellites, oceanographic satellites, which in earlier times you had to say oh, but just wait in a few years wonderful things are going to happen. Some of those things have now started to happen, not all, but you do have more concrete examples to point to than a few years ago.

Space tug

Mr. DE MONTESQUIOU. — Could I ask you a question about the space tug ? Do you not think the space tug programme should go a little faster instead of starting only in 1981 ?

Mr. ALLNUTT. — Yes. I think there is no question that ideally the space tug should be ready when the shuttle is ready.

Mr. DE MONTESQUIOU. — Of course.

Mr. ALLNUTT. — Here again it is a problem of funding and the cost of developing the ultimate space tug is so high that NASA cannot afford it at this time.

Mr. LESTER. — Could I comment on that point ? In the DOD this morning, it was very interesting to hear the priority the Department of Defence gave to the space tug. Are the considerations for expansion of the defence capability in space not a powerful force within the administration ?

Mr. ALLNUTT. — I am not sure how powerful an aid that is to proceeding with the shuttle and the tug in the public mind — the fact that there is great potential for defence systems such as communications, warning, surveillance, etc. I think within the administration — in the executive branch — particularly as time goes on, it is a powerful aid — it will be, if it is not now, a powerful inducement to proceed.

Both in the case of defence systems, commercial systems, probably European systems and in NASA's own systems, the first thought of the shuttle is, oh, it will be nice and cheaper space transportation. But then as people start to think about what the shuttle really means they come to understand it is a different way of using space and the more they think of it the more intrigued they become with the possibilities.

The CHAIRMAN. — Have you settled everything now ?

You are talking about the tug. Were you able to get the information you wanted on that ?

Are we ready to discuss the upper atmosphere, then ?

Mr. OSBORN. — Can I ask one further question on the tug ? We have been talking about what we have seen at the Pentagon this morning. I was interested to see in the defence budget, but not in the NASA budget, an estimate for the phased array satellites. Is not this rather peculiar, that the whole programme is not co-ordinated, but defence would go off on their own doing something that should be in NASA anyhow ?

The CHAIRMAN. — Well, we are of course, meticulous in keeping NASA solely as a non-military civilian-type agency, and for that reason there might be a little overlap, although they do meet and co-ordinate and exchange information between defence and NASA. But, when something is going to be used for military purposes, the policy is not to let NASA get involved in it. It is really a political judgment that we have made in this country, that NASA cannot get involved in military matters. We feel we have to be that restrictive about it so that we will not be falsely accused of using NASA for military purposes. NASA is the vehicle by which we hope we can reach out and co-operate with the whole world so we do not want any suspicion that it is being used for any military purpose.

Mr. CORNELISSEN. — Could I just ask a very small question, just to understand it better for myself ?

Soviet use of space

Will it be possible for the Russians to use space for non-peaceful purposes ? Has any decision been taken on that ?

The CHAIRMAN. — The Russians are not nearly so precise about drawing a line between military uses and civilian uses. They probably do not see it quite as sharply as we do. One reason the Defence Department has satellites, is so that it can keep tab on Russian uses.

We hope the Russians will not use space for a non-peaceful military purpose but until we get a declaration from them that we are willing to make, why, we must watch them.

Mr. CORNELISSEN. — How do you think Congress would feel about that if such a request came ? Would Congress be favourable to it ?

The CHAIRMAN. — Toward a Russian declaration ?

Mr. CORNELISSEN. — No, to a request by the Russians to use the space tug for peaceful purposes.

The CHAIRMAN. — Yes, I think Congress would be receptive to that. Some would be doubtful, perhaps, about the sincerity of the Russians, but we would accept that, I think, at face value and try to deal with them on that basis. We are trying to ease the relationship between us — to work out a détente as the word is now.

Mr. CORNELISSEN. — Thank you.

Stratospheric ozone depletion

The CHAIRMAN. — Mr. Chairman, now a word or two about this matter of the upper atmosphere. This is something that I am sure is of great concern to all of the world. We have talked about this in our Committee here.

There is great concern in the scientific community about the effect of the huge quantities of some man-made chemicals being released into the earth's atmosphere. These include such things as chlorofluoromethanes (commonly referred to as Freon), carbon tetrachloride, other industrial solvents, and nitrogen oxides. The concern centres around the effect of these gases on the stratospheric ozone.

The layer of stratospheric ozone is essential to life on earth because it filters out most of the sun's ultraviolet radiation. It is generally believed that any significant reduction in this ozone could have drastic consequences on all life on earth.

What is concerning the scientific community and the public is that huge quantities of man-made compounds, particularly the Freons which

are very stable, eventually find their way into the stratosphere and then through a catalytic cyclical reaction destroy the ozone at prodigious rates.

This, as you can see, is a serious problem demanding immediate attention.

Moreover, it is an international problem because anything done in one part of the hemisphere that affects the stratosphere will affect the other parts in a very short time.

From what we have heard, most of the concern has been generated from the results of theoretical studies, with some but not much experimental evidence.

However, there is no evidence to suggest that the theory is wrong.

What is needed is a strong programme to increase the understanding of the earth's upper atmosphere and to have such a programme as part of a broader programme on the study of planetary atmospheres. Consequently, the Committee has urged NASA to increase its research, technology, and monitoring efforts in this problem area.

Some weeks ago the Committee had a hearing on this matter, and you are invited to take a copy of that hearing with you. You also have a bill relating to this subject which I introduced in the Senate a few weeks ago.

Mr. WARREN. — Can I make a point on that, Senator ?

The CHAIRMAN. — Certainly.

Mr. WARREN. — Obviously, I have not had the opportunity of seeing all that has been said here, but it does seem to me from what I have heard with respect to this that a lot of people are going about the problem from the wrong end. As I understand the situation, the ozone is destroyed by chlorine. Chlorine is created by the Freons, which are in fact derived from the propellant gas used in the aerosols, and therefore it is not the aerosols which are wrong. It is the kind of gas which is used, and there are many aerosols which have not got that kind of gas in them.

So I am hoping that we will identify fairly rapidly the control measures that are needed. It is not that we should do away with aerosols, it is that we should identify the chlorine and its source, and I agree with you entirely, this is extremely important and needs very rapid legislation on an international scale, but I am very worried about our TV programmes which are appearing with great scare programmes saying that this could be the end of the world.

The CHAIRMAN. — They are creating grave concern.

Mr. WARREN. — Yes.

The CHAIRMAN. — And as I have indicated, we are trying to get NASA to do research and direct monitoring to verify the theory. As I say, nobody has disproved the theory, and the theory seems to be sound, but we have not measured it yet, and that is what we have to do. But I think time is of the essence. We cannot dawdle around for several years getting around to doing the monitoring work.

Now, we also do not know how the ozone repairs itself, whether it is able to adjust someway to this Freon combination, but we should not wait so long that we imperil anything here on this earth.

Mr. DE MONTESQUIOU. — My dear friend, we have a very heavy programme, and we have to leave here in twenty minutes. What would be the best way ? Going through the questions ?

The CHAIRMAN. — Yes, perhaps we could do that. We talked somewhat about the earth's resources before, and I do not know how many things are left undiscussed. Are there any of these from No. 4 on down that you would like to discuss particularly ?

Mr. DE MONTESQUIOU. — Mr. Osborn.

Mr. OSBORN. — I would like No. 10.

Technical co-operation

The CHAIRMAN. — Co-operation between NASA and other government agencies, No. 10 on the agenda list.

Mr. CORNELISSEN. — I still have a question about No. 4.

Mr. DE MONTESQUIOU. — No. 4 is finished.

The CHAIRMAN. — Co-operation between NASA and the Department of Defence and between NASA and the other agencies of government with interests in aeronautics and space is, in the judgment of the Committee, excellent at this time, and the Committee reviews inter-agency co-operation every year. We continually encour-

age, and when necessary, strongly demand collaboration. Duplication is sometimes necessary on the other hand, agencies must have a certain amount of independence. One of the new factors that has come into being is the creation of what is called ERDA — the Energy Research and Development Administration. It has taken over some functions from NASA. But in turn it has sent back to NASA several missions that are being performed by NASA in the energy field.

So we do not have any serious problem about co-operation among our agencies. We do not have any real opposition being exhibited one toward the other.

Now, there are times within government when you get poor co-operation between agencies, I know, and we have to be careful that it does not encroach there.

Mr. OSBORN. — The only point I would want to make is on the ability of the United States, undoubtedly in the technological field, to co-operate better with other countries and other groups of countries, the Common Market, Western European Union, and particularly the European Space Agency. It has been quite a revelation to me to see the new technology developed on satellite space communications and satellites generally.

Is there anything that we, a Committee of Europeans, can do to act as catalysts to bring about better understanding, not only at the government level, but between the peoples of our countries, as to what is going on ? I thought that Comsat and Intelsat were American monopolies. This is a fair expression of what the average citizen thinks in Europe. How can we bring about better co-operation and better understanding ?

The CHAIRMAN. — Well, I would think that the greatest need is to get information out to the layman. I think people in your scientific circles understand fairly well the degree of co-operation required, but maybe it does not get down to the level of the ordinary citizen. Here I have been encouraging our technical societies, engineering societies, and others, to try to get things printed in the press, not only in their scientific journals, but written in everyday language in the press, and on television and elsewhere, so that some of the understanding of this gets down to our people.

I think the biggest threat to misunderstanding and lack of co-operation is when political pressures are brought to bear to achieve some other end. If our people believe it is in their interest to have scientific and technological advances and that the best way to achieve that end is to be in co-operation with other countries, that they can make some contribution, then it is easier for us to do that. It is easier for the office holder to support it.

It is hard to give a tight answer to your question but we must constantly press getting the message out, it seems to me.

Mr. OSBORN. — Yes. I think I agree with your views on how to get this over to the people, but even at the political, at the parliamentary, say at the Western European Union level, we as a Committee when debating this in assembly, can, if we approach this the right way, insure continued co-operation by politicians. It is very useful to have your views and we, apart from telling the story that we have seen, have to think about new initiatives and perhaps put those to our European colleagues which would be creative and constructive.

The CHAIRMAN. — It would be constructive and we will try to respond to that by keeping ever better communications back and forth.

Now we would like to talk with you about a few new initiatives we see coming. I could not resist bringing along today a tiny bubble tape recorder [1] that is under development. Believe it or not, that little thing in the middle is a tape recorder.

Gil Keyes can tell you more about it. I am going to have to go vote again.

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1. NASA is developing a solid state data storage system as a potential replacement for moderate capacity (10^8 bits) tape recorders used on board many of its spacecraft. The solid state recorder will be about one-third the size of a conventional spacecraft tape recorder, weigh about half as much, require only half the power and provide up to ten times more useful life. Technology for the recorder is based on the use of magnetic domains or bubbles which exist in special magnetic crystals. A thin pattern of magnetic material overlayed on the crystal is used to move the bubbles in a controlled fashion to store data and perform logic functions. The bubble memory element illustrated in the figure is the basic building block for the solid state recorder and is capable of storing 102,400 bits in each element. Up to 1,000 of these elements will be packaged in the solid state recorder system together with appropriate input and output electronics to obtain the desired data storage capacity. The bubble memory elements have been successfully developed and tested. During the coming fiscal year, a computer recording system will be constructed and evaluated. In subsequent years, the solid state recorder will be packaged and qualified for space flight applications.

Mr. DE MONTESQUIOU. — I think our colleague, Mr. Cornelissen, wants to ask you a question.

The CHAIRMAN. — All right.

The upper atmosphere and SS flight

Mr. CORNELISSEN. — I would like to ask a short question about your bill (S. 851) which I have read with great interest. I think it is of great importance that a bill like this will be passed.

Under paragraph 2 you say it is the purpose to maintain the chemical and physical integrity of the upper atmosphere. I quite agree.

Now, I personally would like to see, after having heard your introduction about the many unknown things there still are as far as the ozone layer is concerned, the logical step and that is to be very careful with all kinds of supersonic flying. We should not promote supersonic flying. I would be very grateful if you would give your opinion on that.

Personally I would say, in this very situation, if we really mean what we say, we had better stay at the moment far away from promoting this.

The CHAIRMAN. — What we propose and want to do is to measure the amount of the pollution in the atmosphere and to find out what its effect is over a long enough spectrum of time that we can project whether it is really destroying the ozone to the point of real peril. That is what we are trying to do.

Now, I do not think it is justified at this point that we suddenly curtail our space flights or supersonic flights, but it is of enough concern that we must move right now to put in place the monitoring and measuring equipment to tell us what is happening.

When we do that, we owe it to the whole world to disclose what we find and to ask, then, the co-operation of other countries if we find things that are indeed damaging. We will have to ask the co-operation of all the countries around the world at that point.

Gentlemen, if you have to go before I get back, let me say a word of appreciation for your coming here and offer my real apologies for popping in and out of here like a jack-in-the-box. If you have time get Gil to tell you about his tape recorder before you leave.

Mr. DE MONTESQUIOU. — Thank you so much.

The CHAIRMAN. — Thank you. (*Applause*)

Mr. WARREN. — Can we talk about items 8 and 9 ? I mean I would certainly like to hear about the tape recorder but could we hear about the Viking programme and so on ?

Mr. GEHRIG. — The Viking is well along on its way to being launched. The cost of that programme now is about $1 billion. Most of that money has been spent. NASA has told the Committee that they believe they have now solved all of the technical problems.

The Viking programme

Last year there were some substantial cost increases in the programme because they were having great difficulty with the biological experiment — one of the principal experiments — the purpose of which is to determine whether or not there is or has been life on Mars. This experiment has been miniaturised and squeezed down into about a cubic foot, something less than a cubic foot. If you built the three full-sized laboratories with the men that you would need to run these experiments, they would about fill this hearing room.

But to get it on the Viking lander, they squeezed it down and automated it and put it in this little box and they had great difficulty in doing that. But NASA now assures us that they have solved all of the problems and that they will be ready to launch.

They also had some trouble with the computer — in the memory. They opted to go for a new kind of a memory on the computer and it proved to be much more difficult to manufacture than they thought. It involved taking very small wires only two mils in diameter, and threading them by hand through very small tubes. The information is kept or stored on the intersection of the wires. But these problems are now solved, they tell us, and they will launch and we hope it is a success.

The crucial thing I think is what happens after Viking. The mission the planetary scientists are most interested in is a mission that would go to Mars and return a sample of the Martian surface. This is clearly a very expensive mission, probably well in excess of $1 billion, because what you have to do is put something in orbit around Mars. That spacecraft must

release another vehicle that can land on the surface softly, release another vehicle that can scoop up some of the Martian soil, package it properly, get it back on the lander, launch it with a rocket, rendezvous and dock with the spacecraft around Mars, then that orbiting spacecraft must launch the package back to earth and you have to be able to recover it here. Clearly it is a difficult thing to do technically.

The question is, what would Congress think about such a mission ? I think you really cannot answer that question until you find out what happens to the Viking missions. If Viking is a success, there is a much better chance of getting support for such a mission. If it is a failure, I think you would not get support for it for a long time. This is my personal opinion on it.

Mr. WARREN. — How many Vikings are there?

Mr. GEHRIG. — There are two spacecraft that will be launched in August this year. You can only launch to Mars on these minimum energy trajectories about every twenty-five months, and there is a window in August that extends slightly into September in which both of these spacecraft have to be launched. Then the spacecraft will take about a year to get to Mars. They will land on the surface next July, about eleven months later.

Conclusion of meeting

Mr. DE MONTESQUIOU. — My dear friend, I think now we are at the end of a wonderful day of work and we want to thank you again and we hope that it will not be the last time we meet, either in Washington or in Europe.

You have done really wonderful work. We have a better understanding and we will proceed again to great progress, thanks to you.

Mr. GEHRIG. — Thank you very much, Mr. Chairman.

Mr. Chairman, the Chairman had some closing remarks and I think if it is all right with you I will just hand them to you and they will be made a matter of record if you like.

Mr. HUIGENS. — Thank you very much.

Mr. GEHRIG. — There was one other thing that the Chairman wanted to do which I will take care of for him, if I may, with your permission. When you visited the floor of the United States Senate last Tuesday, that was duly and properly recorded in the Congressional Record and the Chairman thought that each of you would like a copy of that record. Miss Robbins of the staff has those and she will hand them out to each of you now.

Mr. HUIGENS. — Would you read the Chairman's closing statement out loud ?

Mr. GEHRIG. — Certainly. This is the Chairman's statement.

Chairman de Montesquiou and members of your Committee, the time has come when we must end this phase of our discussions.

For my part, and I think on this point I can speak for all members of the Committee, these meetings have been very enjoyable, enlightening, and, of course, useful in giving us a view of the political concerns in Western Europe. I hope that these meetings have set a precedent for future meetings and that we will meet again from time to time.

I believe it is of foremost importance that the United States and Western Europe continue their close co-operation on scientific and technological matters. Personally, I would like to see more collaboration and closer co-operation and I have every reason to believe that this Committee and Congress would support such a programme.

Mr. Chairman, it has been a great pleasure to have you and the members of your Committee visit with the Senate Committee on Aeronautical and Space Sciences. We thank you for coming and I hope that you will have time to visit with us again next time you are in the United States.

Mr. Chairman, with your concurrence, I will declare the meeting adjourned.

Mr. DE MONTESQUIOU. — Thank you.

Mr. GEHRIG. — The meeting is adjourned.

(Whereupon, at 4.15 p.m., the meeting was adjourned)

APPENDIX

The White House

9th October 1972

The President today announced a policy whereby the United States will provide launch

assistance to other countries and international organisations for satellite projects which are for peaceful purposes and are consistent with obligations under relevant international arrangements. Launches will be provided on a non-discriminatory, reimbursable basis.

The President's decision extends to other countries the assurances given to the member States of the European Space Conference in September 1971. These assurances recognise the legitimate interests of European countries in being able to place satellites into space under non-discriminatory conditions. This action was in keeping with the President's recognition of the desirability of mutually beneficial co-operation in space and the importance of such co-operation as a new dimension in the further development of the Atlantic partnership.

Addressing the United Nations General Assembly nearly three years ago, the President noted particularly that "of all of man's great enterprises, none lends itself more logically or more compelling to international co-operation than the venture into space."

In establishing today a global launch assurance policy, the President affirms the need for a dependable capability which would make it possible for nations to have access under equal conditions to the advantages which accrue through space applications. This global launch assurance policy further manifests United States faith that, in the language of the 1967 outer space treaty, "... the exploration and use of outer space shall be carried out for the benefit and in the interests of all countries... and shall be the province of all mankind".

The White House

Factsheet

United States policy governing the provision of launch assistance

I. United States launch assistance will be available to interested countries and international organisations for those satellite projects which are for peaceful purposes and are consistent with obligations under relevant international agreements and arrangements, subject only to the following :

A. With respect to satellites intended to provide international public telecommunications services :

(1) The United States will provide appropriate launch assistance for those satellite systems on which Intelsat makes a favourable recommendation in accordance with Article XIV of its definitive arrangements.

(2) If launch assistance is requested in the absence of a favourable recommendation by Intelsat, the United States will provide launch assistance for those systems which the United States had supported within Intelsat so long as the country or international entity requesting the assistance considers in good faith that it has met its relevant obligations under Article XIV of the definitive arrangements.

(3) In those cases where requests for launch assistance are maintained in the absence of a favourable Intelsat recommendation and the United States had not supported the proposed system, the United States will reach a decision on such a request after taking into account the degree to which the proposed system would be modified in the light of the factors which were the basis for the lack of support within Intelsat.

B. With respect to future operational satellite applications which do not have broad international acceptance, the United States will favourably consider requests for launch assistance when broad international acceptance has been obtained.

II. Such launch assistance will be available, consistent with United States laws, either from United States launch sites (through the acquisition of United States launch services on a co-operative or reimbursable basis) or from foreign launch sites by purchase of an appropriate United States launch vehicle. In the case of launchings from foreign sites the United States will require assurance that the launch vehicles will not be made available to third parties without prior agreement of the United States.

III. With respect to the municipal conditions for reimbursable launch services from United States launch sites, foreign users will be charged on the same basis as comparable non-United States Government domestic users.

IV. With respect to the priority and scheduling for launching foreign payloads at United States launch sites, such launchings will be dealt with on the same basis as United States launchings. Each launching will be treated in terms of its own requirements and as an individual case. When it becomes known when a payload will become available and what its launch window requirements will be, the launching will be scheduled for that time. Should a conflict arise, the United States will consult with all interested parties in order to arrive at an equitable solution.

Replies of the Council to Recommendations 260 to 272

RECOMMENDATION 260 [1]

on the energy crisis and European security [2]

The Assembly,

Recalling Recommendation 241 on oil and energy problems;

Regretting that the Council did not find it necessary to give a satisfactory reply to that recommendation;

Considering that supplies of energy for Europe at stable and reasonable prices are essential for its security;

Noting with satisfaction that the Nine have affirmed their intention of working out a common European energy policy;

Welcoming the initiative taken by the Group of Twelve to promote solidarity between the western countries and Japan in respect of oil supplies;

Expressing the hope that as many countries as possible, including Norway, should co-operate with the International Energy Agency;

Considering that close concerted action between the oil-producing and consumer countries is essential for the re-establishment of a balanced world energy market,

RECOMMENDS THAT THE COUNCIL

1. Urge the Nine to define their common energy policy without delay;

2. Encourage the French Government to take part in the International Energy Agency;

3. Invite the governments of the other member countries to seek to concert the action of producer and consumer countries with a view to organising the world oil market on a basis acceptable to all;

4. Ensure that each member country constitutes or maintains strategic reserves of oil products at a level it shall define;

5. Inform the Assembly of measures taken in the specialised international fora referred to in its reply to Recommendation 241.

1. Adopted by the Assembly on 26th May 1975 during the First Part of the Twenty-First Ordinary Session (2nd Sitting).

2. Explanatory Memorandum: see the Report tabled by Sir John Rodgers on behalf of the General Affairs Committee (Document 656).

REPLY OF THE COUNCIL [1]

to Recommendation 260

1. The Council share the Assembly's wish for the early definition of a Community energy policy. As the Assembly will be aware, on 17th September 1974, the Council of the Communities declared their political intention of defining and implementing a Community energy policy involving common objectives ; these objectives were enumerated in a resolution adopted by the same Council on 17th December 1974. Efforts are being continued in the EEC to implement such a policy and resolve the main problems involved by appropriate harmonisation of the varying interests of the member countries of the Community.

2. With regard to point 2 of the recommendation, the Council refer to their reply to Recommendation 271, A.2. In this respect, it may however be recalled that :

(*a*) representatives of the Commission attend all important meetings of the IEA ;

(*b*) numerous meetings within the Community provide opportunities for member countries to exchange views.

3. The positive outcome to the second preparatory meeting for the Conference on International Economic Co-operation opens the way for constructive discussions on energy questions in that forum.

4. The Council are well aware of the problem of constituting and maintaining strategic reserves of oil products for civilian and military purposes. In this connection, it may be noted that member countries of NATO, the IEA and OECD have committed themselves to maintain their reserves at a level agreed within those organisations, to which they also submit regular reports on the composition of their stocks. The Council are also aware of the associated question of secure supply lines to the West.

5. The Council will keep the Assembly informed of any major developments which may occur in the direction sought by the Assembly's recommendation.

1. Communicated to the Assembly on 27th November 1975.

RECOMMENDATION 261 [1]

on conditions of service in the armed forces [2]

The Assembly,

Reiterating its conviction that the existence of adequate defence forces clearly able to deter any likely act of aggression is essential to the maintenance of peace;

Believing that even in a technological age the effectiveness of allied defence depends first and foremost on the men and women of the armed forces, and that their morale in peacetime depends in large part on conditions of service being in no way inferior to those offered by civilian employment;

Believing that where defence policies require compulsory service, a period of at least fifteen months or a period considered adequate by the North Atlantic Council must be relied on to provide adequate numbers of service personnel;

Aware that unilateral changes in fundamental aspects of service conditions, especially the period of compulsory service, can have adverse consequences in other allied countries; and

Noting that the rôle of women in the armed forces varies widely from one allied country to another,

RECOMMENDS TO THE COUNCIL

1. That having regard to Article IV of the modified Brussels Treaty, it communicate to the Chairman of the North Atlantic Council and to the Chairman of the Military Committee the analysis of conditions of service in the armed forces at appendix to Document 650 with the request that the appropriate authorities study:

   (*a*) the considerable differences in the rates of pay in the armed forces of various allied countries, and the desirability of military personnel from different allied countries enjoying broadly comparable material conditions when serving in the same country;

   (*b*) the experience of those countries that permit elected representatives of the armed forces to participate in negotiations with the authorities on conditions of service and rates of pay;

   (*c*) the experience of countries which do not rely on compulsory military service;

   (*d*) the possibility of nationals of one allied country serving in the armed forces of another allied country with the consent of the governments concerned;

   (*e*) the desirability of making greater use of women in the armed forces;

2. That it urge member countries to consult their allies in the North Atlantic Council before changing fundamental aspects of the conditions of service in their armed forces, especially the period of compulsory service;

3. That, having regard to the fact that all countries of the European Community replied to the questionnaire circulated by the Rapporteur of the Committee on Defence Questions and Armaments, it communicate to the Council and the Commission of the European Community, with special reference to the conditions of employment offered by the armed forces of the countries of the Community, the analysis of conditions of service in the armed forces at appendix to Document 650.

1. Adopted by the Assembly on 26th May 1975 during the First Part of the Twenty-First Ordinary Session (2nd Sitting).

2. Explanatory Memorandum: see the Report tabled by Mr. Klepsch on behalf of the Committee on Defence Questions and Armaments (Document 650).

REPLY OF THE COUNCIL [1]

to Recommendation 261

The Council greatly appreciate the high level of the Assembly's study of conditions of service in the armed forces.

The contribution made to this study by government departments in member States shows the importance which those States attach to the problem dealt with in Recommendation 261.

1. The Council have transmitted the text of this recommendation and, as requested by the Assembly, the annex to Document 650 to the Secretary-General of NATO for communication to the appropriate authorities of the North Atlantic Treaty Organisation.

2. It will, of course, be for each member State to decide the appropriate time and subject for any consultation it may wish to initiate in the North Atlantic Council.

The Council of WEU are, however, aware of the importance for effective allied defence of the conditions of service in the armed forces of all member States.

3. Although under the terms of the Treaties of Rome and Paris the European Communities are not competent in defence matters, the Council, in order to meet the wishes of the Assembly, have transmitted Document 650 to the Community authorities.

1. Communicated to the Assembly on 24th July 1975.

RECOMMENDATION 262 [1]

on the state of European nuclear energy programmes — security aspects [2]

The Assembly,

Conscious of the dangers involved in the large-scale establishment of nuclear energy installations throughout Europe and aware that the risks cut across national frontiers;

Considering the need to protect the population of Europe against possible dangers inherent in the national programmes planned for execution up to 1985;

Noting the uneasiness among the public as expressed through information media and the press regarding the possible widespread use of nuclear energy and its consequences for the environment;

Aware of the Paris, Brussels and Vienna conventions on nuclear liability,

RECOMMENDS THAT THE COUNCIL

Urge the governments of member countries:

1. To organise a public European conference, within the framework of the OECD, to define the safety and security requirements of nuclear reactors, materials processing operations and the handling of nuclear waste based on international and world-wide experience and on the liability aspects of the use of nuclear energy;

2. To promote the accession of all member countries to or the entry into force of the Paris, Brussels and Vienna conventions and, should they refuse, to communicate to the WEU Assembly the reasons for their refusal;

3. To keep the public in all member countries regularly informed of all plans throughout Europe to establish nuclear power plants;

4. To build nuclear power plants near a frontier only after agreement with the neighbouring country concerned.

1. Adopted by the Assembly on 26th May 1975 during the First Part of the Twenty-First Ordinary Session (2nd Sitting).

2. Explanatory Memorandum: see the Report tabled by Mr. Small on behalf of the Committee on Scientific, Technological and Aerospace Questions (Document 655).

REPLY OF THE COUNCIL [1]

to Recommendation 262

1. The member States of Western European Union are already collaborating on nuclear safety matters including the protection of public health within the European Economic Communities, through international organisations such as the International Atomic Energy Agency and the Nuclear Energy Agency of the OECD, and in bilateral contacts. Basic standards for the protection of public health have been worked out by the European Community and at the wider regional and world levels by the Nuclear Energy Agency of the OECD and the International Atomic Energy Agency respectively. Should any of these existing channels of co-operation reveal a need for a public European conference on nuclear safety, member governments will promote consultations concerning the necessary steps to convene such a conference. At present, the Council do not see the need for such a conference.

2. The governments of member countries are conscious that a nuclear power plant sited near a frontier may cause public concern in neighbouring countries and have an environmental impact on those countries. Chapter III of the Euratom Treaty, Article 37, is concerned in particular with the prevention of the contamination of the water, soil or air space of one member State arising from the disposal of radioactive waste from a nuclear plant sited in another member State. It is important that member countries should consult closely before decisions are taken relating to the siting of nuclear power plants near frontiers.

3. The governments of member countries are fully aware of the importance in the development of the peaceful uses of nuclear energy of an adequate civil nuclear liability régime. The Paris and Brussels Conventions were negotiated under the aegis of the Nuclear Energy Agency of the OECD and are regional in scope. Both these Conventions have entered into force (the Paris Convention on 1st April 1968 and the Brussels Supplementary Convention on 4th December 1974). France and the United Kingdom have ratified both Conventions. In the Federal Republic of Germany and in Italy enabling legislation has recently been enacted. Luxembourg and the Netherlands are preparing the necessary domestic legislation *. The Vienna Convention was sponsored by the International Atomic Energy Agency and has a global application, but only four non-European States — Cuba, the UAR, the Philippines and Argentina — have so far ratified it. The governments of member countries believe that at present their interests and responsibilities are adequately covered by their adherence to the Paris and Brussels Conventions.

4. The Council believe that it is of the utmost importance in securing public acceptance of the uses of nuclear power for peaceful purposes, that information relating to the siting, construction and operation of nuclear power plants, including information on safety matters and on their environmental impact, should be available to the public. The governments of some member countries have well-established procedures for making information on proposals for nuclear power plants available to the public and for the expression of public views on these proposals.

1. Communicated to the Assembly on 14th November 1975.

* Belgium deposited her instruments of ratification of the Paris Convention on 3rd August 1966. The instrument of ratification of the Brussels Convention cannot be deposited until the national implementing law has been finalised.

RECOMMENDATION 263 [1]

on East-West relations [2]

The Assembly,

Considering that détente should be accompanied by a balanced reduction in the level of forces and armaments in the countries of the Atlantic Alliance only in the framework of reciprocal agreements with the Warsaw Pact countries;

Concerned that present economic difficulties in Western Europe may tempt the Soviet Union to take advantage of them with a view to extending its influence;

Considering that the fight against inflation may incite the democratic countries to reduce their defence budgets to an extent which might endanger their security;

Welcoming the development of bilateral relations between EEC and Warsaw Pact countries;

Recalling nevertheless that those trends require close and continuing consultations between the western countries if their joint security is not to be jeopardised;

Noting the Soviet Union's desire for the conference on security and co-operation in Europe to be concluded without delay;

Considering that to achieve this end many divergencies still have to be overcome, particularly with regard to the movement of persons and ideas;

Noting that the German Democratic Republic, followed to a great extent by the Soviet Union, still adheres to a most restrictive interpretation of the basic agreement with the Federal Republic of Germany and the quadripartite agreement on Berlin,

RECOMMENDS THAT THE COUNCIL

1. Ensure that the development of bilateral relations between individual members and members of the Warsaw Pact is not allowed to undermine the positions adopted jointly by the western countries towards the conference on security and co-operation in Europe, trade and the attendant financial arrangements;

2. Ensure that the wish to bring the conference on security and co-operation in Europe to a speedy conclusion does not lead to the principal positions adopted jointly by the Nine at this conference being weakened or abandoned;

3. Propose that the North Atlantic Council review under present circumstances the agreements concluded for limiting credits granted by its members to member countries of the Warsaw Pact in the framework of trade agreements;

4. Ensure that in their relations with the German Democratic Republic its members take account of the special situation resulting from the existence of two States in Germany and the responsibility of the four powers towards Germany as a whole;

5. Continue to consider the full application and strict maintenance of the quadripartite agreement on Berlin by the countries concerned as a condition for pursuing détente in Europe.

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1. Adopted by the Assembly on 26th May 1975 during the First Part of the Twenty-First Ordinary Session (2nd Sitting).

2. Explanatory Memorandum: see the Report tabled by Mr. Sieglerschmidt on behalf of the General Affairs Committee (Document 668).

REPLY OF THE COUNCIL [1]

to Recommendation 263

1. The Council are fully aware of the need for the members of WEU, like those of the Atlantic Alliance, to exchange views on their bilateral and multilateral relations with the Warsaw Pact countries. Such exchanges of view have been held in the North Atlantic Council and are continuing as part of the normal process of its political consultation. Consultations between the countries of the European Community are particularly important ; those held between the Nine at Geneva during the second phase of the CSCE, with a view to concerting their negotiating position, set an example to be followed in this respect. They are being continued, in a different form, to ensure that the Final Act of Helsinki is implemented.

Apart from minor differences of emphasis which had to be expected (and which distinguished the members of western alliances from those of the Warsaw Pact), the jointly-adopted positions were supported by all during the Geneva negotiations. In return for certain concessions to the other side, as is normal in any negotiations, the western powers gained appreciable concessions. These relate to the first "basket", for which they won acceptance of formulations for the "Declaration on Principles" in line with their wishes as well as confidence-building measures which take account of the importance of certain military aspects of European security ; certain subjects of the second "basket" are specially worthy of note, such as the improvement of business facilities, the promotion of the exchange of economic and commercial information and the encouragement of industrial co-operation ; lastly and above all the western powers attach particular importance to the content of the third "basket" : human contacts, spread of information, cultural and educational exchanges.

2. The Assembly can rest assured, in any case, that a desire to bring the CSCE to a speedy conclusion was not an overriding concern of the members of WEU and of the other western powers and did not have any decisive effect on the positions they took. Indeed, it cannot be said that the Geneva negotiations, which extended over nearly two years, were conducted in a precipitate manner.

3. The development of relations with Eastern European countries, particularly in the economic field, is one of the results which the western countries expect to obtain from the follow-up to the CSCE ; they will continue to deploy credit policies consistent with this aim and their other obligations. These credit policies vary ; certain governments sometimes consider it necessary to set a ceiling for the relevant credits through separate bilateral negotiations.

4. The member States will continue, in their relations with the GDR, to take account of the special situation resulting from the existence of two States in Germany and the responsibility of the four powers towards Germany as a whole.

5. The Council share the Assembly's views regarding strict compliance with and full application of the quadripartite agreement and also consider that there is an essential link between détente in Europe and the Berlin situation.

1. Communicated to the Assembly on 26th November 1975.

RECOMMENDATION 264 [1]

on the proliferation of nuclear weapons [2]

The Assembly,

Regretting that despite a certain progress in arms control negotiations, and the acceptance of "essential equivalence" in strategic armaments by the superpowers, the numbers of nuclear weapons have continued to grow;

Considering that the nuclear explosion conducted by India threatens the stability of relations in the area, undermines the basis on which nuclear technology can be made available by one country to another, while doubtless adding nothing to the security or economic resources of India;

Aware of the vital importance, in view of the energy crisis, of nuclear power being available to all countries for civil applications;

Believing that the treaty on the non-proliferation of nuclear weapons still offers the best basis on which the peaceful applications of nuclear energy can be made available in full to all countries, while avoiding total nuclear anarchy;

Noting with keen satisfaction that, after the United Kingdom, five other member States of WEU have adhered to the treaty and deposited on the same day their instruments of ratification;

Aware that the adoption of parallel if not identical attitudes on the part of the member States of WEU would be fruitful for Western Europe,

RECOMMENDS TO THE COUNCIL

That it urge member countries:

1. To adhere to the treaty on the non-proliferation of nuclear weapons and, where possible, to deposit their instruments of ratification before the end of the review conference;

2. In all their foreign relations to encourage universal accession to that treaty;

3. To accept the full application of controls provided for under that treaty, and to concert their policies with other supplying powers to make the supply of civil nuclear assistance of any sort to third countries dependent on their acceptance of full IAEA controls on all nuclear installations and material on their territory or under their control;

4. Subject to the foregoing overriding consideration, to provide the maximum possible assistance to third countries in all civil applications of nuclear energy;

5. To consult with their allies in the North Atlantic Council with a view to achieving, through the various arms control negotiations, a genuine reduction in the numbers of nuclear weapons without diminishing the essential basis of their security;

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1. Adopted by the Assembly on 27th May 1975 during the First Part of the Twenty-First Ordinary Session (4th Sitting).

2. Explanatory Memorandum: see the Report tabled by Mr. Delorme on behalf of the Committee on Defence Questions and Armaments (Document 672).

REPLY OF THE COUNCIL [1]

to Recommendation 264

1. All member countries of WEU, whether or not parties to the treaty on the non-proliferation of nuclear weapons, hold equally firmly to the principle of non-proliferation, which in their view should lead to an improvement in international relations.

2. They are also fully aware of the importance of peaceful uses of nuclear energy for the economic development of many countries, and continue to encourage exchanges of equipment, materials and scientific and technical information in this field, while taking appropriate steps to ensure that exports of such nuclear equipment and material are not diverted from their peaceful purposes.

3. Arms control and disarmament are matters of concern to the member countries of WEU and to the Atlantic Alliance ; all member countries will therefore give particular attention to any measures designed to discourage proliferation. The balance of forces is, moreover, a vital factor in maintaining peace and all action of the kind mentioned above must take account of the need to safeguard member countries' security and stability.

4. The Council are also convinced of the need to harmonise member countries' positions in the appropriate international fora.

5. The Council stress that the problem of physical protection of nuclear material, particularly against loss, theft and sabotage, has until now been essentially the concern of the military nuclear States, but that it is in fact also the concern of other States, whether or not they have acceded to the treaty, particularly as such protection involves heavy expenditure which affects the economic balance and the conditions of production and trade of nuclear material.

A fuller examination of this problem has been undertaken by the EEC and by a group of experts meeting under the auspices of the IAEA, which has submitted its conclusions to the countries concerned.

1. Communicated to the Assembly on 27th November 1975.

6. To speak with one voice now in the Geneva conference responsible for considering the application of the treaty and subsequently adopt joint attitudes towards the depository countries of the treaty and of the IAEA ;

7. With this in view, to convey strongly to the USSR and the United States the urgency of meaningful progress towards vertical non-proliferation in accordance with the commitments entered into lest the treaty lose its credibility and become merely an instrument of discrimination ;

8. To increase IAEA guarantees and safeguards and in particular :

(*a*) invite the nuclear States to follow the example of the United Kingdom and of the United States by making their civil installations subject to IAEA safeguards ;

(*b*) extend IAEA safeguards to the physical protection of nuclear material throughout the whole nuclear fuel cycle.

RECOMMENDATION 265 [1]

on improving the status of WEU staff [2]

The Assembly,

Aware of the effort made by the Councils of the co-ordinated organisations to establish a pension scheme for the staff of these organisations;

Deploring nevertheless the fact that the governments have not yet been able to set up a joint management body for all the organisations, a single appeals board or guarantee the payment of pensions should one of them withdraw or an organisation be wound up;

Deeply regretting that the Co-ordinating Committee has been unable to agree to a reversionary pension being granted to widowers of female staff in the same way as to widows of male staff;

Welcoming the action taken on Recommendation 200 and the definition of principles to be implemented with regard to the secondment of national officials to the co-ordinated organisations,

RECOMMENDS THAT THE COUNCIL

I. In the framework of the co-ordinated organisations:

1. Establish a joint management body for the pension scheme;

2. Set up a single appeals board;

3. Guarantee the full and uninterrupted payment of pensions even in the event of a government withdrawing or an organisation being wound up and to this end apply the provisions set out in Recommendation 250 of the Assembly;

4. Grant widowers of female staff a reversionary pension in the same conditions as for widows of male staff;

5. Afford officials who have obtained home loans from the provident fund a means of continuing those loans should they opt for the pension scheme;

6. Ensure that serving officials who do not opt for the pension scheme continue to benefit from the social advantages linked with the present provident fund system;

7. Grant officials of equal grade and length of service, regardless of the date of their retirement, a pension calculated on the basis of salaries payable to serving staff;

8. Take note of the problems arising from the introduction of the United Kingdom Social Security Act in April 1975;

1. Adopted by the Assembly on 28th May 1975 during the First Part of the Twenty-First Ordinary Session (5th Sitting).

2. Explanatory Memorandum: see the Report tabled by Lord Selsdon on behalf of the Committee on Budgetary Affairs and Administration (Document 666).

REPLY OF THE COUNCIL [1]

to Recommendation 265

I. Measures recommended by the Assembly in the framework of the co-ordinated organisations.

1. It has not so far been possible to reach agreement within the Co-ordinating Committee to establish a joint management body for the pension scheme, as desired by the Assembly, since some organisations do not support this.

However, as indicated in Article 31, paragraph 1 of the draft pension scheme rules, a joint administration unit will be "responsible for such part of the work as can be centralised".

Within this context, the Secretaries-General have proposed the establishment of a "taxation unit" within the Inter-organisations Section (which works at the OECD) if the present draft pension scheme rules are adopted.

2. The full and uninterrupted payment of pensions in the event of a member State withdrawing or an organisation being wound up is guaranteed under the terms of Article 40, paragraphs 3 and 4 of the draft pension scheme rules applicable to the permanent staff of the co-ordinated organisations :

> "In the event of a merger, reconstitution or other transformation or in the event of dissolution of the organisation, the Council or any *ad hoc* body set up, where required in one of the aforementioned cases, shall take the necessary measures to ensure uninterrupted payment of the pension scheme benefits until the cessation of entitlement of the last beneficiary.
>
> Should a country, being a member or ex-member of the organisation, fail to comply with its obligations under this article, the other countries shall meet the cost thereof in proportion to their contribution to the budget of the organisation as fixed annually from and after the said country's default."

3. With regard to the granting of a reversionary pension to widowers of female staff in the same conditions as for widows of male staff, the Co-ordinating Committee was unable to make proposals to this effect, because some delegations did not support those who favoured such a provision.

4. The possibility for officials who have obtained home loans from a part of their provident fund to continue these loans if they opt for the pension scheme is covered by Article 44, paragraph 3 of the draft pension scheme rules :

> "Where a staff member has exercised his right to make withdrawals from his provident fund holding and where, in consequence, the amount standing to his credit is less than the amount he would have surrendered under paragraph 2 if he had not made withdrawals, service prior to 1st July 1974 shall only be credited in the proportion these two amounts bear to each other.
>
> This provision shall not apply where a staff member has, by 1st July 1975 * at the latest, undertaken to repay the difference between the two amounts, plus compound interest at the rate of 4% per annum as from that date.
>
> If the staff member makes only partial repayment, past service shall only be credited in the proportion referred to in the first sub-paragraph above."

5. The Co-ordinating Committee has not yet found it possible or useful to make a detailed study of the question of enabling serving officials who do not opt for the pension scheme to continue to benefit from the social advantages linked with the present provident fund system.

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1. Communicated to the Assembly on 27th November 1975.

* This date will have to be amended in the final text.

9. Establish a system for readjusting emoluments whereby the co-ordinated organisations may :

— hold general reviews every four years or more frequently if circumstances warrant it ;

— assess trends in the standard of living in the middle of the period between general reviews ;

— examine cost-of-living trends every six months ;

— take the necessary steps to adjust salaries in accordance with the trend of the cost of living as quickly as possible by abolishing the two-month observation period ;

II. Invite the Public Administration Committee to submit to it as soon as possible a first report on the way member States have implemented the principles defined by the special group of experts set up in October 1971 to study conditions for seconding national officials to international organisations, on the difficulties encountered in this respect and, as appropriate, ways of alleviating such difficulties.

6. The answer to the Assembly's question is to be found in Articles 36 and 49 of the draft rules, which read as follows :

"*Article 36*

Should the Council of the organisation responsible for the payment of benefits decide on an adjustment of salaries in relation to the cost of living, it shall decide at the same time on an identical adjustment of the pensions currently being paid, and of pensions whose payment is deferred.

Should salary adjustments be made in relation to the standard of living, the Council shall consider whether an appropriate adjustment of pensions should be made."

"*Article 49*

.....

4. Benefits under this Article shall be calculated by reference to the staff member's grading when he left the service before 1st January 1973, but on the basis of the corresponding scales in force on 1st January 1973, subsequently adjusted in accordance with Article 36."

7. The problems arising from the introduction of the United Kingdom Social Security Act in April 1975 are under consideration by the appropriate United Kingdom authorities and by the organisation.

8. It is intended to hold a general review of emoluments every *two years*. In the intervening period, salaries could be adjusted every *six months* if the trend of the cost of living made it necessary.

The Council have considered item I, 2 of the Assembly's recommendation together with the remarks in the explanatory memorandum in Document 666 concerning the desirability of setting up a single appeals board. In view of the fact that the other co-ordinated organisations were reluctant, at this stage, to pursue the matter, it is felt that a further invitation by the Secretary-General to his colleagues would be premature. However, since the jurisdiction of the appeals board within each of the co-ordinated organisations should normally include pension scheme matters, the Secretary-General intends once again to draw his colleagues' attention to this suggestion as soon as the pension scheme comes into force.

II. The survey undertaken by the Public Administration Committee, at the Council's request, on the implementation in member countries of the principles recommended by the Council for the secondment of national officials to international organisations is nearing completion. The Council will very shortly be receiving the results of this survey and will consider whether the Committee should be asked to go further into certain aspects. The Assembly will, at its request, be kept informed of progress in this field.

RECOMMENDATION 266 [1]

on the political activities of the Council [2]

The Assembly,

Noting that the Council is holding far fewer meetings at ministerial level;

Considering that the Permanent Council has therefore become the only body of WEU working at that level;

Regretting that the member countries have not taken account of this new situation to delegate to the Permanent Council more of the duties which the Council of Ministers is not in a position to carry out;

Noting that despite repeated promises the Council fails to keep the Assembly well informed of matters affecting the application of the modified Brussels Treaty, in particular by refusing to hold a joint meeting with the General Affairs Committee and also by replying evasively to recommendations and written questions from the Assembly;

Considering that in any event the Council is still responsible for supervising the application of the modified Brussels Treaty;

Thanking the Council for having set out frankly in its twentieth annual report the reasons for its inactivity;

Considering that the new situation gives added importance to the duties of the Secretary-General;

Deploring, in these circumstances, that the governments have been unable to terminate the interim situation which has prevailed since September 1974,

RECOMMENDS THAT THE COUNCIL

1. Include regularly in its agenda consideration of the various problems raised by the application of the modified Brussels Treaty;

2. In the light of its deliberations, remind governments whenever necessary of the implications of this treaty;

3. Draw up a list of problems connected with the application of the treaty over which the governments of the seven member countries are divided so that they may be considered at ministerial level or that attention be drawn to them in the North Atlantic Council or in the European Council;

4. Provide the Assembly with meaningful information on all matters affecting the application of the modified Brussels Treaty, even if they are dealt with in the framework of other institutions;

5. Appoint to the Secretariat-General a personality carrying sufficient authority with the governments of the seven member countries and terminate the present interim situation without delay.

1. Adopted by the Assembly on 28th May 1975 during the First Part of the Twenty-First Ordinary Session (6th Sitting).

2. Explanatory Memorandum: see the Report tabled by Mr. de Bruyne on behalf of the General Affairs Committee (Document 667).

REPLY OF THE COUNCIL [1]

to Recommendation 266

1. The modified Brussels Treaty makes no distinction between the Council of Western European Union meeting at ministerial level and the same Council meeting at the level of Permanent Representatives. The currently less frequent meetings of the Council at ministerial level do not signify any lessening of the will of member States to fulfil their obligations under the treaty, but rather reflect the increased frequency with which Ministers meet in other bodies. Meanwhile, the Council meeting at the level of Permanent Representatives is fully empowered to exercise the rights and duties ascribed to it in the treaty.

2. The problems raised by the application of the modified Brussels Treaty frequently figure on the Council's agenda and the work the Council do in this connection is fully described in their annual report to the Assembly. The Assembly can rest assured that member governments remain fully aware of their commitments under the treaty and the relevance of these to their current defence policies.

3. Under Article VIII of the treaty the Council is created "for the purposes of strengthening peace and security and of encouraging the progressive integration of Europe". It is empowered at the request of any member "to consult with regard to any situation which may constitute a threat to peace, in whatever area this threat should arise, or a danger to economic stability". The Council are not however the only international body empowered to consider these matters and member governments frequently discuss them also in the context of political co-operation among the Nine, and within the North Atlantic Council and the Councils of the European Communities and the Organisation for Economic Co-operation and Development. Nevertheless, any member government can propose that a particular matter should be discussed in the Council of Western European Union and, as the Assembly is aware, the Council are at present discussing the possibility that Western European Union might undertake additional work connected with the standardisation of armaments in Europe.

4. The recommendations and written questions put to the Council by the Assembly and its members receive close and careful attention from member governments. Whenever possible the Council will continue to give the Assembly full and substantial replies which reflect the common positions of the seven member governments, even if they sometimes relate to matters which are dealt with primarily by other organisations. The Council are aware of the fact that for its work the Assembly needs adequate information on matters relating to European security and the integration of Europe. While the Council are not always in a position to provide full answers to the Assembly's recommendations and written questions, member States remain prepared to make the fullest possible use of other means of communication such as the participation of government members in Assembly sessions. The Council would like to remind the Assembly that in cases where the Council are unable to provide sufficient information, it is always open to members to question their own Ministers in their respective national parliaments.

5. The member governments of WEU are well aware that European security and European integration raise problems on certain aspects of which efforts are being made to harmonise national views. The Council however appreciate the useful contribution which the Assembly makes in drawing attention to and debating the relevant issues.

6. The Council regret the delay in the appointment of a Secretary-General to replace Mr. Heisbourg and hope soon to be able to end the interim situation. Meanwhile the Council would like to express their satisfaction with the way the Acting Secretary-General is carrying out his duties and to state that the seven member governments intend to appoint to the Secretariat-General a personality carrying authority with them.

1. Communicated to the Assembly on 24th July 1975.

RECOMMENDATION 267 [1]

on the application of the Brussels Treaty [2]

The Assembly,

Welcoming the prompt action by the Council which enabled the twentieth annual report to be communicated by 28th February and congratulating the Secretary-General on introducing the "appropriate administrative procedures to ensure that the preparation of its annual report is carried out on a current basis";

Stressing the close interest which the Council of WEU must necessarily take in the structure of the North Atlantic Treaty Organisation, since all organs of WEU are required by the modified Brussels Treaty to work in close co-operation with it;

Aware that the modified Brussels Treaty is a supranational treaty in that Council — decisions concerning the force level and arms control provisions of Protocols Nos. II, III and IV are not subject to a unanimous vote, and that no usage or agreement has formally modified the majority voting procedures of those protocols;

Aware that the credibility of any future East-West agreements on arms control, especially in the framework of the conference on European security and co-operation, or mutual and balanced force reductions, may be undermined by the failure to apply the controls provided for by the modified Brussels Treaty;

Regretting that since 1966 annual reports have omitted the numbers of inspections, by category of establishment visited, that have been carried out by the Agency for the Control of Armaments;

Congratulating the Agency for the Control of Armaments on the way in which it has carried out in difficult circumstances the regrettably still too limited tasks assigned to it by the Council;

Recalling its recommendation that full use be made of the Standing Armaments Committee as a study and review body to eliminate duplication in other international bodies concerned with the standardisation and joint production of armaments, and endorsing the proposal of the Belgian Minister for Foreign Affairs to entrust that Committee with a study of the armaments production capabilities existing in Europe,

RECOMMENDS THAT THE COUNCIL

1. Apply each year the new procedure for the prompt communication of the annual report;

2. Include in annual reports a statement of the numbers of inspections carried out by the Agency for the Control of Armaments, both by category of installation and by country visited;

3. Include in the conclusions of the arms control chapter of the annual report a full and clear statement of all those aspects of the arms control provisions of the Brussels Treaty which are not fully applied;

4. Continue to press for ratification by the remaining member of WEU of the Convention on the due process of law signed on 14th December 1957;

5. Instruct the Standing Armaments Committee to study and report on the arms production capabilities existing in the European NATO countries;

6. Advise the North Atlantic Council to revise the terms of appointment of its Chairman and Secretary-General, limiting it to four years in the first place.

1. Adopted by the Assembly on 28th May 1975 during the First Part of the Twenty-First Ordinary Session (6th Sitting).

2. Explanatory Memorandum: see the Report tabled by Mr. de Niet on behalf of the Committee on Defence Questions and Armaments (Document 673).

REPLY OF THE COUNCIL [1]

to Recommendation 267

1. The Council greatly appreciate the Assembly's expression of satisfaction at the early receipt of the twentieth annual report. The Council will endeavour to ensure that this procedure is maintained in the future.

2. The annual reports of the Council do not mention the numbers of inspections by category of establishment visited that have been carried out by the Armaments Control Agency because of the character of this information.

The Council's views on this point have already been given to the Assembly in their reply to Recommendation 213, and as stated in this reply they will continue to supply such information on the understanding that parliamentarians will refrain from publishing it.

3. and 4. With regard to the control provisions of the modified Brussels Treaty which cannot be fully applied, the Assembly's attention is drawn to the views frequently expressed by the Council on previous occasions and in particular to their reply to Recommendation 247. As stated in this reply, the problems which prevent the entry into force of the convention on the due process of law still exist.

5. The Council are aware of the importance of fostering European collaboration in the field of armaments production and as stated in their reply to Recommendation 270 are at present studying what tasks could be undertaken by the Standing Armaments Committee while bearing in mind the need to avoid all duplication.

6. The Council are aware that in various international organisations the terms of office of their respective chairmen and secretaries-general are limited to a set period of time ; however the Council do not consider it appropriate to advise other international organisations on the management of their domestic affairs.

1. Communicated to the Assembly on 10th October 1975.

RECOMMENDATION 268 [1]

on the European Space Agency [2]

The Assembly,

Congratulating the governments of the member countries of the European Space Agency on the establishment of a new European space organisation ;

Aware of the need to give priority to the European space activities pursued within the Agency and noting governments' willingness to integrate their future national programmes in a joint European programme ;

Considering the agreed programme on scientific and application satellites and the Ariane launcher and the vast sums of money involved ;

Convinced of the need to devote the closest attention to the application of space research and development in preparation for subsequent commercial use ;

Considering that in the early 1980s space activities will leave the experimental phase and start a new era of operational utilisation ;

Considering especially Europe's present rôle in the new space transportation system : the American shuttle and the European development of Spacelab ;

Impressed by the importance of the American military space programme and its applications which will revolutionise existing strategic and tactical concepts,

RECOMMENDS THAT THE COUNCIL

Urge member governments :

1. To define Europe's common space policy for the future in world-wide application satellite systems and the ways and means of collaborating with the United States in the use of Spacelab and its successors ;

2. To use the good offices of ESA for concerting, harmonising and co-ordinating the policies of the member States in all their space activities in the United Nations and other agencies, including in particular the United Nations Outer Space Committee ;

3. To complete the programmes already agreed to and undertake not to query their validity which would create uncertainty in industry ;

4. To formulate a policy with regard to the new era of easier and cheaper access to space through Spacelab ;

5. To formulate an industrial policy on application satellites with a view to exporting European satellite systems and other space hardware especially to the developing countries ;

6. To preserve Kourou not only as a launch base for the Ariane development phase but as a general launch facility for Europe in the future ;

7. To work out a European military space programme and provide the means for its implementation in parallel with the United States military space programme.

1. Adopted by the Assembly on 28th May 1975 during the First Part of the Twenty-First Ordinary Session (6th Sitting).

2. Explanatory Memorandum : see the Report tabled by Mr. Richter on behalf of the Committee on Scientific, Technological and Aerospace Questions (Document 670).

REPLY OF THE COUNCIL [1]

to Recommendation 268

Over the last few years, member countries of the European space community have become increasingly aware that Europe can no longer limit its ambitions in the space field to the acquisition of new scientific knowledge, but must provide itself also with applied space technology, both for its own use and in anticipation of a large world market from the beginning of the next decade onwards.

The member States of ESRO and ELDO, the two European space organisations founded eleven years ago, decided to carry out the extensive common programme approved in 1971 and 1973 within a single European Space Agency (ESA), the convention for which was signed on 30th May 1975.

The agency will be responsible for a scientific programme, for application programmes (telecommunications, meteorology, sea and air navigation), for a heavy launcher programme and for a manned space laboratory programme, as well as for ground support facilities, including a launching base at Kourou which is necessary for the development of the Ariane launcher. Its main emphasis will be on elaborating and implementing a long-term European space policy, on co-ordinating the European space programme and national programmes and integrating the latter progressively, on elaborating and implementing an appropriate industrial policy and on concerting member States' policies with regard to other international organisations and institutions.

Meetings of its Council, which can be convened at ministerial level, will assist the agency in fulfilling this mission, the aims of which, as its convention states, are exclusively peaceful.

1. Communicated to the Assembly on 10th October 1975.

RECOMMENDATION 269 [1]

on the state of European security [2]

The Assembly,

(*i*) Having debated the state of European security in the light of the report of its Committee on Defence Questions and Armaments ;

(*ii*) Believing that satisfactory détente through the various East-West negotiations can be achieved only if the real military capability of the Soviet Union is borne in mind, if the cohesion of the Atlantic Alliance is assured, and if sufficient collective defences are maintained by the NATO powers through the allocation of adequate resources and their most rational joint use ;

(*iii*) Calling for certain organisational and planning changes on the central front ;

(*iv*) Stressing the importance of the northern and southern flanks to the security of Europe, and the need for political and military measures to prevent their isolation from the centre ;

(*v*) Calling for practical measures to achieve much greater joint production of armaments, especially tactical missiles ;

(*vi*) Calling for the collective defence commitment of the Brussels Treaty to be retained in any future European union, and stressing the importance of Eurogroup meanwhile, as the framework for practical expression of the European defence identity,

RECOMMENDS TO THE COUNCIL

1. That it bear in mind the need for greater cohesion in the Atlantic Alliance at a time when parity between the superpowers has made international relations as a whole more complex and less predictable ;

2. (*a*) That it welcome the meeting of the North Atlantic Council at summit level to prepare the conference on security and co-operation in Europe ;

(*b*) That all proposals advanced by NATO countries in the MBFR negotiations should be subject to prior agreement in NATO, and that any reductions agreed in the MBFR negotiations should (*i*) concern first the forces of the superpowers, and (*ii*) be asymmetric so as to reduce the present Warsaw Pact conventional superiority ; (*iii*) may include theatre nuclear weapons ;

3. That it request the North Atlantic Council to take note of the study by General de Maizière and :

(*a*) to consider the availability of new and reserve formations to make any improvements in the deployment pattern of forces on the central front ;

(*b*) to improve political decision-making procedures to make full use of available warning time in the event of threatened aggression ;

(*c*) to revise the dictum that logistics are a national responsibility ;

(*d*) to modify the deployment of tactical nuclear weapons ;

(*e*) to press for greater specialisation in defence tasks by country ;

1. Adopted by the Assembly on 28th May 1975 during the First Part of the Twenty-First Ordinary Session (6th Sitting).

2. Explanatory Memorandum : see the Report tabled by MM. Critchley, Dankert, Duvieusart, Wall and Lemmrich on behalf of the Committee on Defence Questions and Armaments (Document 671).

REPLY OF THE COUNCIL [1]

to Recommendation 269

1. Despite differences of interest and opinion which may be expected between free, independent countries, the Alliance is maintaining its fundamental solidarity in face of the challenges of the modern world. This solidarity was reaffirmed by the fifteen member countries in the Ottawa Declaration adopted on the occasion of the twenty-fifth anniversary of the signing of the treaty. It was further confirmed and reinforced by the communiqué issued after the Atlantic summit which proclaimed that the member countries would stand by "the principles and the spirit of solidarity and mutual assistance which brought them together as allies".

2. It is in the same spirit of solidarity that close consultations are maintained, both in the North Atlantic Council and between the allied delegations taking part in the MBFR negotiations in Vienna.

Reductions must not lead to a perpetuation of the present imbalance, but must result in a common ceiling for ground force manpower in the NATO guidelines area, to be reached by Soviet and American reductions in a first phase and the reduction of non-Soviet and non-American ground forces in a second phase only.

France has made known her reservations about the MBFR negotiations in which she is not taking part.

3. The study by General de Maizière reviews the main problems faced by the authorities responsible for defence in Central Europe. It highlights questions which are undeniably of immediate concern; for that reason, most of them are being studied within NATO and in the capitals.

4. The Council can assure the Assembly that the North Atlantic Council has been seriously concerned at the lack of progress in resolving the situation in Cyprus and at the effect of this state of affairs on the security of the southern flank of the Alliance.

The North Atlantic Council has also discussed the freedom of air traffic in the area and has asked Greece and Turkey to lift the restrictions they have imposed.

5. Problems relating to the standardisation of armaments are at present being dealt with by various bodies.

In view of the need for intensified co-operation on armaments questions, both between European countries and within the Atlantic framework, consideration is at present being given to the tasks which might be taken on in this connection by the various bodies capable of dealing with this problem within the Atlantic Alliance and WEU. In these studies account is of course being taken of the need to avoid duplication and of the specific rôle of the Community of the Nine in the field of industrial co-operation.

It may be noted that a working group set up by Euronad is studying possibilities of improved co-operation between Europe and North America in the field of armaments.

This reappraisal should favour the establishment of effective co-ordination and thus avoid such problems as the development of incompatible systems within the Alliance. The aim is that the European countries should be able to identify their requirements and to use their own research, development and production capabilities.

1. Communicated to the Assembly on 13th November 1975.

4. That it ask member governments to urge :

(*a*) in the North Atlantic Council (*i*) that full support be given to all political and military measures necessary to prevent the isolation of the flanks, and to ensure the necessary conditions for maintaining a regular supply of armaments to all allied countries ; (*ii*) that advantage be taken of the May summit meeting to facilitate a settlement of the differences between Greece and Turkey ;

(*b*) in the International Civil Aviation Organisation, that Greece and Turkey be invited to withdraw their respective NOTAMs that prevent aircraft flying freely between the two countries ;

5. That it request the North Atlantic Council to ensure that all bodies concerned with arms production concentrate on the immediate need for the introduction of standardised tactical missile systems, and that it adopt the following procedures : (*i*) make the Military Committee responsible for determining the standard military characteristics to be applied in deciding on the development and the procurement of weapons systems, beginning with tactical missiles ; (*ii*) make initially 1 % of national research and development budgets available for NATO development projects to be decided by the Military Committee and Defence Support Division ;

6. (*a*) That it draw the attention of all members to the importance of Eurogroup as the most appropriate organ at present in which to arrange practical matters of European defence co-operation that are not effectively dealt with in NATO, on the understanding that problems of nuclear defence are the responsibility of the Alliance as a whole ;

(*b*) That it instruct the Secretary-General to submit to Mr. Tindemans in time for them to be incorporated in his report to the European Community the views of the Council on the place of defence in a future European union, with the request that such union retain the mutual defence commitment of the Brussels Treaty ;

7. That it follow up the proposals made by Mr. Van Elslande, Minister for Foreign Affairs of Belgium, in the Assembly in December 1974 on a European armaments policy and in particular :

(*a*) undertake a detailed study of the armaments sectors of industry in the economies of each member country ;

(*b*) study the possibility of pooling research work and its financing ;

(*c*) examine what is the best course to follow towards progressive integration.

The proposal that the member countries of NATO should allocate a set percentage of their military budget to research projects within the organisation is an interesting one. However, as already stated, NATO's competence in this field is not exclusive and Europe's own capacities and the interests of its industry must be borne in mind.

6. In the view of its members, Eurogroup has an important part to play in fostering European co-operation in the field of defence. It should also be appreciated that the setting-up of a European union may well have repercussions on questions of security and defence. It is too soon, however, to try to define exactly what powers the future European union may have in this field.

7. Clearly the problem of standardisation is closely linked with those of the joint production of armaments, and the maintenance in Europe of an adequate capacity to produce armaments.

In this context, it should not be overlooked that any discussion of production problems must take account of the competence of the EEC in the field of industrial policy.

The question is therefore extremely complex. Member States of WEU have made substantial contributions to the study of the problem, which will be discussed by the various bodies concerned over the next few months.

RECOMMENDATION 270 [1]

on European union and WEU [2]

The Assembly,

Considering that the modified Brussels Treaty is the basis of European political union in defence matters ;

Expressing the wish that the efforts of the Nine to achieve such a union will allow rapid progress to be made in this direction ;

Noting the decision of the Heads of State or of Government to examine, in 1975, a report on European union ;

Noting that the defence policies of member countries are insufficiently co-ordinated ;

Noting nevertheless that these policies pursue a common goal, that of ensuring Western European security in the framework of the Atlantic Alliance ;

Considering that there is broad agreement between the members of WEU to plan their defence policy in such a way as to make Europe a true partner of the United States in the framework of the Atlantic Alliance ;

Considering moreover that the most serious threats at present are to the northern and southern flanks of the western defence system ;

Recalling Recommendation 145 adopted by the Assembly on 15th December 1966,

RECOMMENDS THAT THE COUNCIL

1. Propose that a future meeting of the European Council study the requirements of a European defence policy in the framework of the North Atlantic Treaty ;

2. With this conference in view, ask member governments to make the necessary preparatory studies now ;

3. Examine in particular the consequences for European security of the emergence of new nuclear powers and the agreements concluded or to be concluded between the nuclear powers ;

4. Ensure that WEU is maintained with its present responsibilities and that it takes effective action in all matters of concern to it ;

5. Remind the EEC countries which have not yet acceded to it, and all the European countries with a democratic régime which wish to be associated with a common defence policy, that they may accede to the Brussels Treaty ;

6. Consider each time that this appears necessary in the context of a European defence policy, foreign policy matters affecting the defence of Western Europe and the defence policies of the member States with a view to co-ordinating military efforts, developing industrial potential and limiting the cost of defence for these States ;

7. Particularly in the examination it has been instructed to effect, to bear in mind the tasks of the Standing Armaments Committee in respect of the need to preserve and develop Europe's industrial potential with special reference to advanced technology.

1. Adopted by the Assembly on 28th May 1975 during the First Part of the Twenty-First Ordinary Session (6th Sitting).

2. Explanatory Memorandum : see the Report tabled by Mr. Krieg on behalf of the General Affairs Committee (Document 662).

REPLY OF THE COUNCIL [1]

to Recommendation 270

1. The Council of WEU are aware of the implications of world-wide security problems for the process of European political unification. They believe that Europe must make adequate provision for its defence together with its North American partners in the framework of the Alliance. Member States will discuss questions arising in this connection in the appropriate fora, taking into account especially the progress made towards European union.

2. The Council of WEU already are and will continue to be responsible for ensuring the full application of the modified Brussels Treaty. The treaty stresses, as is known to the Assembly, the undesirability of a duplication of effort. A number of issues of relevance to WEU are dealt with specifically by other bodies — European security problems within the Atlantic Alliance, and European integration in the Community of the Nine. This fact is of course taken into account by the Council in planning their own activities.

3. As already noted in their answer to Recommendation 255, the Council are bearing in mind the opportunities offered by Article XI of the modified Brussels Treaty.

4. While recognising their responsibility for questions of general defence policy, the Council have nevertheless to take account of the work now in progress in other bodies on the same problems.

5. Conscious of the need for intensified co-operation on armaments questions in Europe and within the Atlantic framework, the Council are at present studying what tasks could be taken on in this connection by the Standing Armaments Committee of WEU, while bearing in mind the need to avoid duplication.

1. Communicated to the Assembly on 17th October 1975.

RECOMMENDATION 271 [1]

on co-operation with the United States [2]

The Assembly,

A

Considering that the WEU member countries, like most other European countries and the United States, are threatened by continuous, dangerous and increasing inflation, encouraged by high energy prices (which in themselves have negative effects on the economy), resulting in unacceptable unemployment;

Considering that continuous and, in many countries, accelerated inflation is a challenge to all democratic countries and may even endanger the survival of democracy;

Considering that inflation is also threatening the budgetary position of western countries, thus having repercussions on the level of defence budgets;

Noting that co-ordinated economic, social, financial and monetary policies are essential if imminent danger to our society's structure is to be tackled;

Questioning the will of the democratic countries to co-ordinate policies sufficiently;

Considering it essential for the western world to present a united front in the field of energy requirements;

Taking into account the fact that the countries concerned are already co-operating in the framework of OECD;

Considering that OECD does not have adequate machinery for parliamentary supervision;

B

Considering that the security of Western Europe is ensured by the North Atlantic Treaty and the integration of European and American armed forces;

Considering that the United States (approaching its bicentennial) and the Soviet Union (preparing for its Twenty-Fifth Party Congress) have achieved and will each try to maintain a military balance on a very high level;

Considering that it must be regarded as a positive factor for détente that a number of major problems are being discussed regularly by the two superpowers in purely bilateral negotiations;

Considering however that doubts must be expressed as to whether today's complex problems can still be handled by a small number of persons in the two countries,

RECOMMENDS THAT THE COUNCIL

A

1. Urge member governments to:

1. Adopted by the Assembly on 29th May 1975 during the First Part of the Twenty-First Ordinary Session (7th Sitting).

2. Explanatory Memorandum: see the Report tabled by Mr. de Koster on behalf of the General Affairs Committee (Document 669).

REPLY OF THE COUNCIL [1]

to Recommendation 271

A

1. The Council share the WEU Assembly's view that member governments should hold frequent exchanges of views leading to real co-ordination of long-term policy and research into the economic use of, and substitutes for, energy resources. In bilateral contacts between member governments the problems of international energy policy and long-term co-operation have already become major points of discussion.

The activities of OECD in the energy sector have been streamlined by amalgamating, in accordance with a recent decision, the former oil and energy committees into a new energy policy committee. Furthermore, the Council recall that the International Energy Agency forming part of OECD was set up on 18th November 1974.

OECD is an intergovernmental body embracing not only European but also non-European countries having a market economy system ; among its members are the United States, Canada, Japan, Australia and New Zealand. In view of this fact the Council do not consider that supervisory functions in relation to OECD could conceivably be delegated to the Parliamentary Assembly of the Council of Europe.

2. The question of whether or not France intends to take part in the work of the International Energy Agency is solely a matter for the French Government. The Council in any case deem it important to ensure that efforts of industrialised consumer countries in the field of energy policy are co-ordinated, such co-ordination taking place within the framework of both the European Community and OECD.

B

1. Security is a basic condition for détente. By ensuring the collective security of the countries party to it during the twenty-six years of its existence, the Atlantic Alliance has enabled each of its members to initiate and develop the dialogue with the countries of Eastern Europe, on both the bilateral and multilateral level.

In this respect the allies have been aware from the outset that such a dialogue would be furthered by agreement on the aims to be achieved. The Harmel report of 1967 on the Alliance's future tasks emphasises in this context the importance of the Alliance as a clearing house for the exchange of information and views, stating :

> "Each ally should play its full part in promoting an improvement in relations with the Soviet Union and the countries of Eastern Europe, bearing in mind that the pursuit of détente must not be allowed to split the Alliance. The chances of success will clearly be greatest if the allies remain on parallel courses, especially in matters of close concern to them all ; their actions will thus be all the more effective."

In this spirit, frequent discussions have been held within the Atlantic Council on the various negotiations which concern some or all members of the Alliance, such as MBFR or the CSCE. The United States have also kept their European allies regularly informed of the state of the strategic arms limitation talks (SALT).

The Council consider that such close and frank consultation between the United States and their European allies are in the vital interest of the Alliance as a whole, insofar as they enable the Europeans to bring their influence to bear on all matters affecting their security.

2. For this part of the recommendation, the Council refer to their reply to Recommendation 270, paragraph 1.

1. Communicated to the Assembly on 17th October 1975.

(*a*) hold frequent exchanges of views leading to real co-ordination of long-term policy and research into the economic use of and substitutes for energy resources ;

(*b*) promote the extension of OECD's activities in the energy field ;

(*c*) strengthen the powers of the Parliamentary Assembly of the Council of Europe to supervise OECD ;

2. Consider that western co-operation would be better ensured if France joined the International Energy Agency ;

B

1. Ensure that frequent exchanges of views between member countries and the United States, particularly in the framework of NATO, lead to increased participation and influence of European States in respect of all major problems ;

2. Study the possibilities of truly European decision-making on all security matters, including the strategic arms limitation talks, the Middle East, Cyprus and the French nuclear deterrent.

RECOMMENDATION 272 [1]

on the European aeronautical industry and civil aviation [2]

The Assembly,

Aware that the recession in air transport and aircraft construction has compelled governments to consider the economic, social and financial problems facing the industries concerned;

Also aware that, since they provide subsidies, governments now follow more closely the activities of airlines and aircraft industries in order to obtain better returns for their subsidies through more rational management of the firms concerned;

Considering that the Council's reply to Recommendation 257 that all aspects of European aviation continue to receive its fullest attention evades the question and demonstrates its complete inability to take the necessary political action;

Aware of the study undertaken within the Communities on civil aircraft production, to be ready by 1st October 1975;

Aware that the scope of Eurocontrol's activities is shrinking,

RECOMMENDS THAT THE COUNCIL

Urge member governments:

1. To call upon European airlines to agree on the characteristics of their future equipment and European manufacturers to co-operate in the manufacture of such equipment;

2. To ensure that the study undertaken by the Communities includes a detailed chapter on means of allowing effective decision-making machinery to be established in Europe, including a European aviation agency after the fashion of the European Space Agency.

1. Adopted by the Assembly on 29th May 1975 during the First Part of the Twenty-First Ordinary Session (7th Sitting).

2. Explanatory Memorandum: see the Report tabled by MM. Valleix and Warren on behalf of the Committee on Scientific, Technological and Aerospace Questions (Document 674).

REPLY OF THE COUNCIL [1]

to Recommendation 272

The Council have expressed on several occasions in the past their opinion that a closer European collaboration in the field of civil aircraft industry, both on a governmental and on an industrial level, is necessary in order that this industry should be sufficiently competitive and should acquire its appropriate position among others.

The Council have noted the recent consultations in the EEC concerning a resolution about aircraft industrial policy among member nations which was agreed upon by the ministerial EEC Council on 4th March 1975 and will be followed by a first report on the functioning of the European aircraft industry.

The Council furthermore took note of the fact that three European airline companies have, on the request of their governments, decided to consult each other with the purpose of determining possible common specifications for their future aircraft requirements. The European aircraft industry has reacted in a positive way to this significant initiative. Six major companies have decided to co-operate in order to provide the airline companies with a strong industrial basis.

The Council wish to express their satisfaction on these various initiatives, and are waiting with interest for further results. Finally, the Council would recall their extensive reply to Assembly Recommendation 244.

1. Communicated to the Assembly on 10th October 1975.

European and Atlantic co-operation in the field of armaments

REPORT [1]

submitted on behalf of the Committee on Defence Questions and Armaments [2]
by Mr. Lemmrich, Rapporteur

TABLE OF CONTENTS

1. Adopted in Committee by 17 votes to 2 with 0 abstentions.

2. *Members of the Committee:* Mr. Critchley (Substitute: *Miller*) (Chairman); MM. Klepsch (Substitute: *Büchner*), Dankert (Substitute: *de Niet*) (Vice-Chairmen); MM. Averardi, Beauguitte, Bizet, Boulloche, Buck (Substitute: *Sir Harwood Harrison*), Haase (Substitute: *Vohrer*), Kempinaire (Substitute: *Breyne*), Konen (Substitute: *Spautz*), de Koster, Laforgia, *Lemmrich*, *Ménard*, Pawelczyk (Substitute: *Ahrens*), Pendry (Substitute: *Sir John Rodgers*), Prescott (Substitute: *Lord Peddie*), Pumilia, Reale (Substitute: *Magliano*), *Richter*, *Rivière*, Roper (Substitute: *Lord Duncan-Sandys*), *Schugens*, *Tange*, *Vedovato*, Cornelissen.

N. B. *The names of Representatives who took part in the vote are printed in italics.*

Introductory note

In preparing this report your Rapporteur had interviews as follows :

Federal Republic of Germany :

Dr. Siegfried Mann, Secretary of State for Armaments, Federal Ministry of Defence, Bonn, 22nd September 1975 ;

Mr. Josef Hort, Managing Director, Messerschmitt-Bölkow-Blohm, Bonn, 23rd September 1975.

NATO, Brussels :

Dr. Gardiner Tucker, Assistant Secretary-General for Defence Support, 25th September 1975 ;

Lt.-General Gerd Schmückle (German Army), Director of the International Military Staff, MC, 25th September 1975 ;

Lt.-General Colladai (United States Air Force), Deputy Chairman, Military Committee, 25th September 1975 ;

Sir Edward Peck, United Kingdom Permanent Representative to the North Atlantic Council, 25th September 1975 ;

Brigadier Schünemann (German Army), Permanent Mission of the Federal Republic of Germany to NATO, 25th September 1975 ;

Brigadier John W. Seigle (United States Army) and Commander Miles (United States Navy), United States Mission to NATO, 26th September 1975.

France :

Mr. Bernard Destremau, Secretary of State for Foreign Affairs, Ministry for Foreign Affairs, 8th October 1975 ;

General Paul Assens, Head of the International Division, Ministerial Delegation for Armaments, Ministry of Defence, 8th October 1975.

United Kingdom :

Mr. Frank Judd, MP, Under-Secretary of State for Defence for the Navy, 9th October 1975 ;

Mr. Robert Brown, MP, Under-Secretary of State for Defence for the Army, Ministry of Defence, 9th October 1975;

Mr. G. C. B. Dodds, Assistant Under-Secretary for International and Industrial Policy, 9th October 1975 ;

Lt.-Colonel H. Lacy (Secretary to NIAG), British Aircraft Corporation, 9th October 1975.

The Committee as a whole met at HQ Allied Forces Northern Europe, at Kolsaas, near Oslo, on 22nd September 1975 where it was briefed by the Commander-in-Chief, General Sir John Sharp, and by Mr. E. Berdal, Public Relations Officer. On 23rd October it met in Copenhagen with the Military Committee of the North Atlantic Assembly under the chairmanship of Mr. Paul Thyness, Chairman of the Military Committee, and was addressed by Professor L. W. Martin, Department of War Studies, King's College, London, and Mr. R. Shearer, Director of Nuclear Planning, NATO International Staff.

The Committee met subsequently in Brussels on 20th and 21st October when it was addressed by Mr. Altiero Spinelli, member of the Commission of the European Communities responsible for industrial policy, and discussed an outline of the present report. The Committee discussed a draft of the report at a subsequent meeting at the seat of the Assembly in Paris on 10th November, and discussed and adopted the present report at a final meeting in Paris on 1st December.

The Committee and the Rapporteur express their thanks to the Ministers, officials and senior officers who addressed it and replied to questions. The views expressed in the report, unless expressly otherwise attributed, are those of the Committee.

* * *

The Rapporteur gratefully acknowledges the assistance in the preparation of this report and appendices provided by Dr. Walter Schütze, of the Centre d'Etudes de Politique Etrangère in Paris, who was appointed by the Clerk as an outside expert at the request of the Rapporteur.

Draft Recommendation

on European and Atlantic co-operation in the field of armaments

The Assembly,

(*i*) Having considered the present situation of research, development and production in the field of armaments in the light of the report by its Defence Committee ;

(*ii*) Informed of the important statements made to it in Paris on 5th December 1974 by Mr. Van Elslande, Minister for Foreign Affairs of Belgium, on a joint European armaments policy ;

iii) Aware that, despite progress made in this field in the framework of the Atlantic Alliance, for instance the principles on co-operation in the field of armaments laid down by Eurogroup on 23rd May 1972, new concrete possibilities exist, particularly among the member countries of WEU, for a decisive improvement in co-operation where the active collaboration of France would be a great advantage ;

(*iv*) Noting that the serious economic situation affecting most member countries of the Alliance and the ensuing budgetary difficulties have repercussions on the defence potential ;

(*v*) Underlining consequently the urgent need to rationalise the defence effort of all the member countries in order to avoid waste due to the multiplication of projects for weapons or weapons systems and the wide diversity of models produced for one and the same defence task ;

(*vi*) Aware that, in view of the geographical situation of Europe, deterrence, if it is to be credible, also requires conventional forces and that national armed forces should be able to operate jointly to achieve a strong defence potential with chances of success ;

(*vii*) Considering that a growing awareness is developing among governments, parliaments, public opinion and national and international groups and that a flow of ideas is developing which should allow the necessary measures to be taken in the framework of WEU and the Atlantic Alliance ;

(*viii*) Aware of national interests in the field of armaments and their importance for security of employment, but convinced that they do not preclude either bilateral or multilateral co-operation and, on the contrary, make it appear far more rational ;

(*ix*) Noting the initiatives and suggestions from across the Atlantic seeking to establish new means of co-operation between the United States and the countries of Western Europe in the field of armaments;

(*x*) Noting also the proposals made by the Commission of the European Communities in its report on European union dated 26th June 1975 ;

(*xi*) Aware of the agreement in principle reached by the defence ministers of ten European countries on 5th November 1975 to establish a European defence procurement secretariat open to all European members of the Alliance,

RECOMMENDS THAT THE COUNCIL

1. Recognise that the aims which member countries are committed to pursue in the framework of the Atlantic Alliance on a basis of equal rights and obligations are :

(*a*) to strengthen the defence potential of the Alliance as a whole, especially in Europe, so as to establish, in the face of the continuously increasing armaments of the Warsaw Pact, the balance of forces which is essential to the security of free Europe and the progress of East-West relations ;

(*b*) to maintain a technical potential in the countries of Western Europe and develop a competitive European armaments industry with sufficient means for research and production ;

(*c*) to seek a better balance between the means available on both sides of the Atlantic and establish reciprocity in respect of the procurement and production of armaments ;

(*d*) to promote a European identity and the idea of European union by implementing effective and lasting co-operation in the fields of research, development, production and logistics which are still a national responsibility and hence require governments to take decisions based on defence requirements and the joint interest of the Western European countries ;

2. Welcome the decision of the North Atlantic Council that, at its spring meeting, a special meeting should be held at ministerial level to study Atlantic and European co-operation in the field of armaments, and give it its full support;

3. (*a*) Take up on behalf of WEU the declaration on principles of equipment co-operation adopted on 27th May 1972 by the Ministers of Defence of Belgium, Denmark, the Federal Republic, Greece, Italy, Luxembourg, the Netherlands, Norway, Turkey and the United Kingdom;

(*b*) Organise the development of new weapons allowing a high return to be ensured and economic solutions to be found;

(*c*) Establish within the Atlantic Alliance detailed political guidelines covering the following fields and take a decision on them:

— harmonisation of military tactical concepts;

— definition of military requirements of the Alliance;

— alignment of equipment, calibres, fuel, etc., in order to ensure the interoperability of arms and equipment and improve logistics in the armed forces of the Alliance;

— the standardisation of future armaments and equipment programmes;

(*d*) Pay particular attention to the problem of destandardisation of armaments due to the proliferation of projects in each country and above all to the creation of new weapons systems accompanied by the use of older systems:

(*e*) Examine the means of reactivating the Standing Armaments Committee;

4. Urge member governments:

(*a*) with regard to research, development and production, to endorse fully the measures necessary for carrying out joint undertakings with as many partners as possible;

(*b*) to seek means to avoid the economy of a country being affected by giving up an armaments programme in favour of a joint undertaking; to this end, consideration might be given to setting up a burden-sharing body; this should be decided with other appropriate bodies;

(*c*) to draw up a list of programmes for armaments which might be procured jointly both by European countries and by the North American allies; WEU should launch this idea and the decision should be taken with the Atlantic Alliance;

(*d*) to give active consideration to the practical possibilities in Western Europe of establishing in the long term a two-way transatlantic flow of trade in armaments, ensuring that this becomes possible only when the countries of Western Europe co-operate in the development and production of armaments as real partners carrying the same weight as the United States;

(*e*) to pay particular attention to the export of armaments to non-member countries of the Atlantic Alliance and endeavour to ensure an early settlement of outstanding questions;

5. Report to the Assembly on the results of its study on the possibility of giving WEU additional tasks connected with the standardisation of armaments in Europe;

6. Give absolute priority at political level to problems of co-operation in the field of armaments and the standardisation of armaments and not become discouraged in the short or long term by the difficulties involved;

7. Transmit the present recommendation to the North Atlantic Council.

Explanatory Memorandum

(submitted by Mr. Lemmrich, Rapporteur)

I. *Introduction*

1.1 The WEU Assembly has always been concerned with the question of improving co-operation in the field of military equipment and at its last session in Bonn reports were adopted on specific aspects of this general problem[1]. An overall study not confined to the position of the European partners but setting armaments co-operation in the Atlantic context appeared necessary for two main reasons : first, new armaments projects have attained such dimensions in terms of both cost and forward planning that the best solutions can be found only if all efforts are combined ; second, the deterioration of the economic, financial and social position in all the countries of the Atlantic Alliance makes it essential to calculate down to the last penny how much money can be allocated for defence in the future. There is no need to stress the disturbing fact that the governments of most member countries of the Atlantic Alliance have had to accept unprecedented budget deficits in the last thirty years in order to meet reduced economic activity and unemployment due to anti-inflationary measures. Moreover, rising prices and salaries have swollen expenditure on personnel and services in military budgets to the detriment of expenditure on research, development and manufacture of weapons and military equipment which often nowadays receive only one-third of defence budgets. Since this trend may continue and even worsen, it is essential to increase the yield of sums allocated for military equipment if a valid defence capability is to be maintained against the members of the Warsaw Pact.

1.2 The eastern countries are not evading the crisis which, although not wholly due to the fourfold rise in oil prices in autumn 1973, was at least accelerated and heightened by this spiralling of energy costs, and they too have to grapple with economic and social difficulties. But the system of socialist planning practised in the East allows the wave of wage claims to be resisted and strong measures can be taken to hold down price increases, priority being given to sectors considered as essential. Thus, armaments are still given priority. The Warsaw Pact countries can allocate a far larger part of their budgets to the production of military equipment than the member countries of the Atlantic Alliance. Quantitatively, the East will probably retain an advantage over the West, but at great cost in economic and social terms and, particularly in the Soviet Union, this constitutes a real handicap for the improvement of the standard of living of the people.

1.3 In the West, the wide diversity of armaments reflects the attitude of a pluralist society which rejects planning as a be all and end all and continues to rely on competition and the inter-play of advanced scientific and technical development. The risk of wastage and inefficiency inherent in this philosophy is realised in all cases where free competition does not compensate for these shortcomings and where State protected sectors are concerned. But the solution is not to be found by imitating the Marxist-Leninist system and the oft-invoked argument that NATO would do better to adopt the discipline and forced centralism which are features of the Warsaw Pact does not hold water.

II. *Research and production of military equipment today*

2.1 Since the creation of the North Atlantic Treaty Organisation, i.e. for more than a quarter of a century, there have been two contradictory trends : on the one hand, the progressive harmonisation of joint political and strategic decision-making in the institutional framework of the Alliance and, on the other hand, growing diversification of activities linked with defence support, which remains a national prerogative. In the fifties, the NATO armed forces had fairly homogeneous weapons and equipment systems thanks to offshore supplies from the United States and other supplies in the framework of military assistance to the European allies. This fairly favourable situation deteriorated with time as the economic and financial vitality of the Western European countries picked up. The prosperity of the sixties led to the recovery and creation of national arms industries which were to replace overseas suppliers and equip first and foremost the national forces or even ensure co-production with other nations. This development

1. Document 671.

was probably inevitable, for if the countries of Western Europe had renounced advanced technology and the means of production they would have been relegated to the status of customers or at best subcontractors.

2.2 From the outset, NATO policy was to leave each country responsible for equipping its own forces. As a consequence, armaments programmes and research and production capabilities were set up, at least in the countries with an adequate industrial scientific basis. For the Alliance as a whole, this had resulted in a progressive destandardisation of equipment, making joint operations by forces of different nationalities difficult; expensive and not very efficient maintenance and supply systems since (particularly in the Central Europe sector) each army has to have its own logistics and could not depend on those of neighbouring forces ; duplication or even multiplication of basic research and programmes, leading to a waste of human and financial resources ; not very rational production (except in the United States) because of short production runs and a corresponding rise in production costs ; and finally the need to encourage exports of military equipment in order to overcome the disadvantages of national markets being too small [1].

2.3 It is difficult to assess the consequent economic losses ; the Pentagon estimated that the amount wasted each year in the Alliance as a whole (excluding nuclear forces) was $6-7,000 million, and a private American expert even found a total of $11,000 million per year. The latter estimate goes a little too far since it is based on the oversimplified idea that all research and development expenditure by the European allies and a large part of military procurement were superfluous and should therefore be included under the heading of money wasted. It is true that duplication is particularly obvious at the planning and research stage, where a European industrial estimate gave about $1,900 million as compared with the $7,600 million spent each year by the Alliance as a whole on research and development. The analysis of the American expert mentioned above is appended [2].

2.4 This negative trend raises very serious problems for the NATO political and military authorities and in the long run is liable to affect the balance of forces between NATO and the Warsaw Pact. The Warsaw Pact's continuously increasing armaments are directed towards improving weapons systems and other equipment rather than increasing troop levels. The introduction of new military techniques is certainly not proceeding without difficulty in the eastern armies for it also requires a considerable improvement in the educational level of the troops, particularly in the Soviet army. Furthermore, the monolithic, slow-moving nature of the Soviet system hardly allows for the weaknesses in design of the most advanced weapons (e.g. the MiG-25) being corrected in time. However this may be, in the race for quality the complete standardisation of equipment and support is a considerable asset for the Warsaw Pact forces and allows expenditure to be rationalised. On our side, the constantly rising cost of research and production (out of all proportion with rising costs in the civil sector) may bring us to a point where, for financial reasons, it will no longer be possible to reap the full benefits of our technical superiority and produce the number of weapons and equipment required to establish the military balance in Europe.

III. *Awareness in the Atlantic Alliance*

3.1 The political will now exists to change this state of affairs. The governments of member countries and the NATO authorities realise that in spite of a real financial effort throughout the Alliance the yield in relation to costs is still deteriorating and, being unable to increase to any great extent the sums allocated to defence, the only answer to the dilemma is to rationalise armaments programmes.

3.2 Since these problems affect primarily the European allies, the Eurogroup Ministers have made new efforts to co-ordinate their countries' activities on the basis of the 1972 declaration on the principles of co-operation in the field of armaments. A special meeting of Eurogroup Defence Ministers was held in The Hague on 5th November 1975 in order to adopt the first measures to this end, and in two respects: greater intra-European co-operation and initiation of a real flow of trade with the United States. The undertaking thus assumes a new dimension since the United States, free from the restraints of Vietnam which had been a burden for almost ten years, is reviewing its concepts with regard to the production of armaments. It is not by chance that for almost a year studies and pro-

1. See Appendix I.
2. See Appendix III.

posals have been reaching us from across the Atlantic, if only to mention the steps taken by the United States Congress to liberalise trade in arms, particularly the Culver-Nunn amendment, the abovementioned study by the American expert, Mr. Callaghan, and the recent visit by the Secretary of Defence, Mr. Schlesinger, to Europe. It is planned to hold a special session of the Atlantic Council, probably in spring 1976, to consider all the problems raised by more effective co-operation in every aspect of defence support.

3.3 The Americans have launched the idea of a two-way street for armaments. The idea apparently originated in Britain, and was put forward by Mr. Mason, British Secretary of State for Defence, in Eurogroup. Mr. Schlesinger took it up at the last ministerial meeting of the Atlantic Council, specifying that to strengthen NATO's conventional capability in Europe the United States was considering defining, together with its allies, the basis of a joint policy for the long-term production and procurement of armaments. However, such co-operation should not be a pretext for maintaining inefficient and costly industries in Europe ; in all cases the criterion should be competitiveness between European and American programmes and there could thus be no question of setting up preferential armaments markets on both sides of the Atlantic. What is significant in Mr. Schlesinger's and his successor's approach is the desire to tackle protectionism in his own country and bypass the Buy American Act where military equipment is concerned. The Secretary of Defence, moreover, has the backing of the Senate, whose Armed Services Committee unanimously adopted the Culver-Nunn amendment on 19th May 1975. According to this amendment :

> "It is the policy of the United States that equipment procured for the use of personnel of the armed forces of the United States stationed in Europe under the terms of the North Atlantic Treaty should be standardised or at least interoperable with equipment of other members of the North Atlantic Treaty Organisation."

Consequently, the Secretary of Defence would be authorised to refuse procurement of equipment manufactured in the United States if it failed to meet the criteria of standardisation and interoperability. Although the Culver-Nunn amendment will presumably be further modified before becoming law after adoption by Congress and although it is Congress which will finally determine these two criteria, it must be recognised that this is a very far-reaching initiative. The European allies are thus required to adopt a position and define the elements of a reply jointly in order to establish a true flow trade across the Atlantic.

IV. *Aims of armaments co-operation*

4.1 Here priority is given to strengthening the defence potential of the Atlantic Alliance as a whole, particularly in Europe. In the area of the Central Europe Command, it is absolutely essential for the various national contingents to be able to operate together at the level of command, communications, operational forces and logistics. The report which General de Maizière prepared for submission to the WEU Assembly at its session in May 1975 underlined the weaknesses existing in this respect in the central region and *a fortiori* as regards joint operations by the mobile forces of the Supreme Command in Europe. The absence of standardisation and insufficient interoperability cause a loss of 30 to 40 % in combat effectiveness. This is at least the opinion of the Armed Services Committee of the United States Senate, and it may even be considered that in certain sectors such as tactical aviation the loss is still greater. Recent inter-allied manoeuvres revealed that about half the aircraft involved were put out of operation by their own side for lack of a system of identification.

4.2 Transatlantic trade in military equipment would remain illusory if the European armaments industry proved incapable of being a valid partner for American industry. This calls for the maintenance and development of scientific and technical potential in the Western European countries and firms which are competitive and have the whole spectrum of research and production facilities. This is the most difficult problem to solve at national and particularly European level. How can an industry be viable if it depends on erratic State markets with frequent cancellations at the prototype stage and orders which are limited both in time and number of units ? The ever-rising cost of armaments programmes requires ever wider outlets extending beyond national frontiers but not dependent on the hazards of exports to countries of the third world. To ensure a profitable industry working for defence, national markets must be opened to

all the partners of the Alliance, protectionist practices must be terminated and the conditions of fair competition within the Alliance accepted, and the regrouping of firms on a multinational basis must be facilitated.

4.3 A third aim is to seek a new balance between capabilities on each side of the Atlantic. Thanks to its vast domestic market and the size of its industry, the United States has a dominant position in the field of armaments. It bears about 70 % of the cost of the Alliance's conventional equipment and theoretically would alone be capable of providing all the equipment needed by the Alliance. Europe must therefore gather its forces and mobilise its potential resources to meet the American challenge and start a two-way flow of trade such as has always existed in advanced sectors of civil industry.

4.4 Finally, the medium-term aim is to help to shape a European identity in security matters by implementing real co-operation in the essential fields of research, production and all the activities linked with defence support. The security of Europe demands a viable and efficient armaments industry. It would be illusory to believe that the concept of European union could be brought to fruition without agreement in specific fields based on the joint military requirements of partners which, where their security is concerned, are in the same position in regard to the Warsaw Pact.

V. *Means of achieving these aims*

5.1 It must be acknowledged that there can be no question of changing the structure of NATO by a transfer of sovereignty and that national parliaments and governments therefore retain responsibility for decisions. There is no point in deploring the lack of efficiency of NATO bodies (and in this respect the reasoning also applies to the EEC authorities) if those who hold political power are not prepared to give these bodies the means they need to carry out their duties. To this end, the Ministers meeting in the Atlantic Council and Eurogroup and the permanent representatives must make their directives to subordinate bodies more precise and detailed. So far, these directives have only too often been so general that it has been difficult if not impossible to draft firm recommendations. Care must also be taken that such recommendations, once made, are not filed away by national administrations or overlooked at the various levels of interallied military commands. Such habits in themselves lead to an enormous waste of energy and are a source of discouragement to those responsible for conducting this work, with the result that in almost twenty-five years of existence NATO has had only partial and scattered success in rationalising defence efforts. Here parliamentarians have an important rôle to play and first and foremost those of the WEU Assembly which is, it must be recalled, the only representative elected body in the Alliance with responsibility for defence matters.

5.2 Rationalisation of decision-making processes and the application of recommendations is a prior condition for the implementation of rationalisation measures in all fields relating to defence support.

5.3 The keystone of this effort is standardisation, i.e. all measures intended to ensure (*a*) the definition of military requirements on the basis of the Alliance's tasks ; (*b*) the harmonisation of tactical concepts, for the choice of equipment depends essentially on doctrines — which are still very varied — on the best use of forces on the battlefield ; (*c*) the possibility of joint operations, which means that weapons systems and supplies must be, if not joint, at least compatible ; (*d*) the adoption of joint procedure and criteria for determining specifications governing the procurement of equipment.

5.4 There are various forms of standardisation, the most difficult being from the top. This implies introducing a complete weapons system in the maximum number of member countries of the Alliance, and therefore long-term programming which means the countries concerned co-operating as from the planning and research stage with a view to joint procurement.

5.5 Standardisation from the bottom means unifying equipment components (ranging from apparently minor questions such as coding and radio frequencies and plugs for recharging batteries to gun-calibres, munitions and fuel used by interallied forces). Many of these measures can be taken fairly quickly by adjustments at the production stage. In cases where such standardisation is not possible or necessary, weapons and support systems must be made interoperable and at least compatible.

5.6 In practice, this standardisation is not felt to be an essential requirement at the level of national commands. The Minister of Defence of the Federal Republic, Mr. Leber, has frequently

said he would do without the best weapons system in favour of a jointly-produced system, and his British counterpart, Mr. Mason, has just demonstrated that he is prepared to act in like manner, but it is difficult to make those who are responsible for using the equipment accept this reasoning. There is no lack of examples of military perfectionism leading in fact to the destandardisation of joint systems, instances being the German version of the F-104 Starfighter and the American wish to improve the Franco-German anti-aircraft missile Roland. But even more pronounced than the tendency of military staff and technicians to adapt equipment to their specific needs is the tendency of headquarters staff to assign to joint systems missions which in themselves may be justified but which do not always correspond to the missions of other national forces in the same theatre of operations (this applies to Starfighter, as mentioned above, the Franco-British Jaguar, the Franco-German Alpha-Jet, the Panavia 200, etc.). It is therefore essential for senior NATO military bodies, in this case the Military Committee and its international headquarters staff, to have efficient means of assessing the missions on which major (future) programmes of standardisation from the top are based [1]. It should be added that over-frequent changes in strategic goals are detrimental to the efficiency of combat forces and a serious handicap for manufacturers. Programmes abandoned at the prototype stage have, in the past, resulted in losses of thousands of millions of dollars.

5.7 Standardisation from the top involves military, technical and political stringencies since the programmes in question are generally very wide-ranging, stretching over ten to fifteen years, and very often whole sectors of armaments in the countries concerned depend on them. Without reverting to the deal of the century which caused so much agitation last spring, it must be said that we can no longer proceed in this manner if progress is to be made in armaments co-operation. It is no longer sufficient in the medium and long term to sell a weapons system — in this case a fighter aircraft — to allied countries by giving them a share of the production. At industrial level, such American offers may be worthwhile, but practices of this kind would in the long run detract from Western Europe's scientific potential resulting in a one-way street from the United States to Europe, which also runs counter to the intentions of the United States Administration. Although in the past large industrialised nations have been able to develop armaments in parallel, the enormous cost of modern systems, budgetary constraints and, hypothetically, agreements on limiting forces and arms in Central Europe (Vienna talks on MBFR) will limit the number and scale of any major projects which may still be implemented.

5.8 It is therefore essential for co-operation to begin at the planning stage so that, on the basis of NATO-defined requirements and specifications, research centres in the various countries may work out solutions and, at the prototype stage, firms — ideally in a European framework — will co-operate (which means solutions being found for patents, exchange of know-how, etc.). These prototypes would then be placed in competition to determine which best met military requirements. Such a procedure has already been applied recently : tests were held in England to choose the gun to equip the Alliance's future main battle tank, and soundings are now being made in the United States, the Federal Republic, the United Kingdom and France to find the best formula for the main battle tank of the eighties (FMBT). Similarly, there must be immediate concertation between governments and industry on a fighter aircraft to replace the American F-14 and F-15 and the Panavia 200 (MRCA) in the nineties.

5.9 In this connection, there are two specific problems : (*i*) the need to compensate firms or industrial consortia whose model is not adopted ; and (*ii*) sharing out production. In the first case, consideration will probably have to be given to setting up procedure for compensation in the form of a fund for equalising the expenditure of the industries concerned or intergovernmental settlement of export-import balances. In the second case, experience has shown that co-production in its various forms (on an equal footing, by sub-contracting, etc.) is in itself expensive and fairly complicated, particularly in the absence of a prime contractor, and the more so as the number of participants grows. The only justification for co-production is the hope of widening the market and being able to launch long production runs which, by lowering unit costs, will eventually offset initial losses. In the aircraft industry, it is particularly difficult to achieve long production runs in the framework of Europe alone, and unfortunately there are hardly any examples of co-production being profitable. Where second-generation tactical missiles are concerned [1], the

1. See Appendix II.

1. See the report by Mr. Wall, Document 671.

experience to date has been far more encouraging : the Franco-German Euromissile consortium — with which the United Kingdom is to be associated — proves the success of an undertaking which starts co-operation between firms at the planning and research stage. Other national industries are taking part in this effort, including those of the United Kingdom, Italy and the Netherlands, and it is transpiring that a programme has the best chances of success if pursued in a multinational framework from the very beginning of the technical stage. The NATO Industrial Advisory Group (NIAG), in which all the main European and American manufacturers are taking part, is endeavouring to lay down lasting foundations for such *ad hoc* co-operation, i.e. centred on specific research and production programmes. It does not seem possible to regroup firms working in the same armaments sector by purely and simply merging them because of the major structural differences, particularly in Western Europe, as regards their status (private or nationalised firms), output and the proportion of turnover devoted to armaments proper. The proportion is about 62 % in the aeronautical industry but is much lower in other sectors [1]. The system of setting up consortia on an *ad hoc* basis therefore seems more practicable, but changes are necessary if the consortia are to work more efficiently. The project groups must be able to deal with joint bodies at European or Atlantic level and no longer with national administrations.

5.10 The question of the framework for co-operation thus arises. In his speech to the WEU Assembly on 5th December 1974, the Minister for Foreign Affairs of Belgium, Mr. Van Elslande, underlined this aspect which is certainly the most difficult of all, for it has very important political implications. France, one of the biggest producers in Europe and the world, is not a member of Eurogroup and is represented only by observers. On the other hand France plays a full part in the work of the NATO Conference of National Armaments Directors (CNAD) and it is well known that France plays an important part in the co-production of armaments. *A priori,* the problem of French participation in the common effort does not arise at the level of the equipment used by many land and air forces in Europe, and insofar as the French Government has concluded agreements with SACEUR on the possible use of its conventional forces, standardisation or even compatibility between French units and allied forces in Central Europe becomes a necessity. But industrial and operational requirements have not yet moved through to the institutional level.

5.11 However, there is no concealing the fact that as long as France does not play a full part in Eurogroup, the essential intergovernmental discussion will remain fragmentary. Here the instruments of WEU and, at technical level, its Standing Armaments Committee, can as in the past play a useful and necessary rôle as go-between, but such efforts cannot solve the problem of the cohesion of the European members of the Atlantic Alliance in face of its North American partners. Priority should therefore be given to strengthening Eurogroup's dual task of co-ordinator in the European framework and valid partner on the two-way street between Europe and North America. In the field of armaments, Eurogroup, despite partial and biased criticism, has played a pioneering rôle, proof of which, if proof were needed, is that NATO adopted the principles on co-operation drawn up by the Eurogroup Ministers in 1972. But at operational level it is clear that present methods are not giving full satisfaction. Some three hundred committees, commissions, sub-groups, etc., deal with matters relating to defence support, and the Assistant Secretary-General of NATO responsible for these matters alone has co-ordinated more than 150 of these groups. Rationalisation is therefore urgently required and various projects have already been put forward for reorganising these activities ; the creation of arms procurement agencies has been proposed or is being discussed at the level of NATO, Eurogroup (EDPO) and the EEC. At their meeting in The Hague on 5th November 1975 the Defence Ministers of the Eurogroup countries decided to create a "European Arms Procurement Secretariat". This new body, which does not come under Eurogroup, is open to all European members of the Alliance, and it is desirable that France should take part. One thing must be said : such bodies would be meaningful only if they put an end to present duplication, confusion and overlapping, and conversely they would be of no use if they merely became offshoots of existing bodies.

5.12 Without going into the political preconditions raised by the EEC Commission's proposal on the creation of a supranational military aeronautical agency and while admitting the need for the nine members of the EEC to take con-

1. See Appendices V and VI.

certed action in this essential field, such a proposal does not seem compatible with the Rome Treaties which exclude military matters from the terms of reference of the Community. A realistic solution might on the other hand be to create: (*a*) a steering body of the European members of the Alliance responsible for implementing and following armaments programmes in the member countries; (*b*) a similar North American body within NATO; (*c*) a joint body, under the most senior NATO military and political authorities to co-ordinate the activities of these two regional bodies.

VI. *The Atlantic dimension*

6.1 In a fallacious analogy, American experts, including Mr. Callaghan, propose solutions which may be summed up as an armaments common market on an Atlantic scale. The expression common market may at a pinch be applied to the liberalisation of trade between members and thus to lowering and removing tariff and non-tariff barriers and, taken in this sense, may be valid for trade in military equipment too. Conversely, the organisation of EEC agricultural markets is an example which it would be better not to follow. Consideration should also be given to the following proposal in Mr. Callaghan's study:

> "... the United States would offer to match every defence dollar Europe spent in the United States with a dollar spent in Europe; and offer to match the cost of every system developed in Europe for NATO use by an American defence development, also for joint use."

6.2 The table at appendix[1] shows clearly that the balance of American-European trade in military equipment has always been tipped sharply against the European countries. At best the present ratio is 1 : 15 in favour of the United States, and it would be wishful thinking to believe that even by combining all our efforts we should be able to achieve a ratio of 1:1 in the foreseeable future. All that can be done therefore is to correct transatlantic trade by medium- and long-term planning. Moreover, there is absolutely no reason to take account of the problem of offsetting the cost in foreign currency of stationing American troops in Europe. So far, this thorny problem has always had to be settled on a bilateral basis (Federal Republic/United States) failing a multilateral solution acceptable to the other European allies. Furthermore, the trend of trade — not to speak of the trend in the balance of payments — has been very favourable to the United States for the last two years. Last year, EEC exports to the United States amounted to about $19,000 million, but EEC imports from the United States reached $23,000 million. The NATO authorities concluded (in connection with the Jackson-Nunn amendment on the level of American forces in Europe) that there was no longer any point in offsetting costs in foreign currency.

6.3 The starting point is the Culver-Nunn amendment which, without wishing to prejudge the volume of transatlantic trade in armaments, clearly establishes that Europeans may sell to the United States only if they reach prior agreement on the procurement or co-production of a given system.

6.4 To this end, the governments of the Eurogroup member countries have submitted, or are about to submit, to Eurogroup lists of arms and equipment which might be jointly procured and also offered therefore to the United States Government. As stated above, in order to guarantee the smooth operation of the two-way street, the NATO bodies must be able to play an active rôle at the stage of assessment and choice of equipment. To this end, the importance of Recommendation 269, adopted by the WEU Assembly on 28th May 1975, should be underlined and particularly paragraph 5, recommending that 1 % of national research and development budgets be made available for NATO development projects to be decided by the Military Committee and Defence Support Division (through bodies such as AGARD, the SHAPE Technical Centre, the anti-submarine warfare research centre, etc.).

6.5 As for practical means of planning the flow of trade, package deals should be considered on the lines of the memorandum of understanding drawn up last September between the British Secretary of State for Defence and the United States Secretary of Defence. This agreement stipulated that the United Kingdom would renounce the production of two weapons systems then being developed in favour of two standardisable systems, i.e. the American sea-to-sea missile Harpoon and the Franco-German anti-tank missile Milan. In compensation, the British authorities hope that allied countries will in turn adopt

1. Appendix VII.

a British weapons system (the helicopter-borne air-to-sea missile Sea Skua). On the basic issue, the British example thus shows the course to be followed, and the British Secretary of State for Defence, Mr. Mason, is to be congratulated on this courageous decision which involves sacrifices for his country in terms of employment and the balance of payments. As for the framework, it would have been desirable for such a package deal to be worked out in a multilateral framework rather than bilaterally.

6.6 Since the priority aim is to establish a new balance in transatlantic trade in armaments, a number of principles must be clearly set out: work-sharing must not lead to specialisation to the extent that Western Europe henceforth supplies low technology items (lorries, support equipment) in exchange for the procurement of high technology items (including precision-guided munitions (PGM)). To give a specific example : the European programme for developing a supersonic long-range sea-to-sea missile is not being chosen by the American partners, who argue that such a weapons system should have a speed of Mach 3 and not Mach 2 ! It is evident that raising the technological bids in this way will not facilitate movement along the two-way street. Moreover, there must be strict reciprocity between North America and Western Europe in this field. If the procurement of European systems by the United States is based on the criterion of standardisation, it goes without saying that the European countries can consider only the American equipment which is likewise standardised, i.e. which is procured or produced jointly on this side of the Atlantic. This rule of the game implies that bilateral intergovernmental negotiations must make way for consultations and agreements between all the countries concerned.

VII. *Arms sales abroad*

7.1 As already indicated, the narrowing of markets for major equipment and weapons will increase the tendency to prospect and sell abroad, i.e. in non-member countries of the Atlantic Alliance[1]. Moreover, it must be stressed that this is not just a question of sales as such but complex undertakings involving the commitment to train crews, set up very costly after-sales services in the purchasing country, supply spare parts, etc. In view of the very different laws and regulations governing arms exports by member countries of the Atlantic Alliance, one cannot exclude the risk of developments which, within the European countries, might completely thwart the free play of competition and penalise the industries of countries which impose severe restrictions in their policy of sales abroad.

7.2 The consequences are obvious : equal opportunities for national industries will no longer be guaranteed. Apart from economic considerations, mention must also be made of political factors : arms sales outside the North Atlantic Treaty area have direct and sometimes significant repercussions on the foreign policies of the selling countries, and unconcerted action might therefore affect the possibilities of harmonisation among the nine EEC governments. A third aspect must not be left unmentioned. The more or less haphazard dissemination of the most highly-perfected and sophisticated weapons systems throughout the world involves a risk of unauthorised technological transfers to third countries, which is a source of serious concern for the military security of the Alliance as a whole.

7.3 It is therefore both necessary and urgent to concert intra-European and transatlantic approaches to the sales and export of war equipment. The EEC authorities cannot fulfil this rôle for, although it is a question of trade, the Community has no responsibility for matters relating to defence. But in view of the very important implications of this problem for the foreign policies of the member countries of the Community, it would be desirable to discuss it during the regular consultations on political co-operation held by the Ministers for Foreign Affairs of the Nine and their representatives with a view to progressively harmonising their views. Such action is particularly necessary in that in the case of co-production programmes likely to be made available outside the NATO area, the lack of agreement between participating governments and industries may jeopardise the continuation of such joint projects.

VIII. *Minority opinion*

(presented by Mr. Rivière)

8.1 This report was modified after the meeting on 10th November. However, although the modifications take account of the views expressed by the members of the French Delegation present.

1. Appendix VIII.

they make the report even more ambiguous because it argues cases which are often incompatible or even contradictory.

8.2 Moreover, contrary to practice, the Rapporteur makes no reference to views which differ from his own. He draws no distinction between the Committee's views and his own personal views and consequently attributes to the Committee views which are his alone.

8.3 For these two reasons, I have asked the Committee on Defence Questions and Armaments to add the following comments to the explanatory memorandum submitted by Mr. Lemmrich :

(*i*) The idea of a balance between the conventional forces of the Atlantic Alliance and those of the Warsaw Pact is mentioned in paragraph 2.4. However, the concept of the defence of Europe being based on deterrence and not on a balance of forces is still essential. This in no way signifies that Europe must dispense with conventional weapons but only that such armaments must be adequate to thwart and consequently deter partial and limited attacks, not to allow a conventional war to be waged against the Warsaw Pact forces as a whole, as is suggested by idea of balance. It must not be forgotten that a war conducted on a conventional basis or in which tactical nuclear weapons are used may seem satisfactory to our American allies but it implies almost total destruction for Europe.

The aim of nuclear deterrence is to make war unacceptable. The search for a balance of conventional forces on the other hand makes it conceivable.

(*ii*) Paragraph 5.11 is hard to understand ; it is stated that France does not play a "full" part in Eurogroup. It plays no part at all, even if it is co-operating on an *ad hoc* basis in certain technical sub-groups. It may be said that France does not play a full part in NATO since its Minister attends meetings of the North Atlantic Council, but this is not so for Eurogroup.

Moreover, the Rapporteur underlines that WEU cannot "solve the problem of the cohesion of the European members of the Atlantic Alliance", without giving any indication why. Perhaps it is because some governments do not wish Europe's defence to be considered in this framework. But in that case the same might be said of Eurogroup, which is in the same position.

(*iii*) Paragraph 6.3 of the report informs us that with regard to the trade in armaments in the Alliance "the starting point is the Culver-Nunn amendment". Yet paragraph 3.3 does not conceal the fact that this amendment has been adopted only by the Senate Armed Services Committee and consequently in no way commits the United States Government. It is even added that this "amendment will presumably be further modified".

The search for a policy for the procurement of armaments by the various partners in the Alliance is therefore based on a text of no juridical value.

(*iv*) If the present wording of this amendment is studied, it can be seen that it concerns only United States armed forces stationed in Europe in accordance with the North Atlantic Treaty. In other words, it in no way commits the Americans for forces stationed outside Europe, i.e. about four-fifths of their forces. But it seems hard to imagine the United States procuring really large quantities of weapons from the Europeans to equip their forces stationed in Europe if they do not equip their forces stationed outside Europe with the same weapons. There is every reason to think that American military leaders will always select weapons in the light of overall requirements and not the specific requirements of a given theatre of operations, and the policy of procurement in Europe will thus have only very limited effects.

Moreover, in paragraphs 6.1 and 6.2, Mr. Lemmrich shows that he does not believe in a balance between weapons procured by Europeans in America and those procured by Americans in Europe. But this does not stop him recalling in paragraph 5.11 that the creation of a European arms procurement secretariat would be meaningful only if it "put an end to present duplication, confusion and overlapping". This means that what already exists in Europe in the way of co-operation in the joint production of armaments must be terminated and made subject to a policy of procuring armaments in America, without the least guarantee that the Americans will offset such procurement in purely economic terms.

(*v*) But the main danger is set out in paragraphs 5.7, 6.3, 6.4, 6.5 and 3.3 of the report. The Rapporteur has endeavoured to take a strictly technical and economic stand and show that it would be worthwhile for Europe to give up producing most of its armaments and procure them in America instead. As indicated in

paragraphs 4.2, 4.3 and 6.6, the result would inevitably be an even greater technological gap between Europe and the United States and in the long run Europe might be no longer able to continue producing some of its equipment. Such a trend would in the future make Europe wholly dependent on the United States since it would no longer be capable of producing of its own accord the weapons necessary for its defence. If, therefore, at some future date the United States were to withdraw its forces from Europe, Europe would be left without the necessary means of ensuring its own defence.

(*vi*) Paragraphs 6.3 to 6.6 have not been modified although they were the centre of French objections.

(*a*) Paragraph 6.4 seeks to have all armaments research, studies and development conducted in NATO, i.e. in a non-European framework dominated by America. This means giving up the development of European military technology.

(*b*) The memorandum of understanding between the United Kingdom and the United States is presented as a model for planning trade between Europe and the United States. It indeed contains the elements of co-operation as envisaged by the Rapporteur: "the United Kingdom would renounce..." and "in compensation the British authorities hope...". If the two-way flow of trade is to be based on an exchange of renunciations and hopes, it would be wiser to give up straight away.

(*c*) In fact, it is a bilateral agreement which is presented as a "model" for an undertaking which is claimed to be European.

(*vii*) Such a report is probably not the right place to discuss the EEC common agricultural policy. But in that case it should not be condemned in paragraph 6.1.

(*viii*) Thus, behind Mr. Lemmrich's explanatory memorandum, there emerges a political view whose end result would be the total and permanent subjection of Europe to the United States, which would run counter to the dominating aim of European union as set out, for instance, in the June 1975 report of the Commission of the European Communities.

When Mr. Lemmrich states in paragraph 5.12 that "the Rome Treaties ... exclude military matters from the terms of reference of the Community", he is saying exactly the opposite of the Commission's report, which includes defence among the potential responsibilities conferred on the Community by the Rome Treaty. He urges that the European body proposed by the Commission in Brussels for the military aeronautical industry be replaced by an Atlantic body. Despite the concessions made to French positions, Mr. Lemmrich's report therefore remains fundamentally anti-European. It appears inconceivable for the WEU Assembly to receive from its Defence Committee an explanatory memorandum whose only aim, in the name of security, is to make the future of Europe fully and permanently dependent on the United States.

APPENDIX I

Report by Senator John Culver to the Armed Services Committee of the United States Senate, June 1975

In the Central Europe area, NATO forces have :

23 different types of fighter aircraft
7 » » » main battle tanks (MBT)
8 » » » light tanks
23 » » » anti-tank missiles.

NATO naval forces have :

100 different types of surface ships (destroyer-size and above) equipped with :
36 different types of targeting radar
8 » » » sea-to-air missiles
6 » » » sea-to-sea missiles
21 » » » guns of 30 mm and above.

Cf. also Appendix II to WEU Assembly Document 671 (report by Mr. Patrick Wall), which lists the following conventional tactical missiles in service or being developed :

	Naval (sea-to-sea or sea-to-air)	Army (surface-to-air)	Anti-tank	Air-to-surface	Air-to-air	Total
Western Europe	17	9	15	15	9	65
United States	9	8	9	5	9	40
Soviet Union	10	5	3	2	5	25

APPENDIX II

Main weapons systems in the Alliance: procurement, co-production, subcontracting

Systems	Belgium	Denmark	France	Fed. Rep. of Germany	Italy	Norway	Nether-lands	United Kingdom	United States	Greece	Turkey
Fighter aircraft											
MRCA				X	X			X			
Jaguar			X					X			
Mirage F-1			X							X	
Mirage 5	X		X								
F-104 G/S/CF-104	X	X		X	X	X	X		X	X	X
F-4 (Phantom)				X				X	X	X	X
F-5						X	X			X	X
F-16	X	X				X	X		X		
Battle tanks											
Leopard	X	X		X	X	X	X				
AMX 30			X							X	
Missiles											
Lance S-S	X			X	X		X	X	X		
Nike-Hercules S-A				X	X	X	X		X	X	X
Hawk S-A	X	X	X	X	X		X		X	X	
TOW anti-tank		X		X	X	X	X		X		X
HOT anti-tank			X	X				X			
Milan anti-tank			X	X				X		X	
Roland I, II/S-A			X	X		X			X		
Exocet M-M			X	X				X			
Canon M-109 155 mm	X	X					X	X			

Source : The military balance 1975-76, International Institute for Strategic Studies, London.

APPENDIX III

Estimated wastage on research and development and procurement expenditure

The table below summarises the estimates of *annual* allied *waste* in *billions of dollars :*

General purpose force expenditures	United States	Europe	Estimated waste
Annual research and development	$ 5	$ 2.6	$ 2.6[1]
Annual procurement	$ 12	$ 7.0	$ 2.95[2]
Annual support, Europe	Unknown	Unknown	Unknown[3]
Total	$ 17+	$ 9.6+	$ 11.2[4]

Notes :

1. Estimated at 100 % of the European research and development expenditure.

2. Estimated at 10 % of the American procurement expenditure ($1.2 billion) *plus* 25 % of European procurement ($1.75 billion).

3. Estimated at 10 % of the $4 billion direct American annual NATO cost ($400 million) *plus* 15 % of the $35 billion European general purpose force expenditures per year ($5.25 billion).

4. Rounded down to "more than $10 billion" throughout this report.

(i.e. all armed forces except strategic nuclear forces.)

Source : Report on United States-European economic co-operation in military and civil technology prepared by Thomas A. Callaghan Jr. for the Department of State in August 1974. Second edition, January 1975, Ex-Im Tech. Inc., Arlington, page 35.

At current budget levels, the United States will spend $50 billion on conventional arms development in the next decade. Europe will spend $26 billion.

Source : Op. cit., page 27.

Adding Canada's research and development and procurement to the table of United States-European waste shows that the potential North Atlantic general purpose common defence market would total at least $37 billion per year :

	$ billion
North American research and development and procurement	17.3
European research and development and procurement	9.6
United States-European waste	10.0
Total	$ 36.9

Assuming all allied waste were converted into either development or procurement, this would be a market 40 % larger than the present market. But the waste can only be converted by trade. In turn, this requires that the entire North Atlantic defence market be aggregated. This because the largest volume of waste (European) is in the smallest part of the market (residual European).

Source : Op. cit., page 63.

APPENDIX IV

Standardisation of armaments programmes in the Alliance

The major programmes now at the negotiation and/or technical testing stage include the following :

1. *Surface-to-air missile* (man-portable and -operated) *Stinger* (United States) to replace the *Redeye-Stinger* (infrared homing) now in service in four NATO countries ; estimated cost of development : $660 million.

2. *Surface-to-air missile* (medium-range) *Improved Hawk* (United States). Eight NATO countries have *Hawk* missiles. France, the Federal Republic, Italy, the Netherlands and the United States have set up a consortium for the joint production of *Improved Hawk*. Two rival systems have been abandoned.

3. *Surface-to-air missile* (long-range) *Sam D* (United States) to replace *Nike-Hercules*. In service in nine NATO countries. Co-operation between the United States and the Federal Republic, which together have 75 % of all *Nike-Hercules* missiles.

4. *AWACS* (airborne warning and command systems) *Boeing 707* aircraft (United States). Consultations are being held in the Atlantic Council on an AWAC system for Europe ; a decision is expected by the end of 1975.

5. *Air-to-air missile AIM-9L* (United States) to replace the *Sidewinder* missile. British and German projects have been cancelled to allow co-production of *AIM-9L* by a consortium with the participation of the Federal Republic, the United Kingdom, the United States and the four countries which have adopted the F-16 fighter aircraft (Belgium, Denmark, Netherlands, Norway).

6. *Standardised munitions* for *155 mm howitzers*. Programme based on the American *M-549* shell. Participants : Federal Republic, Italy, United Kingdom, United States.

7. *Main battle tank gun*. Firing tests have been conducted in the United Kingdom since February 1975 to select a standardised gun for the future generation of heavy tanks. (In competition : American 105 mm ; British 110 mm ; German 120 mm.)

8. *American/German tests* (with British observers) to choose the future main battle tank FMBT *XM-1* or *M-80*, to come into service in the eighties.

9. *ASH helicopter* (advanced Scout helicopter) for the army. Multinational project (Federal Republic, United Kingdom, United States, etc.).

10. *Fighter aircraft AV SA* (vertical or short take-off and landing) (V/STOL). Programme for modernising the British *Harrier*, in service in the American and British navies.

11. *PHM* (patrol hydrofoil missile boat). Jointly-financed programme : Federal Republic, Italy and United States, for developing the *Boeing* model.

Source: Internationale Wehrrevue, Interavia SA, Geneva, April 1975, page 156.

Intra-European programmes

Frigate. NATO : Federal Republic-Netherlands specification. All the countries of the Alliance will take part in the standardisation of the frigate sub-systems except Iceland, Luxembourg and Portugal.

Minesweeper (non-metallic hull). Belgium France, Netherlands, United Kingdom specification (possibly other countries).

APPENDIX V

Defence-related industries

Industry	United Kingdom		France		Fed. Rep. of Germany	
	Defence output	% of total output	Defence output	% of total output	Defence output	% of total output
Airframes and missiles aero-engine	815	52.9	540	46	275	70-80
Shipbuilding	398	34.3	18	4	72	5-10
Motor vehicles	104	2.1	72	1.2	140	5-10
Ammunition, etc. Ordnance	246	2.9	162	47	322	?
Electronics	600	9.1	396	45	317	5-10

Source: The Alliance and Europe: Part III: Weapons procurement in Europe — capabilities and choices, Roger Facer, Adelphi Papers, No. 108, International Institute for Strategic Studies, London, 1975.

Aerospace industries: share of military equipment

Country	Turnover of military sector in relation to total turnover (average for 1968-69)		
	Domestic market %	Exports %	Total of military sectors %
Belgium	34	?	?
France	46	27	73
Federal Republic of Germany	97	—	97
Italy	?	?	68
Netherlands	21	?	?
United Kingdom	41	13	54
United States	75	4	79

Source: EEC Commission.

APPENDIX VI

Government support in the aeronautical sector

(i) Breakdown of government support by type of contract

(% of total contract)

	EEC	United States
Purchase and maintenance contracts		
Civil	2.6	—
Military	57.3	72.8
Research and development contracts		
Civil	10.9	—
Military	29.2	27.2
Total	100.0	100.00

(ii) Estimated public financing of research and development in the EEC [1]

($ million (1973) for 1972 and 1973)

Aeronautical industry	
Civil	620
Military	1,675

1. For the six countries with an aeronautical industry.

Source : EEC Commission : Action programme for the European aeronautical sector, 1st October 1975.

APPENDIX VII

Sales of military equipment

(i) United States sales of military equipment to Western Europe

$ million — United States fiscal year

	1967	1968	1969	1970	1971	1972	% of total military procurement (1972)
Belgium	9.3	6.4	0.6	7.9	6.2	7.4	5
France	15.7	12.6	25.1	12.4	15.8	3.7	1.5
Federal Republic of Germany	309.1	156.3	207.5	226.2	333.3	430.8	27
Italy	29.3	50.1	50.4	50.4	50.2	41.6	6
Netherlands	5.7	18.2	12.6	6.4	10.2	7.5	2
United Kingdom	156.9	270.5	369.5	221.5	118.6	79.9	3
Totals in Western Europe[1]	575.3	561.6	750.2	639.4	610.5	650.1	6
% of total United States sales throughout world	62.7	55.1	57.1	44.5	41.9	43.5	

1. All Western European countries except Greece and Turkey.

Source: United States Department of Defence, Security Assistance Agency, May 1973.

(ii) European sales of military equipment in North America

The only producer country able to export a significant quantity of equipment to North America (directly or manufacturing under licence) was the United Kingdom :

United Kingdom sales for the period 1972-74 (US $ million)

to Canada	28.0	(Blowpipe tactical missile)
to the United States	111.8	(Harrier V/STOL aircraft)
Total in North America	139.8	

Source: SIPRI Yearbook 1975.

APPENDIX VIII

Trade in armaments

(i) Third world imports of war equipment

(i.e. all countries except North America, Europe and the Soviet Union)

US $ million at constant prices (1973)

1950	1960	1970	1973	1974
294	1,159	2,247	2,773	3,911

(ii) Exports of war equipment to countries of the third world [1]

US $ million at constant prices (1973)

Country	1950	1960	1970	1972	1973	1974
Canada	14	11	28	30	3	0.5
China	23	125	6	101	21	80
Czechoslovakia	—	45	24	10	1	11
France	3	35	156	269	411	343
Federal Republic of Germany	—	23	1	28	2	88
Italy	7	7	33	39	43	106
Netherlands	35	1	7	20	30	25
Soviet Union[2]	25	138	786	570	1,175	1,467
United States[2]	91	530	724	360	749	940
United Kingdom	96	196	142	283	242	481

1. Military supplies to South and North Vietnam are not included in this table.

2. During the period 1961-71, just over one-third of the total exports of the United States and the Soviet Union were to the member countries of NATO and the Warsaw Pact respectively.

Source: World armaments and disarmament, SIPRI Yearbook 1975, Stockholm.

Document 689
Amendment No. 1

4th December 1975

European and Atlantic co-operation in the field of armaments

AMENDMENT No. 1 [1]

tabled by Mr. Rivière

In paragraph 1 of the draft recommendation proper, leave out: "establish, in the face of the continuously increasing armaments of the Warsaw Pact, the balance of forces which is" and insert: "maintain the forces which are".

Signed: Rivière

1. See 14th Sitting, 4th December 1975 (Amendment negatived).

Document 690 **1st December 1975**

Air forces on the central front

REPORT [1]

submitted on behalf of the Committee on Defence Questions and Armaments [2]
by Mr. Roper, Rapporteur

TABLE OF CONTENTS

1. Adopted in Committee by 17 votes to 0 with 2 abstentions.

2. *Members of the Committee :* Mr. Critchley (Substitute : *Miller*) (Chairman) ; MM. Klepsch (Substitute : *Büchner*), Dankert (Substitute : *de Niet*) (Vice-Chairmen) ; MM. Averardi, Beauguitte, Bizet, Boulloche, Buck (Substitute : *Sir Harwood Harrison*), Haase (Substitute : *Vohrer*), Kempinaire (Substitute : *Breyne*), Konen (Substitute : *Spautz*), de Koster, Laforgia, *Lemmrich*, *Ménard*, Pawelczyk (Substitute : *Ahrens*), Pendry (Substitute : *Sir John Rodgers*), Prescott (Substitute : *Lord Peddie*), Pumilia, Reale (Substitute : *Magliano*), *Richter*, *Rivière*, Roper (Substitute : *Lord Duncan-Sandys*), *Schugens*, *Tanghe*, *Vedovato*, Cornelissen.

N. B. *The names of Representatives who took part in the vote are printed in italics.*

Introductory note

In preparing this report your Rapporteur had interviews as follows :

18th March 1975

London : Mr. Brynmor John M. P., Under-Secretary of State for Defence for the Royal Air Force and Senior Staff.

13th November 1975

Mönchen-Gladbach : Air Marshal Sir Nigel Maynard, RAF, Commander, Second Allied Tactical Air Force, Major-General Cescotti, German Air Force, Chief-of-Staff and Senior Staff.

Brunssum : Brigadier Maurer, United States Army, Assistant Chief-of-Staff, Headquarters Allied Forces Central Europe ; Brigadier Plowden, United Kingdom Army, Assistant Chief-of-Staff Intelligence ; Group Captain Jeffrey, RAF, Lt.-Col. Palladino, United States Air Force and Wing Commander Appleyard, RAF.

14th November 1975

Bonn : German Air Force Planning Staff : Major-General Kerscher, Chief-of-Staff ; Colonel Fischer ; Colonel Peters ; Colonel Oldigs ; Lt.-Col. Pickert.

27th November 1975

Ramstein : Air Vice-Marshal A. C. Davies ; Deputy Chief-of-Staff, Operations and Intelligence.

The Committee as a whole met at Headquarters Allied Forces Northern Europe, at Kolsaas, near Oslo, on 22nd September 1975 where it was briefed by the Commander-in-Chief, General Sir John Sharp, and by Mr. E. Berdal, Public Relations Officer of the North Atlantic Assembly, under the chairmanship of Mr. Paul Thyness, Chairman of the Military Committee, and was addressed by Professor L. W. Martin, Department of War Studies, King's College, London, and Mr. R. Shearer, Director of Nuclear Planning, NATO International Staff.

The Committee met subsequently in Brussels on 20th and 21st October when it was addressed by Mr. Altiero Spinelli, member of the Commission of the European Communities responsible for industrial policy, and discussed a preliminary draft of the present report. The Committee met subsequently at the seat of the Assembly in Paris on 10th November and discussed and adopted the present report at a final meeting in Paris on 1st December.

The Committee and the Rapporteur express their thanks to the Ministers, officials and senior officers who addressed it and replied to questions. The views expressed in the report, unless expressly otherwise attributed, are those of the Committee.

Draft Recommendation

on air forces on the central front

The Assembly,

Aware that both organisational shortcomings and the lack of interoperability in equipment still prevent the aircraft now available to Allied Commanders on the central front from being used to optimum effect;

Welcoming, however, the establishment of the new command Allied Air Forces Central Europe which has already resulted in some organisational improvement,

RECOMMENDS THAT THE COUNCIL

Urge member governments, through their representatives on the North Atlantic Council:

1. To recall the provisions of the resolution to implement the Final Act of the London Conference, adopted by the North Atlantic Council on 22nd October 1954, which "confirms that the powers exercised by the Supreme Allied Commander, Europe, in peacetime, extend not only to the organisation into an effective integrated force of the forces placed under him but also to their training;" to ensure that this resolution is effectively applied, in respect of both training and command integration, especially to ensure that the decision of the Defence Planning Committee of 14th June 1974 to establish a new air force command structure headed by Commander AAFCE is applied at all levels;

2. To foster arrangements, bilateral if necessary, to make all appropriate airfields available to assigned and earmarked central front air forces;

3. To call for substantial improvement in the interoperability of assigned and earmarked air forces on the central front, the further development of common tactical concepts and, in the longer term, the establishment of an integrated logistics system;

4. To give urgent consideration to the multilateral financing of improved communications and appropriate early warning systems.

Explanatory Memorandum

(submitted by Mr. Roper, Rapporteur)

Introduction

1. In the course of briefings at Headquarters Central Army Group (CENTAG) on 5th November 1974, the Committee became aware that the air forces on the central front were faced with a number of problems. It accordingly decided to prepare a special report on the subject, as General de Maizière's study on the rational deployment of forces on the central front had tended to concentrate more particularly on the problems of the land forces.

Warsaw Pact air capabilities

2. This report is concerned essentially with the problem of the NATO central front in Europe, and does not take account of strategic aircraft and missiles, although these weapons systems could, in certain circumstances, be used against targets in the central front area. Apart from the strategic forces, however, the high mobility of air forces makes it very difficult to answer the question : "How many aircraft are deployed by either side in the area of the central front ?" Numbers believed to be present on airfields in the area in peacetime may bear no relation to the numbers that could be flown in at only a few hours' notice in a period of tension. Estimates of Warsaw Pact air strength from various sources are assembled at Appendix I (*a*).

3. More significant perhaps than the numbers of Warsaw Pact aircraft has been the progressive improvement in capability of aircraft introduced since the early 1960s. Whereas the great bulk of Warsaw Pact tactical air forces originally consisted of relatively short-range air defence fighters with little or no all-weather capability, increasing numbers of aircraft in the Soviet air force are now dual-purpose Mach 2 strike and ground attack aircraft capable of reaching further into NATO territory. Combat radii have increased from some 300 n.m. to 500 to 600 n.m. [1] At the same time the improvement in Soviet surface-to-air missiles makes it necessary to assume that a greater proportion of the dual-purpose aircraft can now be assigned to offensive tasks. Some details of the capability of Warsaw Pact aircraft are given in Appendix I (*b*).

4. Equally important to the deployment of the aircraft is the availability of airfields. An unofficial study [1] claims that "East Germany, Czechoslovakia and Poland alone provide the Pact with 220 airfields that are capable of handling high-performance aircraft, plus another 140 runways suitable for less sophisticated planes". The Committee understands, however, that this estimate is far too high. Like NATO, the Warsaw Pact air forces are tending to concentrate on fewer airfields, built to higher standards, and have constructed between 1,000 and 2,000 aircraft shelters. Even so, the number of airfields available to the Warsaw Pact air forces is still several times the number available to NATO.

Allied air forces

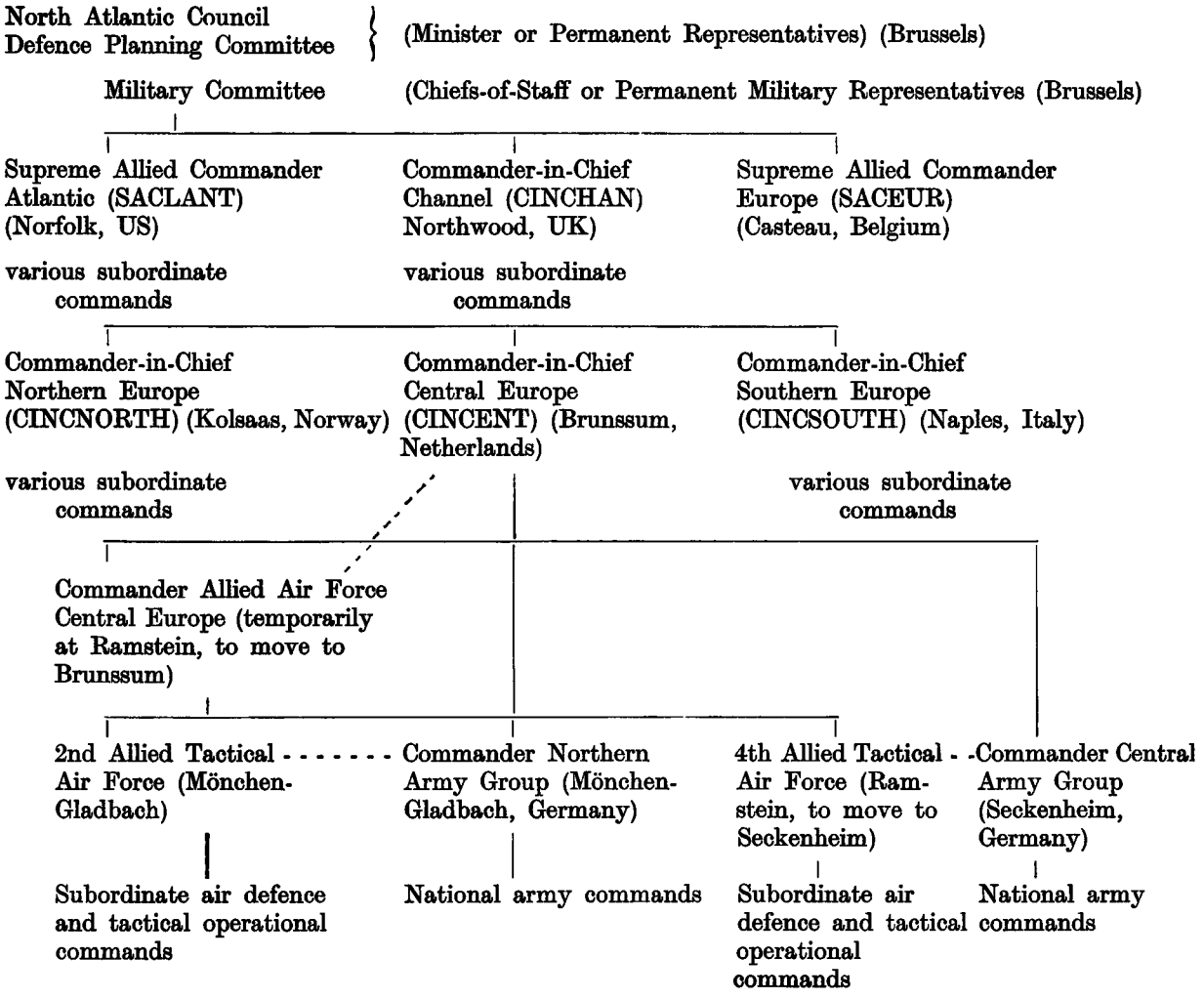
Command and control

5. Command of all land and air forces on the central front — i.e. those between the Elbe and the Alps — is vested in the Commander-in-Chief, Allied Forces Central Europe (CINCENT) whose peacetime headquarters is at Brunssum in the Netherlands. The air forces under him are commanded by the Commander, Allied Air Forces Central Europe, under whom come the two allied tactical air forces — 2nd ATAF in the north, covering the area of Northern Army Group, and 4th ATAF covering the area of Central Army Group — the boundary between the two being roughly the east/west line through Göttingen and Cologne. Belgian, German, Netherlands and United Kingdom units are assigned to 2nd ATAF ; Canadian, German and United States to 4th ATAF. The following diagram shows the command structure :

1. e. g. London, Paris and Marseilles are in range of such aircraft, compared with Cologne and towns on the Rhine hitherto.

1. "United States force structure in NATO — an alternative", Lawrence and Record, Brookings Institution, Washington DC, May 1974 ; quoting Nevil Brown, "European security 1972 to 1980", London RUSI 1972.

Allied air forces on the central front and the NATO military command structure



(- - - = headquarters co-located, or planned to be co-located)

6. Allied Air Forces Central Europe is a new command established by the Defence Planning Committee on 14th June 1974 :

> "12. Ministers approved recommendations by the NATO military authorities on the integrated command structure to ensure the more effective use and joint operation of allied air forces in the central region. They agreed that the new headquarters of Allied Air Forces Central Europe should be established initially at Ramstein, Germany, and that its permanent location should be collocated with the existing AFCENT headquarters at Brunssum, Netherlands."

The recommendations approved included details of the subordinate command structure below the two ATAFs and originated in proposals put forward by the United States in December 1971. The purpose of the new headquarters, according to NATO documents, is "to co-ordinate and direct operations of" the two ATAFs and to establish "operating procedures so that pilots will have no difficulty shifting between units of the Second and Fourth Tactical Air Force Commands". The peacetime headquarters of AAFCE has been provisionally established at Ramstein, but will eventually move to be co-located with headquarters of AFCENT at Brunssum. These two headquarters are to share an underground

war headquarters now being constructed near Ramstein.

7. The history of the establishment of the new command structure reveals one of several instances where national considerations have distorted effective command arrangements, and led to a considerable loss in efficiency in the application of NATO's limited military resources. When headquarters AFCENT was first established in Fontainebleau in the early 1950s, it comprised three separate subordinate service commands, the Air Command (AIRCENT) being held by a British Royal Air Force officer. At about the time of the transfer of the AFCENT headquarters to Brunssum in 1967, there was a global streamlining of the command structure, the three separate service commands were abolished, and CINCENT acquired instead a Deputy CINCENT, a post again held by a (British) Royal Air Force officer. Second ATAF has always been commanded by an RAF officer [1], and the RAF in the early days no doubt contributed the bulk of the aircraft to 2nd ATAF. Fourth ATAF, for similar historical reasons, was always commanded by a United States Air Force officer who was concurrently the (national) Commander of United States Air Forces Europe [2], and the United States still contributes the bulk of the aircraft available to this command.

8. Split between the two ATAFs and AIRBALTAP, the new Luftwaffe at first found its squadrons trained and equipped in two divergent manners under the guidance of the RAF and USAF respectively, but standard training for all German air force squadrons has now been introduced. The Committee has been given to understand that 2nd ATAF operating procedures have relied heavily on individual pilot navigation with possible use of forward air controllers in the last stages of ground support missions. Second ATAF pilots are said to require familiarity with the terrain of their areas through long-term training. Fourth ATAF has placed much more reliance on continuous ground control of aircraft in flight, a procedure offering advantages in particular for pilots rotated frequently from the United States, who may be less familiar with local terrain. Other differences in tactical doctrine are mentioned in the section on deployment and interoperability below. The Committee understands that Commander AAFCE has already taken steps to introduce standard uniform operating procedures throughout his command, but implementation of the new command arrangements at subordinate level has still to be carried through despite their promulgation by the Military Committee.

9. The introduction of the new command structure has inevitably taken some time and led to some misunderstanding of the responsibilities of the different levels of command. Your Rapporteur has detected three interpretations of the command arrangements subordinate to AAFCE. The first imagines a highly-centralised control of operations in headquarters AAFCE, relying on sophisticated communications direct to individual squadrons: the ATAF headquarters having a secondary or stand-by rôle. Critics of this view claim that such centralised command would break down amid the destruction and confusion of actual operations; its advocates claim that such centralised control is essential given the speed of today's aircraft (the whole central front from Hamburg to the Alps is less than twenty minutes' flying time) and other factors. The second interpretation sees operational control concentrated in the two ATAF headquarters which would be able to communicate directly with squadrons, while headquarters AAFCE had a co-ordinating rôle. The third envisages an enhanced wartime rôle for existing national tactical operations commands coming under the ATAFs and corresponding to the air defence sector operations centres which already operate on a NATO basis in peacetime. Those taking this view claim that all NATO headquarters are too remote from operational squadrons to have the understanding of status and capability that is necessary for the most effective tasking of forces; although proper NATO authority is vested in appropriate existing national subordinate commands augmented by liaison teams of other nations, its critics see this as a retrograde departure from allied integration ; purely national headquarters being envisaged at the lower level. For the first interpretation the rôle of the ATAF headquarters is less clear.

10. It is clear that it will take some time for the new command structure to settle down, and for a full understanding of its operations to be achieved at all levels. Nonetheless it provides,

1. With the exception of a three-year period in the mid-sixties when it was commanded by a Belgian general.

2. Commander 4th ATAF became a German appointment on the creation of AAFCE commanded by an American officer, the latter being the Commander United States Air Forces Europe.

at the level of AAFCE, a central command function which will channel intelligence downwards and, in the light of the overall situation, allot squadrons between the ATAFs. At the level of the ATAFs, responsibility remains for coordination with the land forces in the Northern and Central Army Groups and for allocating particular targets and tasks. Below this the tactical operations commands, which will be primarily national, deal directly with squadrons. It is clearly important that although this level of command is primarily national, these commands should have an international element, reflecting the nationality of squadrons most likely to be controlled by them. Overall the new structure appears to provide a coherent framework for the air effort on the central front, but it will be necessary for the Military Committee to keep its operation and effectiveness under review and to make changes as necessary in the light of experience.

11. The Committee has insufficient information and expertise to make a detailed recommendation concerning the command structure subordinate to AAFCE, but recognises that the very nature of air operations requires the area to be considered as a whole. The Committee recommends that arrangements approved by the Military Committee be implemented urgently. The colocation of the peacetime headquarters of AAFCE with AFCENT at Brunssum, which requires common funding of a new building, should be expedited to facilitate the personal contact necessary for the full implementation of the new command arrangements at all levels.

Allied aircraft

12. Operational tactical aircraft available to NATO in Central Europe amount to some 1,450, including United States (but not British) aircraft based in the United Kingdom. Details of types and their allocation between 2nd and 4th ATAF are given in Appendix II. If the central and northern regions are considered as a whole for air purposes, if British tactical aircraft based in the United Kingdom and the United States aircraft based in Spain (about 70) and in the United Kingdom are included, the total amounts to some 2,000 and, on this basis, the International Institute for Strategic Studies' "Military Balance 1975-76" gives the following comparison with the Warsaw Pact countries' aircraft based in East Germany, Czechoslovakia, Poland, and the western military districts of the Soviet Union :

Tactical aircraft in operational service	Northern and Central Europe		
	NATO	Warsaw Pact	(of which USSR)
Light bombers	150	225	200
Fighter/ground attack	1,250	1,325	900
Interceptors	350	2,000	950
Reconnaissance	300	475	350

13. There are in addition over 100 United States dual-based tactical aircraft usually stationed in the United States but with essential stores prestocked in Europe, which can redeploy very rapidly. The French air defence command and tactical air force, if available, could add a further 460 aircraft. If the airfields were available, the total numbers of tactical aircraft that could be deployed, relying on the whole weight of United States' augmentation forces, could outnumber those available to the Warsaw Pact ; their mean capability is certainly superior. Such a build-up would be very difficult to achieve in the short time likely to be available.

Airfields

14. Perhaps the most serious limitation on the deployment of tactical aircraft on the central front, especially on the capability for reinforcement, lies in the small number of airfields available, and their relatively exposed position within 160 to 200 n.m. of the Warsaw Pact boundaries. Of the total of some thirty airfields available in Belgium, the Netherlands and Germany, most are in the 2nd ATAF area. A few more in the AFNORTH area of Baltic approaches are also available.

15. Prior to the withdrawal of France from the integrated military structure, Canadian and United States forces had the use of eleven airfields in France, the construction or improvement of which had been financed either through the NATO infrastructure programme or by the United States, while the United States air force had at least partial use of a further ten French airfields for various purposes including training. Some eighteen other airfields used by French air force units had also been financed through the NATO infrastructure programme. While many of these airfields are currently used by the French air force or army, the Committee understands that the following are unused :

Dreux ;
Chaumont ;
Chambley ;
Laon.

The following are used as standby fields only :

Broye-lès-Pesmes ;
Lure ;
Damblain ;
Marigny-le-Grand ;
Châlons-Vatry ;
Vouziers-Séchault ;
Cambrai-Niergnies ;
St. Simon-Clastres.

Other airfields are in partial or civilian use. Not all runways are now serviceable. [1]

16. There is an urgent need to make available airfields outside the immediate area of the two ATAFs, possibly in Britain and the northern Europe area, as well as for the more numerous 2nd ATAF airfields to accept the larger number of aircraft earmarked for 4th ATAF. The need for access to airfields outside a particular ATAF area is particularly acute for the accommodation of reinforcement aircraft which can be flown in from the United States. Some progress is being made through bilateral arrangements.

17. The importance of the airfields in France has lessened slightly since the withdrawal in 1967, because they are now in range of the more modern Warsaw Pact aircraft in the MiG-21 Fishbed series and the MiG-23B Flogger, whereas hitherto they were considered almost immune to attack by tactical aircraft. Moreover, NATO has concentrated on an aircraft shelter programme as a partial alternative to a policy of dispersal in an emergency. However, if agreement could be reached with France for only half a dozen of these airfields to be available and provided with shelters for the use of augmentation squadrons, in clearly defined circumstances covering exercises and periods of tension as well as possible hostilities, the dangerous overcrowding of 4th ATAF airfields could be significantly reduced. While these airfields may now be in range of hostile aircraft, they are still far less vulnerable because at the ranges involved Warsaw Pact aircraft could not deliver a large bomb-load and would suffer much higher losses because of the greater depth of defended airspace they would have to penetrate.

18. With the introduction of more modern and sometimes heavier aircraft, the standards to which NATO runways were constructed are not always adequate to sustain permanent operation in peacetime. An airfield improvement programme had had to be financed to prevent deterioration in use.

Employment and operations

19. The NATO tactical air forces have four main rôles which are described in different ways by different authorities : (*i*) air defence ; (*ii*) strike (i.e. attack with nuclear capability) ; (*iii*) attack (i.e. conventional close air support of ground forces, interdiction and counter air) ; and (*iv*) reconnaissance.

Air defence

20. The units allocated to the air defence task comprise HAWK surface-to-air missiles deployed well forward in a continuous defensive belt, the NIKE SAMs for area and high-level defence further to the rear, and the interceptor aircraft squadrons. Air defence is an exception to the normal practice whereby the peacetime tasks of the NATO military command structure are limited to planning and training functions : NATO air force headquarters exercise control, in peace and war, of the air defence units and the operational radar warning and control systems. They are manned 24 hours a day, and some interceptor aircraft are always ready to take off ; duty officers in the sector operations centres (SOCs) have authority to order fighter aircraft into the air to intercept and identify any unidentified aircraft penetrating NATO air space.

21. The Bonn convention of 1952 provides for three-power responsibility (France, the United

1. On the withdrawal of allied air units from France in 1967, NATO claimed from France a total of £120 million in respect of NATO-financed infrastructure including airfields in that country, while the United States claimed $720 million in respect of United States-financed airfields and other infrastructure. In the latter connection, the communiqué issued after the meeting between Presidents Ford and Giscard d'Estaing in Martinique on 16th December 1974 stated :

"... The President of France indicated that his government was prepared to reach a financial settlement in connection with the relocation of American forces and bases committed to NATO from France to other countries in 1967. The French offer of $100 million in full settlement was formally accepted by President Ford..."

Kingdom, the United States) for peacetime security of German air space. Because of this only British or United States officers may initiate orders for intercept missions in Germany, and duty officers from these countries have to be permanently available in the command centres, and aircraft of these countries have to perform intercept identification missions in peacetime. France has reserved its right to participate. These arrangements undoubtedly have a deterrent effect, as any airborne encounter must thereby involve NATO countries other than Germany. At a specified stage of alert responsibility for the security of German air space passes to the NATO command as such.

Other rôles and specialisation

22. As far as the strike, attack and reconnaissance rôles of its tactical air forces are concerned, NATO assumes command only at a specified level of alert. As with all other forces NATO peacetime functions are concerned with planning, exercises and the supervision of training. Whereas the peacetime control by NATO commanders of the air defence function should ensure a smooth transition in the event of hostilities, control of the tactical rôles is practised only during exercises. Decisions concerning subordinate command arrangements mentioned in paragraphs 9-11 above are urgent.

23. Not all NATO countries will be able to provide aircraft types and aircrew training to cover all tactical air rôles on cost-effective terms. This is brought out in the Netherlands Defence White Paper — "Our very existence is at stake — defence policy 1974 to 1983" of July 1974 which states :

> "The DPC [1] also accepted the recommendation that the Netherlands air force should gradually concentrate on the attacking of ground targets near the scene of fighting with conventional weapons, using an aircraft which could hold its own in airfights in its field of operations, but which would also be capable of being used for nuclear purposes, to the extent that this was consistent with its range as determined by the first two requirements. With the replacement of the Starfighter, the Netherlands will, therefore, leave unrestricted air defence and long-range nuclear tasks to her allies. It is also the intention in the future to replace the lighter tactical NF-5 aircraft by the new type of aircraft. This concentration on a single type of aircraft offers considerable advantages as regards training, maintenance and logistics, and in this way it will be possible for operating costs to be reduced.
>
> In addition to this advantage to the Netherlands, NATO will also benefit from a reduction in the number of different types of aircraft. Consultations are now taking place with those countries which are faced with similar decisions with regard to replacements."

Interoperability

24. One of the chief problems facing the allied air forces on the central front is the still limited interoperability of aircraft between ATAFs or even between airfields occupied by units of different nationality within the same ATAF. The problem arises in part from the parochial manner in which the two ATAFs were organised in the past, and is compounded by the fact that some 60 % of total aircraft assigned to AAFCE belong to 4th ATAF — because the United States is the major contributor. When all reinforcement aircraft have been made available to the Central Europe Command, the lack of balance is worse — about 80 % of all aircraft would then be primarily assigned to 4th ATAF. In operational terms this imbalance has been alleviated by the establishment of AAFCE which has the right to allot squadrons throughout the central front, irrespective of the ATAF to which they belong.

25. Limitations on interoperability have arisen in part from different tactical doctrines, reflecting differences between United States and European units, rather than differences between the ATAFs. United States doctrine in the attack rôle provides for a comparatively high-level approach using first a defence suppression attack with aircraft will equipped with electronic counter-measures to destroy the opponents air defence systems, followed by attack on the primary objective. European units prefer direct attack on the primary target, relying on a very low level approach to penetrate hostile air defences ; their ECM equipment has been less effective or non-existent in the past. United States aircraft in attack rely on the 407L radar control system, which other aircraft are not equipped to use. The co-ordinating rôle of

1. NATO Defence Planning Committee.

AAFCE has already made some improvement to the situation.

26. A further important obstacle to full interoperability arises from the lack of standardisation among aircraft in service in AAFCE. At present, twenty different types or variants are identified in Appendix II for only four principal rôles ; no fewer than six different types are operated by the RAF alone. It should be noted that the procurement of apparently the same aircraft by two different countries has not always led to standardisation. The Phantom FGR-2 operated by the RAF has a British engine, and cannot therefore be serviced on the same airfield as the Phantom F-4F for example in service with the German air force.

27. This lack of standardisation among aircraft restricts their ability to operate in or out of airfields other than those assigned to squadrons of the same nationality, or accommodating aircraft of the same type. There is non-standard ammunition — even where NATO has produced agreement on a standard bomb, bomb-racks themselves have become non-standard as new types of aircraft have been introduced. Oil, oxygen, even some fuel and many other special items may not be available in the particular form required by an aircraft visiting a strange airfield. A recent study [1] claims that :

> "The 2nd ATAF also has five different types of gun ammunition, four different bombs, six different napalm containers, and sixteen different drop-tanks.
>
> .....
>
> Four different short-range air-to-air missiles are in development. Efforts are being made to reduce this to one or (at the most) two separate developments."

28. Although there has been some improvement recently and German air force units act as a homogenous bridge between the ATAFs, there is still an urgent need to improve interoperability which has not yet achieved, on all airfields, the basic "get you home" refuelling and other essential services to recover an aircraft and permit it to return to a base with compatible stores for rearming for another mission. While a "get you home" service is satisfactory in peacetime, a rearming capability is what is required in war. The study quoted [1] concludes :

> "Tactical air forces should be able to concentrate wherever a major attack or breakthrough occurs. Warsaw Pact air forces have that capability, through standardisation. Allied tactical air forces do not. Logistically, it is not possible.
>
> While aviation fuel has been standardised throughout NATO, the nozzles and rapid-fuelling equipment have not. Nor have aircraft munitions. Standardised auxiliary power units (APUs) have yet to be supplied to all national and NATO airfields. Thus allied tactical air forces are tethered to their own national fields (and even some NATO airfields) unable to be .... rearmed or repaired at other airfields ; unable to concentrate when and where required ; unable to continue the battle should their own fields be knocked out.
>
> In November, 1971, Air Marshal Sir Harold Martin, Commander-in-Chief, Royal Air Force Germany, told a House of Commons Committee (putting on, as he said, his Commander, 2nd Allied Tactical Air Force hat) :
>
> > 'If one of our airfields, or two or three, were taken out by enemy action of some sort and we had forces from those airfields airborne at the time, if we could divert them to a Dutch airfield or a German airfield and they could then be rearmed, weapons put on them and guns reloaded and they could then be tasked to take off on another sortie, the operability of the force as a whole would be increased by 200 to 300%.'
>
> There are 24 different types of combat aircraft in NATO. Including modifications, there are actually 39 different combat aircraft models. The inability to refuel, rearm and service these aircraft has a serious effect on allied military readiness. Dr. Tucker [2] estimates that only one-third to one-half of the 2,800 tactical aircraft NATO maintains in Western Europe could be brought to bear in a conflict."

1. "United States-European Economic Co-operation in Military and Civil Technology". Thomas A. Callaghan Jr., Georgetown University Centre for Strategic and International Studies, revised September 1975, page 22.

1. Callaghan *op. cit.*, pages 34, 35.

2. NATO Assistant Secretary-General for Defence Support.

Air space management

29. In theory, the problems of air space management — the ability to control a large number of aircraft and ground-based anti-aircraft systems operating simultaneously at high speed in a limited space — can be solved when the new command arrangements are implemented [1] at all levels, but better communications and more automatic data processing are needed. Serious problems have arisen from the existence of new short range air defence systems in the hands of army units — which may lack instantaneous communications with air control centres — and the limitations and incompatibilities of IFF (identification friend or foe) systems and of short-range air defence procedures installed on aircraft. Evidence given to the United Kingdom House of Commons Expenditure Sub-Committee [1] is revealing :

> "Can you say how long it will be before there will be improvements in the means of identifying friendly aircraft and when is it expected that a new NATO identification system will be fully operating ? Is it likely to be much before the 1990s ? — (Air Vice-Marshal Cairns). The Americans and Germans and many other people, of course, have gone to the Mark 12 IFF system. We did not consider that sufficient improvement of our own Mark 10, in which we invested a great deal of money, to go common at this stage..."

Incompatibility of IFF systems, and of short-range air defence procedures, could involve very heavy costs in a war situation.

Airborne warning and control system (AWACS)

30. According to the communiqué published after the Ministerial Meeting of the Defence Planning Committee on 23rd May 1975, "Ministers also endorsed a proposed joint study of the possibilities of acquiring and operating an airborne early warning and control system on a co-operative basis to improve the effectiveness of NATO's air defences." The United States, according to the Defence Department annual report for financial years 1976 and 1977, is to acquire two squadrons of E-3A aircraft, a total of seven aircraft, to become operational by 1977, and a total of 34 aircraft in three squadrons by the end of 1981. Total proposed budget costs for financial years 1974 to 1977 inclusive are $2.16 billion.

31. Following a dispute between the Senate Armed Services Committee and the United States Department of Defence on the immunity of this system to electronic counter-measures, a panel of independent experts in the United States has reported on the three proposed rôles for the AWAC system :

> "1. to provide the NATO Command with timely information of significant aircraft or ECM (electronic counter-measures) deployments prior to hostilities, i.e. early warning ;
>
> 2. to provide surveillance information required for effective direction of the air battle over NATO-held territory, i.e. the defensive mission ;
>
> 3. to provide the information required for effective direction of strikes into enemy-held territory, i.e. the offensive mission."

32. The panel reported AWACS "... to be an impressive technical accomplishment that has met its design goals and in so doing is less susceptible to ECM than ground surveillance radars now employed in Europe." It appears that the defensive rôle of AWACS would not be degraded by ECM, but that the offensive rôle would be degraded to some extent. As existing NADGE equipment has virtually no capability to control allied aircraft in hostile territory (only the United States 407L facility provides this), this latter function is of most interest to some NATO countries. Moreover, one study suggests that in rôles involving flying in forward areas the E-3A AWACS aircraft flying at Mach 0.9 could be vulnerable to the Mach 3 MiG 25 Foxbat estimated by Jane's All the World's Aircraft to have a combat radius of 610 n.m.

33. The Department of Defence report continues :

> "We are now working closely with our NATO allies in defining a NATO AWACS programme in which most of the costs would be borne by nations other than the United States. A NATO decision on the eventual procurement of AWACS could be made as early as November 1975. In the absence of such a NATO decision our ultimate AWACS force level is uncertain... this aircraft is expected to remain in the force for twenty to thirty years and during that time it will

1. Minutes of Evidence, Defence and External Affairs Sub-Committee, 22nd July 1975, paragraph 529.

undoubtedly undergo essential configuration changes as the threat and operational requirements dictate."

The Committee understands, however, that a NATO decision on AWACS is unlikely before May 1976. The problem of funding is made more difficult because of the inevitable lumpiness of the spending on the AWACS project. It would be concentrated in one or two years, and could not be spread.

34. Some estimates of the cost to the NATO countries of an AWACS system of 36 aircraft have been published [1] :

"All that can be given here... are four sets of 'ball park' figures, as provided to the International Defence Review. It will be seen that they are all from United States sources, and that they are slightly lower than the costs of the USAF AWACS programme :

— US DoD March 1975 estimates for a 36 aircraft NATO buy, based on a NATO-specified configuration, were $48-53 million per aircraft, or a programme total of $1,728-1,908 million ;

— Boeing Vice-President Mark Miller, talking to the IDR at end-April, quoted a 'system flyaway cost, including spares and training, but excluding operating costs' of $50 million per AWACS for a 36 aircraft NATO buy, giving a total programme cost of $1,800 million ;

— Boeing engineering manager for AWACS, John Schmick, talking in June, estimated that the cost to NATO could be in the range of $45-65 million, or a total of $1,620-2,340 million for 36 aircraft. These figures are also believed to have been quoted at the CNAD meeting in April 1975 ;

— for comparison, the NATO target price for the original NADGE programme was $264 million, and the highest programme cost quoted above ($2,340 million) is similar to the total 1974 defence expenditure of the Netherlands ($2,303 million)."

The same source suggests the following contribution from NATO countries :

Belgium	$ 66.21m
Canada	$156.69m
Denmark	$ 40.07m
Germany	$513.38m
Italy	$183.36m
Luxembourg	$ 2.93m
Netherlands	$ 84.51m
Norway	$ 27.20m
Portugal	$ 14.73m.
Turkey	$ 28.53m
United Kingdom	$234.97m
United States	$450.00m

35. The United Kingdom has claimed that a simpler airborne early warning system (AEW) could be developed with the Nimrod maritime patrol aircraft for $22 to $24m per aircraft. There is also the carrier-borne United States Grumman E-2c which could presumably be developed for land use and is significantly cheaper, although its range and endurance may be inadequate.

36. Because of its high cost your Rapporteur found air force staffs somewhat unenthusiastic about AWACS, unless it could be provided over and above all other equipment requirements — an unlikely event. The Committee is not convinced that the case for AWACS has been made at the present time.

NATO pipelines

37. The NATO-financed pipeline system, running from Atlantic and Channel ports to NATO airfields in France and Germany, is still operated by one of the three NATO agencies still located in the Paris area — the Central European Operating Agency in Versailles. Improvements to this system, in particular to improve fuel storage on NATO airfields, are still being carried out.

Over-flying rights

38. NATO aircraft are able to operate, within prescribed limitations, over the territory of NATO countries other than France, subject only to the usual requirements of air safety, involving the filing of a flight plan before take-off. Prior to the withdrawal of France from the integrated military system in 1967, total NATO air traffic over that country, by non-French aircraft, amounted to 100,000 flights a year. The Committee understands that bilateral agreements now exist between certain NATO countries and France covering military overflights, but it is

1. "Can NATO afford AWACS" R.D.M. Furlong, International Defence Review 5/1975.

generally true that all flights across France, even routine training schedules, require diplomatic clearance before being allowed to proceed. The right to overfly French territory is vital to NATO tactical aircraft that may be required to reinforce the Mediterranean area in a period of mounting tension, when Swiss and Austrian air space would not be available to NATO combat aircraft. Overflight is also important for training purposes, including access to the Mediterranean.

Aircrew training

39. It is not clear to your Rapporteur precisely how adequate are the present arrangements for aircrew training. The amount of fuel and flying hours that can be allocated have in some cases been reduced, and access to some air firing ranges has become more restricted. The continued availability of low-level training areas is important.

Future generation of aircraft

40. It is still unclear whether the next generation of aircraft, as presently planned, will improve standardisation, or worsen the present situation. The jointly-produced Franco-British Jaguar is now in service in 2nd ATAF with the RAF in a dual capability nuclear/conventional attack rôle, and is also in service with the French tactical air force with a similar capability. There are differences in the navigational systems however. The Franco-German Alpha Jet will be in squadron service in 1978 (first deliveries at end 1976), but France will be using it as a trainer only, while it will replace the G-91 in the close ground support and battlefield reconnaissance rôles in the German air force. The British-German-Italian MRCA now in advanced development still awaits final agreement on production at the end of 1975. In the German Air Force it will replace the F-104G. Its introduction into RAF units will certainly reduce the number of different British aircraft types operating and in addition it is planned to develop for the RAF alone an air defence variant. The F-15 air superiority fighter, with a speed in excess of Mach 2.5 and a ceiling in excess of 70,000 feet, a counter to the MiG-25 Foxbat, is shortly to be introduced into United States squadrons, as is the A-7 close support aircraft.

41. The decision of Belgium, the Netherlands Denmark and Norway to acquire a single replacement aircraft, F-16, will improve standardisation, especially because a similar number of F-16s will be introduced into the United States air force. The five countries will acquire an identical aircraft, as no destandardising national modifications may be introduced without the unanimous agreement of all participants. The Committee regrets, however, that none of the jointly-developed and produced European aircraft, such as those mentioned in the previous paragraph, was found to meet the requirements of these four countries.

Tactical nuclear weapons and mutual and balanced force reductions

42. The United States is currently reviewing, under instructions from Congress, the deployment of tactical nuclear weapons in Europe. About 7,000 tactical nuclear warheads have been said by successive Secretaries of Defence from Mr. McNamara onwards to be stockpiled in Europe (Mr. Clark Clifford, who held the office in 1968, at one point stated there were 7,200). These include warheads for tactical missiles such as the Honest John, Sergeant, Lance and Pershing ; warheads for the Nike SAM, nuclear bombs for tactical aircraft ; nuclear artillery rounds for the 8-inch and 155-mm. Howitzer, and atomic demolition munitions.

43. With growing emphasis in NATO on the need for an adequate conventional response to any initial conventional attack, and the need for close political control of any initial use of nuclear weapons by the NATO forces, there is now less emphasis on the delivery of nuclear bombs by tactical strike aircraft on interdiction missions. It has been argued that any initial use of tactical nuclear weapons by NATO forces in Europe is more likely to be the precisely delivered battlefield use of a surface-to-surface missile such as the Lance, Sergeant or Pershing. It is likely, therefore, that agreement will be reached within the NATO countries to put forward proposals in the MBFR negotiations based on their willingness to implement such a reduction, and to demand some corresponding reduction in Soviet forces in exchange — in all probability in the numbers of Soviet tanks.

44. NATO is now preparing proposals for a reduction of 1,000 tactical nuclear bombs and possibly some delivery systems by NATO in exchange for the withdrawal from Central Europe of one complete Warsaw Pact tank army — about 1,700 tanks. In considering this, careful attention must be given to the effect of reducing

delivery systems, e.g. aircraft which have an important non-nuclear rôle.

Conclusions

The draft recommendation

45. The Committee's conclusions are set forth in the draft recommendation. *The preamble* draws attention to the past failure of the NATO command structure to integrate the various air forces on the central front effectively but welcomes recent improvements — the problem is described in paragraphs 5 *et seq* above.

46. *Substantive paragraph 1* of the draft recommendation quotes from the resolution to implement the Final Act of the London Conference, adopted by the North Atlantic Council on 22nd October 1954. The nine-power London Conference from 28th September to 30th October 1954 prepared the ground for the admission of Germany and Italy to NATO and the subsequent modification of the Brussels Treaty.

47. Under the terms of the North Atlantic Council resolution referred to, NATO assumed responsibility for implementing certain decisions of the London Conference including the integration of forces and logistics in NATO on the lines originally intended in the stillborn European Defence Community, albeit in a less far-reaching form. Had this resolution been fully applied in practice, the serious shortcomings discussed in paragraphs 7 and 8 above would not have arisen in the first place. The Committee call for the implementation of new command arrangements at all levels — see paragraph 11.

48. *Substantive paragraph 2.* The problems of the airfields are discussed in paragraphs 14 to 18 above.

49. *Substantive paragraph 3.* The problems of interoperability are described in paragraphs 24 to 28.

50. *Substantive paragraph 4.* Problems of communications are mentioned in paragraph 29 ; the early warning systems proposal in paragraphs 30 to 36.

APPENDIX I

(a) Estimates of Warsaw Pact aircraft

1. Official publications give few details of Warsaw Pact air force deployments. The United States' annual Defence Department report for financial years 1976 to 197.. (transitional) reports: "...about two thousand tactical aircraft..." in the area of East Germany, Poland, Czechoslovakia and Hungary. The same report for the previous year estimated : "...that the forces which the Pact could launch against the centre (that is, the Federal Republic of Germany) with very little warning consist of : ...about 2,800 aircraft, of which the majority are primarily air-to-air fighters." The same report for financial year 1973, when Mr. Melvin Laird was Secretary of Defence, referring to Warsaw Pact tactical aviation facing NATO, states : "...So far as we can determine, the forces at the beginning of this year [1972] consisted of some four thousand aircraft in combat units with about 1,800 more in training units. Approximately 2,000 aircraft at the present time are assigned to units that do not have a primary ground attack mission." That report drew attention to the expected entering into service of more modern Soviet tactical aircraft such as the variable geometry MiG-23 Flogger and the MiG-25 Foxbat, which would extend the operating range of Soviet tactical aviation ; but a smaller force was expected to result at the end of the decade — a view not now shared by NATO headquarters which find total numbers substantially the same.

2. Officially published German estimates, which include aircraft in the western military districts in the Soviet Union, are, of course, significantly higher. The 1973-74 Defence White Paper, issued by the FRG Ministry of Defence in January 1974, estimates Warsaw Pact tactical combat aircraft, based in the non-Soviet Warsaw Pact countries and the western air defence regions of the Soviet Union, to be 7,400, made up of 800 reconnaissance, 1,800 fighter-bombers and 4,800 fighters. The United Kingdom White Paper "Statement on the Defence Estimates 1975" is not particularly informative, showing only a ratio of 1 to 2.3 in the tactical aircraft available to NATO and the Warsaw Pact on the central front, accompanied by a number of aircraft symbols to which numerical values are not assigned.

3. The most commonly quoted unofficial figures are those provided by the International Institute for Strategic Studies in its annual "Military Balance", the latest version of which (1975-76) is reproduced in paragraph 12 of the explanatory memorandum.

4. Another unofficial recent study [1] draws attention, however, to the obsolescence of many of the aircraft in the non-Soviet Warsaw Pact countries. It points out that : "...about one-half of non-Soviet Pact tactical combat aircraft (no Eastern European country has strategic aircraft) are Il-28s, MiG-15s, or MiG-17s — all of which represent designs that are two decades old or more. The contribution of these subsonic machines to the Pact's overall tactical air capabilities is certainly less than that provided by the more modern MiG-19, MiG-21, and Su-7 aircraft, which constitute the core of Eastern European combat air power. It is significant that, as far as is known, no continental ally of the USSR has yet acquired the formidable single-seat tactical fighter Su-11 or the two latest models in the MiG series — the MiG-23 and the MiG-25."

The study provides the following table of Eastern European tactical combat aircraft, first-line and obsolescent :

Country	First-line	Obsolescent (*a*)	Total
East Germany	390	40	430
Poland	220	525	745
Czechoslovakia	400	220	620
Hungary	140	40	180
Romania	100	150	250
Bulgaria	84	180	264
TOTAL	1,334	1,555	2,489

Source : Dupuy and Blanchard, "The Almanac of World Military Power", pages 131-145.

(*a*) Includes all Ilyushin-28 tactical light bombers and MiG-15 and MiG-17 fighters, first introduced into service in 1949-50, 1948, and 1953, respectively.

1. "US Force Structure in NATO — An Alternative", Lawrence and Record, published by the Brookings Institution, Washington, May 1974.

5. Other reliable information on the Committee's files provides the following breakdown of Warsaw Pact tactical aircraft confronting NATO in Central Europe, as of November 1975 :

Type	Soviet air force based in		Total of Czechoslovak, East German and Polish air forces	TOTAL Warsaw Pact aircraft facing central region
	Czechoslovakia, East Germany, Poland	Western USSR[3]		
Air defence fighters	65	720[4]	635	1,420
Tactical fighters[1]	595	340	335	1,270
Fighter-bombers	460	300	405	1,165
Reconnaissance and electronic counter measures	180	145	165	490
Assault helicopters	120	60	—	180
Bombers[2]	—	approx. 550	—	approx. 550
TOTAL	1,420	2,115	1,540	5,075

1. i.e. dual rôle aircraft, both air defence fighter and fighter-bomber such as MiG-21 Fishbed J, K, L and MiG-23 Flogger.

2. Excluding naval aviation, although some of these aircraft could be expected to be employed against the central region.

3. Excluding Moscow military district.

4. Soviet home air defence (APVO) in the three western air defence districts.

(b) Characteristics of Warsaw Pact tactical aircraft

Name	In service		Rôle	Speed knots max/cruise	Range *e* Endurance *cr* Combat radius	Payload tonnes/ armament
	Date	Country				
Ilyushin						
Il-28 Beagle	1950	USSR, Bulgaria, Poland, Romania, Hungary, Czechoslovakia and non WP	Tactical bomber, reconnaissance	500/390kt	*r* 1,300 km	5.5 4 × 23 mm guns 2,000 kg bombs
Mikoyan						
MiG-15 Fagot	1949	obsolete Bulgaria, Czechoslovakia, Hungary, Poland and Romania	Air defence fighter	570kt	*e* 2 hrs.	3 cannons
MiG-17 Fresco	1953	USSR, Bulgaria, GDR, Hungary, Poland, Romania	Air defence fighter	650kt	*r* 450 n.m.	3 cannons 500 kg bombs
MiG-19 Farmer A and B	1955	Bulgaria, Hungary, Poland, Romania	Air defence fighter	Mach 1.3	*r* 520 n.m.	3 cannons, AAMs
MiG-21 Fishbed	1956 1970	USSR, Bulgaria, Czechoslovakia, GDR, Hungary, Poland, Romania	Dual rôle	Mach 2.1	*r* 590 n.m.	cannons, AAMs 1,500 kg bombs
MiG-23 Flogger	1971	USSR	Dual rôle	Mach 2.3	*cr* 520 n.m.	guns, AAMs, bombs
MiG-25 Foxbat	1971	USSR	Fighter reconnaissance	Mach 3.2	*cr* 610 n.m.	AAMs
Sukhoi						
Su-7B Fitter A	1961	USSR, Czechoslovakia, Poland	Ground attack	Mach 1.6	*cr* 170-230 n.m.	cannons 2,500 kg bombs
Su-15 Flagon	1970	USSR	Interceptor	Mach 2.5	*cr* 390 n.m.	AAMs
Su-17/20 Fitter B and C	1971	USSR, Poland	Ground attack VGW	Mach 2.1	*cr* 325 n.m.	3,500 kg bombs, guns
Su-19 Fencer	1975?	USSR	Ground attack VGW	claimed to be comparable to F-111		
Yakovlev						
Yak-28 Brewer E	1961	USSR	Ground attack			bombs
Yak-28-P Firebar		USSR	AWX	Mach 1.1	*cr* 500 n.m.	AAMs

APPENDIX II

Aircraft available to allied air forces central Europe

Country	2nd ATAF			4th ATAF			
	Air defence Interceptor	Fighter-bomber	Recce	Air defence Interceptor	Fighter-bomber all rôles	Recce	
Belgium	36 F-104G 54 Mirage V BA	36 F-104G	18 Mirage V BR				
Nether-lands	36 F-104G	36 F-104G 72 NF SA/B	18 RF-104G				
United Kingdom	12 Phantom FG-1	20 Jaguar 36 Harrier 18 Phantom FGR-2 30 Bucca-neer	18 Phantom FGR-2				
Germany[1]	30 F-4F[2] 18 TF-104G	30 F-4F[2] 42 G-91 36 F-104G	—	30 F-4F[2]	30 F-4F[2] 108 F-104G 36 G-91	30 RF-4E	
Canada					48 CF-104D		
United States[3]					60 F-111E	80 RF-4C	
				360 F-4C/D/E			Grand Total
Total	144	408	54	736		110	1,452

1. Germany: also provides 30 RF-4E reconnaissance and 42 G-91 fighter-bombers for AFNORTH (Air Baltap).

2. To be equally employable in the air-to-air and air-to-ground rôle.

3. Estimate includes United States aircraft in United Kingdom.

(Staff estimates from the following and other sources: IISS Military Balance 1975-76: Jane's All the World's Aircraft 1974-75; Flight, 6th February 1975)

Document 691 **1st December 1975**

The European aeronautical industry

REPORT [1]

submitted on behalf of the Committee on Scientific, Technological and Aerospace Questions [2]
by Mr. Warren, Rapporteur

TABLE OF CONTENTS

1. Adopted unanimously by the Committee.

2. *Members of the Committee:* Mr. *de Montesquiou* (Chairman); MM. Warren, *Richter* (Vice-Chairmen); MM. Adriaensens, Boucheny, *Carter*, Mrs. Cattaneo-Petrini, MM. Cornelissen (Substitute: *Portheine*), Fletcher (Substitute: *Miller*), Gölter (Substitute: *Lemmrich*), *Lenzer*, *Lewis*, Mammi, Mart, van Ooijen, Pecoraro (Substitute: *Mancini*), Schmitt, Schwencke, de Stexhe, *Treu*, *Valleix*.

N. B. *The names of Representatives who took part in the vote are printed in italics.*

Draft Recommendation

on the European aeronautical industry

The Assembly,

Welcoming the action programme for the European aeronautical sector submitted by the Commission of the European Communities to the Council of Ministers;

Likewise welcoming the activities of the European Civil Aviation Conference, the Association of European Airlines and the Association Européenne des Constructeurs de Matériel Aérospatial;

Aware of the formation of the Group of Six by the main European aircraft manufacturers;

Regretting that the range of Eurocontrol's activities is being diminished,

RECOMMENDS THAT THE COUNCIL

Call upon member countries to recognise:

1. That it is essential to ensure the unified civil and military aerospace manufacturing and user market without which divergent national policies will continue to prevail;

2. That a European military aircraft procurement agency as proposed by the Assembly and later by the Commission requires the juridical basis of the modified Brussels Treaty;

3. That the weakening of Eurocontrol would be detrimental to Europe and that the organisation should be developed in accordance with its Charter and that there is no point in defining European air space if a European organisation which is working effectively is downgraded to the task of co-ordinating national air traffic services.

Draft Resolution

on a colloquy on the formulation of a civil and military aeronautical policy for Europe

The Assembly,

Considering that the development of European co-operation in the field of civil and military aviation remains one of its main concerns ;

Considering that the future of the European aeronautical industry may be jeopardised if a concerted policy providing a broad basis for co-operation between governments, manufacturers and airlines is not agreed upon ;

Considering the positive results of the colloquy held in Paris on 17th and 18th September 1973,

INSTRUCTS its Committee on Scientific, Technological and Aerospace Questions to organise a colloquy on aeronautical questions in 1976 on the same basis as the one it organised in 1973.

Explanatory Memorandum

(submitted by Mr. Warren, Rapporteur)

General remarks

1. In December 1974 your Rapporteur had the honour to present to the Assembly of Western European Union a report on behalf of the Committee on Scientific, Technological and Aerospace Questions entitled "State of European aviation activities". In the twelve months which have passed since the presentation of that report, which was adopted unanimously by the Assembly, there has been no action by any member government to implement any of the report's recommendations [1]. Thus we have an illustration of Western Europe's extraordinary inability to take political action, which everyone agrees is essential, because the issues involve technology and result in a paralysis of political action. The sole exception is the start of the European Space Agency which, even if small compared with the size of the European aerospace market, proves that action agreed can be action taken. The establishment of Eurogroup to consider some of Western European military procurement policies is also a useful initiative which has yet to demonstrate it can stem the tide of American salesmanship.

2. During the debates in Bonn in May 1975 on the report your Rapporteur submitted together with Mr. Valleix [2], his part thereof as well as corresponding paragraphs in the substantive text of the draft recommendation were not voted upon. The Committee decided to have it brought up to date for the December 1975 session. Your Rapporteur has therefore discussed this subject anew with competent authorities in member countries and also with representatives of the Commission in Brussels.

3. He again wishes to underline that several events which have occurred in the Western European aerospace sphere in 1975 have clearly illustrated the great difficulty of taking joint political action. Although many governments are aware of the need to act, the paralytic process of 1974 has continued in 1975.

4. Another symptom of our problems concerns our continued inability in Western Europe to see our aerospace industry as a European entity and not as a series of separate national aircraft industries. Whereas every nation in Western Europe still has the right to make its own decisions affecting its industrial policy, one would have expected Western Europe to have measured the effect on its economy which was likely to arise from political action being taken within an individual country which could affect the security and industrial power base of all of us.

5. The United Kingdom, the Netherlands and other European countries believe that the defence charges agreed to within the NATO framework are heavier than they can afford at present. Reductions in current programmes have been decided and research and development is being curtailed.

6. No one can quantify the effect of the British Government's proposed nationalisation of the airframe manufacturing resources of Hawker Siddeley, British Aircraft Corporation and Scottish Aviation. Although the bill has been delayed several months in its presentation to the British parliament, it is the government's plan to carry out this nationalisation during 1976.

7. Your Rapporteur would be failing in his duty if he did not state his belief that Western Europe must make such arrangements as it feels necessary to ensure that there is a sufficient design and manufacturing capability for military aircraft in Europe.

8. Europe has a remarkable inventiveness and genius in the construction of aircraft. But if Europe is ever to develop its own foreign policy then it has to learn how to maintain and encourage strategic industries such as those required for the defence of Western Europe before it can assure itself it has the power to make its own policy.

9. On 1st October 1975 the Commission of the European Communities submitted to the Ministerial Council an action programme for the European aeronautical sector [1]. This programme closely follows the principles propounded by WEU. Whilst it is an important source document, it has yet to be translated into action to

1. See Recommendation 257 and the Council's reply at Appendix I.

2. Document 674.

1. See Appendix II.

impart the essential political momentum to secure the unified civil and military aerospace manufacturing and user market without which divergent national policies will continue to be generated. Indeed the wide discussions started in the latter half of this year between the French airframe manufacturers and United States companies are a symptom of the lack of a visible solution to the key problem of a unified Western European market.

10. To seek to challenge the American manufacturers whilst Europeans, with all their competitive capability, are still isolated as island powers within their various political alliances (EFTA, EEC) is unrealistic and ensures that the Americans can continue to make the rules of competition.

11. It is extraordinary that the revelation of the obvious should blind us into inaction. Our manufacturers, given a unified home market, protected as the Americans protect their own domestic market from foreign sales, are perfectly capable of using the resources at their disposal on the scale and with the efficiency necessary to secure home orders and compete successfully in their territories. But until the basic political initiatives are taken the Americans can continue to count on Europe as a "soft sell".

12. Proof of this was demonstrated this year when the F-16 was sold to four European NATO nations through a competition which stressed the urgency of the need to reach a decision on a winner, rather than to argue out the need for a decision in 1975 at all. On this basis Europe lost its chance to compete, no matter how good a package of European manufacturers' solutions could have been put up for study given more time. The Americans stole a key market in our midst.

13. Now the same thing appears to be happening again with the NATO study of a Boeing E3A as an airborne early-warning vehicle. It is understood that other United States products were kept out of the competition to concentrate all United States resources on promoting one product. This has been done so successfully that a NATO military sub-committee is destined to take a major industrial decision of considerable impact on the long-term interests of European science and industry without a single European aircraft project being considered as an alternative to the enormously expensive United States proposal. It would appear to be essential for WEU to discuss this matter urgently. It epitomises the need for a political agency in parallel with, or part of, the EEC, to consider the political, industrial and social consequences of our military procurement policy.

14. In discussions your Rapporteur had with the Brussels authorities, it became clear that the Commission hopes that the Communities' proposals will go to the European Council where the main decisions will have to be taken. This is the more necessary as the Commission included in its report a draft resolution of the member States of the European Economic Community meeting within the Council relating to the purchase and development of aircraft weapons systems. They also made it clear that they needed a juridical base and that the Brussels Treaty, although not perfect, could certainly serve as such. A consideration is that although Ireland and Denmark have not signed the Brussels Treaty they have no weapons industry either.

15. In this context your Rapporteur was struck by the fact that in the document of the Communities, although following in great detail the report prepared by Mr. Valleix in 1973 on guidelines for an aviation policy for Europe drawn from the colloquy on 17th and 18th September 1973 [1], no mention was made of WEU and of this and earlier reports submitted by Mr. Valleix and others. The same is true where Eurocontrol is concerned. Although the Community document speaks about the creation of European airspace, it does not mention the Eurocontrol convention and the work which this organisation has done for air navigation and air traffic services.

16. As far as the content of the document is concerned, your Rapporteur appreciates the fact that it will promote discussion on aeronautical problems at the highest level. He agrees with the Commission that, given the scale of the problems, national action is no longer capable of ensuring the harmonious development of the aircraft industry and the aviation sector.

17. On the other hand, he believes that in several fields more concrete problems should have been discussed. It is for instance quite clear that the European aircraft industry will be unable to find its feet if presently produced aircraft are not sold on the European home market. Special action should for instance be undertaken for the European airlines to accept Airbus in

1. Document 618.

their fleets, especially since this aircraft is a true European venture and not just built by French and German industries — the British, Netherlands and other industries were all involved in building this aircraft and governments should put pressure on the airlines to acquire a certain number of them. If the European aircraft industry is to find a sound financial and economic basis, this aircraft has to be sold. The problem is more difficult with Concorde, but the same approach should be adopted. Moreover, governments have already declared several times that they see a decision in this direction as the beginning of a solution.

18. Developments in civil air transport since December 1974 have been chiefly marked by further substantial increases in air fares. Europe's passengers continue to remain in the hands of airlines which, with the backing of bilateral agreements between governments and the safety net of IATA, are virtually free to set any fare levels they want to. Air fares on the London-Paris sector, for instance, have been increased by 25 % since last December and it now costs each passenger 12.5 pence per mile to be carried over this sector. This story of high charges persists throughout Western Europe with the persistent excuse that conditions in Western Europe are not as favourable as those available to airlines operating the same types of aircraft in the United States. The recommendations of the last report indicated several clear actions which Western European governments could take immediately to establish Western Europe as a single unified air transport market. One would have expected initiatives to be taken promptly by our governments to offset the effects of inflation by the simple legislative actions which are required to do so. The passenger who also happens to be the voter has not yet, luckily, appreciated what is being done to him !

19. Civil air transportation in our member territories is still subject to antiquated regulations founded in the days before jet airliners. The absence of federal agencies like the United States Civil Aeronautics Board and the Federal Aviation Agency hampers aircraft, engine and equipment sales in the separated States of the European market and the air traveller and cargo shipper pay fares beyond reason.

20. The United Kingdom Civil Aviation Agency could well prove a model on which Europe could build, but build it must without delay. Here the EEC and WEU are in sympathy and partnership.

21. Europe's civil air transport manufacturing capability is still suffering and regretfully will continue to suffer from the slowing down in demand for air transport [1]. There are clear indications however that recovery in this demand is appearing on a wide scale throughout the world and it could well be that aircraft such as the European Airbus will prove, fortuitously, to be ideal vehicles for the changed pattern of demand.

22. At the beginning of next year Europe will see Concorde brought into passenger service. Objections from the other side of the Atlantic now seem to be based more on nationalistic than realistic grounds. It is worth reflecting that the total cost of getting this magnificent aircraft into service will be equivalent to that which the Americans spent on producing a wooden mock-up of their proposed SST before it was cancelled.

23. European engineers have proved that they can meet the most stringent tasks set for them. As politicians we still have to match their determination and their vision.

Eurocontrol

24. During the colloquy held on 17th and 18th September 1973, the Director-General of Eurocontrol, Mr. R. Bulin, discussed the organisation and its goals. He expressed the hope that an air traffic control organisation covering the whole of the upper and lower European air space would be established. If this were the case, savings in terms of effort and cost could be made.

25. Since then, however, the authorities in several member countries have been considering reverting more to national systems. Instead of gradually transferring air traffic control to Eurocontrol in Brussels, they are tending to deal with it on a national basis. The Netherlands has developed a new radar system called SARP and wants to resume control of its air space, with the exception of overflying aircraft ; Germany is considering taking over the Eurocontrol centre in Karlsruhe when this becomes operational; France also wishes to keep control over nearly all its air space for military reasons, and the

1. See Appendix II.

British Government is opposing the joint purchase of European control and navigation equipment.

26. Your Rapporteur expressed the hope that this tendency would not be allowed to grow as it would seriously affect the Europeanisation of aviation.

27. Since the middle of this year the situation has deteriorated. The Eurocontrol Council will have to decide whether its centre at Maastricht which took over responsibility for air traffic services in the Belgian and Luxembourg upper air space will continue its work. Increasing pressure is being exerted for national services to resume responsibility in this respect. The new centre in Karlsruhe, due to become operational in 1976, might be manned with a national service, just as in the case of the centre which Eurocontrol built at Shannon in Ireland. The task of Eurocontrol will then be reduced to co-ordination of the national services.

28. In 1983 the Eurocontrol convention will have to be reconsidered and the member countries might well take this opportunity either to strengthen or to weaken the organisation. It is therefore important for this issue to be discussed in time.

29. If Eurocontrol is to be weakened, how can Europe hope to shape a sound organisation for the aeronautical industry and aviation? Moreover, Eurocontrol is one of the few organisations in Europe which since its creation was able to conclude a number of co-operation agreements and add to its original six members — Belgium, France, the Federal Republic of Germany, Luxembourg, the Netherlands and the United Kingdom — two new members, Portugal and Ireland, with Spain and Italy as potential new members.

30. Sadly, Eurocontrol is suffering from a lack of political commitment at government level and is threatened with disintegration. When human safety comes second to political differences the member nations need to ask themselves if their priorities are in the right order. Those who may claim that lives have not been lost should add the suffix "so far".

31. As usual, all we need in Europe is the political will to do the obvious. Political power to take the decisions is with us all. Let us delay no longer !

APPENDIX I

RECOMMENDATION 257 [1]

on the state of European aviation activities [2]

The Assembly,

Concerned about the consequences of the oil crisis for the European civil air transport market and hence for the aviation industry;

Aware of the part played by air transport in Europe's prosperity and the development of its advanced technology;

Considering the interdependence of military and civil markets,

RECOMMENDS THAT THE COUNCIL

Invite the member countries to:

1. Agree on joint specifications for all military aviation procurement;

2. Take particular account in the formulation of these specifications of the aircraft, engine and equipment capability of European aviation companies;

3. Ensure that export market requirements are incorporated in the specifications;

4. Give preference, wherever reasonable and possible, to the products of European aviation factories so that a self-sustaining design and manufacturing capability able to compete in world markets can be retained in Europe;

5. Agree with the United States Government on equality of opportunity for the export and import of civil and military aerospace products between member countries and the United States and, until such agreement is reached, establish such commercial protection of the European market as is necessary to protect the jobs of European aerospace workers and the balance of payments of member countries;

6. Recognise and establish Western Europe as a unified, single market for air transport operations and aircraft sales;

7. Establish a strong and co-ordinated government- and EEC-backed programme of commercial, financial and diplomatic support for all aviation export sales.

*
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REPLY OF THE COUNCIL [3]

to Recommendation 257

The Council refer to their earlier replies to Recommendation 244 on an aviation policy for Europe, and to Written Question 151.

The views expressed in Recommendation 257 have been brought to the notice of member governments. The Council can assure the Assembly that all aspects of the important problem about which it is concerned continue to receive their fullest attention.

1. Adopted by the Assembly on 5th December 1974 during the Second Part of the Twentieth Ordinary Session (10th Sitting).

2. Explanatory Memorandum: see the Report tabled by Mr. Warren on behalf of the Committee on Scientific, Technological and Aerospace Questions (Document 658).

3. Communicated to the Assembly on 24th March 1975.

APPENDIX II

Summary of the action programme for the European aeronautical sector

(Commission report and proposal to the Council)

1st October 1975

With more than *400,000 employed* and an annual turnover of some six thousand million dollars, the European aircraft industry occupies a very important place in the Community's economy. Yet Europe, although it represents *some 20 % of the world's civil aircraft market,* built *only 7 %* of world production *in 1974.* This was not for lack of ambitious programmes : over the past ten years Europe has put in hand as many projects as the United States. But the greater part of them stopped short : *on average, an American model is built and sold five times as often as a European one.* The financial implications for the two industries are clear to see.

The Commission is, therefore, sounding a real alarm in its recent communication to the Council of the European Communities: if the Community countries continue to pursue national policies they will lead to the disappearance of an independent European aircraft industry.

The member States must go beyond the stage of intergovernmental co-operation, which has proved its ineffectiveness, and set up for the aircraft industry *a true common policy* and provide the European Community with the means to implement it, both at industrial and commercial level and in terms of air transport.

The proposals from the European Commission (based on a study of the situation in the aircraft sector, summarised in the Annex) define what *a future common European aircraft policy* should look like and set out a *development programme* for it, taking account of *market realities.*

1. *The market for the European aircraft industry*

Although evident, it is all too often forgotten that the European aircraft industry cannot base its future only on its ability to satisfy *users' needs.* Moreover, it cannot hope to penetrate export markets (which are essential to it) unless it occupies *an important place on its own market.* Finally, since this is an industry which serves *both the military and civil markets,* and since the military market takes over 60 % of its production, an aircraft policy which confined itself to the civil market and excluded the military market would be quite pointless.

(*a*) *The civil market*

The adoption of a European aircraft policy presupposes the existence of a genuine European market and, therefore, the implementation of a *common air transport policy.* This does not exist ; instead there are rigidly demarcated national markets in which access to air traffic is mainly allocated on the basis of the air transport companies' nationality. In the opinion of the European Commission, a common air transport policy should pursue the following general aims:

— *the creation of a European airspace,* to be managed on a Community basis and involving the establishment in respect of intra-Community traffic of a system of regulated competition, whose aim will be to provide the public with services better tailored to its needs, at the best prices possible, through the introduction of new services and the diversification of existing services and the rationalisation of route networks, particularly in interregional traffic ;

— *joint negotiation of agreements with non-member countries,* particularly as regards landing rights, with the twofold result of strengthening the European Community's negotiating power and optimising international routes and services.

A common air transport policy of this kind would enable the air carriers to play their part, together, in defining European aircraft construction programmes. They would act as a necessary and valid talking partner for industry and

Source : Industry and Society No. 34/75, Brussels 7th October 1975.

could well propose programmes with a view to increased competitiveness on world markets.

(*b*) *The military market*

The wide variety of aircraft types and equipment used by the European air forces is a *heavy burden on public finance.* Though the short-term interests of American arms suppliers may benefit from the divisions of Europe, which have enabled them to win contracts like that for the F-16 which has been bought by four European countries, the Americans' long-term interests, like those of Europe, lie in the establishment of a coherent European weapons' procurement system which will enable European industry to make a more economic contribution to the joint defence effort.

The Commission is therefore requesting the governments of the Community member States to decide to create a *joint military aircraft procurement agency* responsible for joint development and procurement of weapons systems to meet the needs of the European armed forces. Initially it could be an *ad hoc* body working in liaison with the relevant national ministries and in close co-operation with the Commission. The agency would become an organ of European union once this takes shape.

The agency should, in particular :

— *co-ordinate the requirements of European air forces* to ensure systematic and standardised use of existing European military aircraft for similar missions ;

— *identify common future requirements* necessitating new joint development programmes.

A European policy for the procurement of airborne weapons systems would have to be accompanied by discussions with the United States to obtain a mutual opening-up of markets on both sides of the Atlantic and ensure that Europe's rôle is preserved in all major sectors of technology.

2. *A European programme for civil transport aircraft*

The analysis made by the Commission in collaboration with the European Aerospace Manufacturers Association (AECMA) led to the following three conclusions :

(*a*) *The need to maintain a European presence in the sector of short and medium haul aircraft of less than 100 seats.* This requires further support for existing programmes and guarantees for their future development in order to maintain and even increase their already excellent penetration on the world market and to counter the competition which is likely to result from new American projects in this sector.

(*b*) *The need for joint study of the various solutions which will enable the European industry to occupy a major position in the market for other short- and medium-haul aircraft.* The choice is difficult and in the sector of two-engined aircraft of 140-150 seats European industry has three projects for developing existing aircraft (Mercure, BAC-111 and Trident). There is also the problem of Italian co-operation with Boeing for a three-engined aircraft of 200 seats (the Boeing-Aeritalia 7 x 7) which may well compete with the B-10 reduced capacity version of the European Airbus.

(*c*) *Finally, care must be taken to widen the opportunities for a European initiative in the field of long-haul aircraft.* The only current European project is Concorde ; however, its prospects are difficult to assess until it actually comes into service. The problem at present, which requires a joint European answer, is whether to launch a new programme for a 200-seat four-engined aircraft to replace the 707 and DC-8. Here again the Airbus seems capable of providing the most probable basis for study with its B-11 version.

If it is to succeed, such a European civil transport aircraft construction programme must comply with a number of jointly determined principles. It must form part of a coherent European aircraft programme. Such a policy is what the European Commission is asking the Council of the European Communities to adopt.

3. *A common policy for the aircraft industry*

If the Community's aircraft industry is to have any future, we must go beyond the stage of intergovernmental co-operation between differing, and still national, aerospace policies.

To this end, *sponsorship of the aircraft industry should be exercised by the European Community.*

The eventual framework for the management of the Community's policy for the aircraft industry should be that to which the Community is already accustomed : namely that, acting on a proposal from the European Commission, after consulting the European Parliament, the Council of the Community would make the major policy decisions on programmes, Community financing and international agreement in this sector. On the basis of these decisions, the Commission would assume the necessary management of the common aerospace policy, and would take the necessary steps to consult users, producers, trade unions and national authorities.

The Commission would organise the management of the aircraft policy in such a way as to use to the maximum existing national structures and to seek the greatest possible decentralisation.

Community financing of the aircraft policy would not be superimposed on national financing but would replace it as the policy is implemented.

This policy would include, in particular :

— *bringing all large civil transport aircraft construction activities* of the Community countries into a coherent programme and optimising the use of resources ;

— *close co-operation* between industry, airlines and public authorities about the decisions required in executing the joint programme ;

— *a joint basic research programme ;*

— *the establishment of a system of Community financing ;*

— *conduct of relations with non-member countries :* not only collaboration between Community industries and those of other countries, but also a commercial strategy for penetrating export markets ;

— *harmonisation of laws or administrative provisions* regarding certificates of airworthiness, noise and other nuisances and standardisation generally.

Such a programme should also promote a *permanent industrial structure,* at least for large civil aircraft, particularly in sales and after-sales service, based on experience in co-operation so far ; this would enable the European aircraft industry to increase productivity and reap the full benefit of rationalisation.

The first decision which the Council is asked to take on the basis of the Commission's proposals concerns the adoption of the principle of a European programme backed by joint financing. This European programme should be prepared together with the manufacturers and the airlines of the Community.

The situation in the aircraft industry

1. *Reasons for the current problems in this sector*

All the most recent civil developments (Concorde, Airbus, Fokker-VFW 614, F-28, Mercure) have involved European collaboration in one form or another. Yet in the area of intra-Community co-operation limitations have been felt. Programmes carried out in co-operation on a bilateral or a trilateral basis have not formed part of a single and coherent framework. Moreover, co-operation has mainly been in the development phase or in series manufacture rather than in marketing. As a result of this fragmentation of efforts, programmes have generally been oriented towards technological rather than marketing objectives. Because they have wanted to maintain commercial competitivity and military independence, the manufacturers have often decided to retain their own research programmes, to develop the same expertise and to create, with the backing of the governmental authorities, the same research infrastructure.

During the 1960s two major opportunities were lost :

The first was in the *civil aircraft* field : the Airbus, the only major modern technology project in Europe in the market for medium-haul aircraft, was launched without the participation of the British Government and with an American engine, even though Hawker Siddeley provided industrial participation ; at the same time, the largest European engine manufacturer, Rolls-Royce, supplied the RB-211 engine for the Lockheed TriStar. Thus a severe conflict of political and commercial interests divided the European industry, Airbus with its American CF-6 engine and TriStar with its European RB-211 engine competing throughout the world market, including that of British Airways itself.

The second was in the *military field,* in the parallel major divergence of interests created by the absence of France from the MRCA projects.

2. *The importance of the aircraft industry*

In 1973 the Community's turnover aerospace was 5,990 million units of account, that of the United States 16,368 million (1 u.a. = approx. US $ 1.30).

From 1969 to 1973 the turnover of the European industry rose annually by an average of 6.6 % ; over the same period United States turnover fell by 27 %. While in 1969 European turnover was 16 % of that of the United States, the figure reached 29 % in 1973. The importance of military sales is shown by the fact that they represent 62.6 % of the total turnover of the Community aerospace sector as against 70.2 % in the United States. *The improvement in European turnover figures is due to military sales, to government contracts for research and development and to the sales of spares and equipment for civil aircraft already in service for many years, as well as of engines. So far it has not been due to substantial sales of new civil aircraft.*

The breakdown of aerospace turnover by main categories of customer gives 58.3 % for the State, 11.4 % for the internal civil market and 30.3 % for export ; the corresponding figures for the United States are 51.5 %, 20.9 % and 27.6 %.

The State is therefore an important customer for the European aircraft industry. It should be noted, however, that in the Community, governments intervene in the civil and military sectors by purchases and R & D contracts, whereas in the United States the Federal Government intervenes primarily by means of military purchases and military R & D contracts.

In 1973, the aerospace sector in the Community employed 406,605 people, whereas in 1969 this figure was 435,553. This fall in the work-force of approximately 7 % is primarily due to a reduction in numbers employed within the British industry and overall reflects an improvement in productivity. During this period, the number of jobs in aerospace activities dropped in the United States by 32.3 % and in Canada by 31.9 %, but rose in Japan by 12.6 %.

Productivity expressed in terms of added value or turnover per head employed in the European industry averages half that of the American industry.

3. *The aircraft industry's activities and programmes*

The table below of numbers of *jets* built shows :

— on the one hand the length of the production runs of the American aircraft and their in-service life ;

— on the other hand, the large number of programmes launched by the European industry, sometimes in competition with each other and always with production runs which even under the best assumptions only just enable amortisation of costs to be achieved.

American jet aircraft		European jet aircraft	
Boeing 720 and 707	897	Caravelle	(278)
Boeing 727	1,195	BAC-111	219
Boeing 747	283	HS Trident	117
Boeing 737	407	VC-10	(47)
DC-8	(556)	Comet	(51)
DC-9	802	Mercure	(10)
DC-10	240	Concorde	9
TriStar	150	Airbus A-300	23
Convair	(83)	F-28	95
		VFW-614	10
Total	4,613	Total	859

In brackets : aircraft out of production.

There is also American superiority in respect of other types of aircraft. In the field of *general aviation,* in 1973 approximately 14,000 aircraft were produced in the United States compared to 1,200 aircraft produced in Europe (of which 350 were produced by the French subsidiary of an American company). In the field of commercial turboprop aircraft, the European manufacturers have experienced considerable success, notably with the Fokker F-27 and the Hawker Siddeley 748.

The European industry has shown a remarkable degree of competitiveness and dynamism in the field of *executive jets* (about 730 aircraft have been produced to date in Europe against 1,300 in the United States). There is a similar situation in the field of *helicopters.*

European industry has produced competitive *engines,* although the increasing cost of development has led the principal European

manufacturers to create co-operative links with the two major manufacturers in the United States for the new 10-ton engines.

The *military field* has seen the development of a series of collaborative European projects. Yet in the 1960s Europe did not adopt a joint policy and consequently in the key area of advanced combat aircraft, Europe is still engaged in ruinous competition. When the time came to consider the development of a joint European successor to the existing generation of jet combat aircraft, negotiations between the United Kingdom and France on a possible Anglo-French variable-geometry aircraft broke down. The United Kingdom, West Germany and Italy then combined to develop the MRCA, which, with production orders of some 800 aircraft, is Europe's major current joint military project. The absence of the French from the MRCA caused a fundamental divergence of interests within Europe. The absence of a solidarity of interests has been reflected in other areas : the development of two separate trainer aircraft (the Dassault-Dornier Alphajet and the Hawker Siddeley Hawk) and the fact that the jointly developed Anglo-French Jaguar (BAC and Dassault-Bréguet) has found itself in competition with Dassault's own F-1.

When the time came in 1975 for Belgium, the Netherlands, Denmark and Norway to decide on a replacement for their F-104s, the choice of an American aircraft was, quite apart from all technical and operational considerations, a logical consequence of these divisions of interest. Through the absence of a systematic European procurement policy, a significant market opportunity for European aircraft now and in the future has been lost.

4. *The market for civil transport aircraft*

The general trend has been the increased size of the Community market at the expense of that of the United States. Between 1970 and 1973 the share of the European market increased from 14.7 % to 18.2 % of the western market, while that of the United States fell from 63.9 % to 53 %. Between 1973 and 1975 the share of the market filled by the rest of the world has continued to expand rapidly ; that of the United States has shrunk to 45.8 % while that of the Community has stabilised at 17.6 %.

European production has benefited from this general trend which should in theory have been favourable to manufacturers outside the United States. In fact the percentages for the share of European products on the various markets fell substantially between 1970 and 1975 as shown in the table below :

	1970	1975	Change
Community	33.0 %	21.9 %	— 11.1
Other Western European countries	23.1 %	5.8 %	— 17.3
Europe	30.1 %	16.9 %	— 13.2
United States	2.1 %	0.3 %	— 1.8
Rest of the world	12.2 %	12.0 %	— 0.2
Western world	9.5 %	7.9 %	— 1.6

The net result of the growth in the European air transport market and the reduction in the share of all the markets held by the European manufacturing industry has been a negative trade balance over the period 1968-73, amounting to $ 4,521 million in 1974 ($ 2,695 for long haul aircraft and $ 1,826 million for short and medium haul aircraft).

Estimates of the value of the western civil transport aircraft market for 1975-85 show that the United States will account for about one third, the rest of the world for 40 % and Europe for one quarter.

The supply capacity of the European industry will obviously depend on political and commercial decisions taken in respect of aircraft programmes. Various hypotheses have been put forward : all indicate that the European balance of trade will be negative and, in the most pessimistic hypothesis, this negative balance may well exceed five thousand million dollars.

5. *The potential of the aeronautics sector*

The current operation of the European aircraft sector shows that considerable potential exists which could be made use of. It is incontestable, firstly, that an overall judgment on the state of the Community aerospace sector cannot be a negative one. Activity in this sector is constantly expanding (even when calculated at constant prices and exchange rates), the level of technology is excellent and the level of know-how and design capability is certainly not inferior to that of American industry. It can there-

fore be said that the technological infrastructure and the human and even financial resources (taking into account the funds devoted to this sector) are sufficient for the European industry to regain an important rôle on the world market, provided that an effort is made towards rationalisation of which it is certainly capable.

Moreover, market forecasts exhibit a trend which can be of great importance for the future of the European industry : growth of the European market, growth of the market in the rest of the world, and fall in the American market. If one considers the scale, in value terms of the world market as forecast for the next ten years, this trend opens sufficient market prospects for a satisfactory development for the industry to be mapped out.

Finally, the structure of the world industry favours a major effort to maintain activity by the manufacturing industry in Europe. Already in the market for civil transport aircraft the United States is left with only three large manufacturers, and of these a single company, Boeing, holds 72 % of the world market for long haul aircraft and 49 % of the market for short- and medium-haul aircraft. Moreover, the pressure towards even greater concentration remains strong within American industry. The best guarantee, ensuring that European users will be able to make their purchases in competitive conditions, would be the existence of a viable European industry capable of developing co-operative ventures with other industries such as those of Japan and the United States on a basis which is not one of dependence.

Document 691
Amendment No. 1

1st December 1975

The European aeronautical industry

AMENDMENT No. 1 [1]

tabled by Mr. Valleix

At the end of paragraph 2 of the draft recommendation proper, add : "on which the Standing Armaments Committee is also based ;".

Signed : Valleix

1. See 13th Sitting, 4th December 1975 (Amendment adopted).

Resolution on Zionism adopted by the United Nations General Assembly on 10th November 1975

MOTION FOR A RECOMMENDATION

tabled by Mr. Radius and others with a request for urgent procedure

The Assembly,

Underlining the importance for European security of maintaining peace throughout the Mediterranean basin ;

Alarmed by the threats to peace arising from the recent increase in hostilities in the Middle East between various national and religious communities ;

Noting that the resolution on Zionism adopted by the United Nations General Assembly on 10th November 1975 can but contribute to the deterioration of the situation in that area ;

Disturbed at the possible consequences for international peace of the presence of large numbers of forces from countries from outside the area,

RECOMMENDS THAT THE COUNCIL

1. Ensure that its members consult each other, either in the framework of WEU or in that of the European Community, in order to define a joint policy to prevent the vote in the United Nations General Assembly having any effect and to prevent any sectarian use of the second decade for action to combat racism ;

2. Promote the development of economic, cultural and political co-operation between Western Europe and all the Eastern Mediterranean countries with a view to helping these countries progressively to terminate their division into opposing blocs with the encouragement of certain outside powers.

Signed : Radius, Leynen, Burckel, Rodgers, Richter, Treu, Ménard, Valleix, Piket, Margue

Resolution on Zionism adopted by the United Nations General Assembly on 10th November 1975 [1]

DRAFT RECOMMENDATION [2]

submitted by Sir John Rodgers, Rapporteur, on behalf of the General Affairs Committee [3]

The Assembly,

Underlining the importance for European security of maintaining peace throughout the Mediterranean basin;

Alarmed by the threats to peace arising from the recent increase in hostilities in the Middle East between various national and religious communities;

Noting that the resolution on Zionism adopted by the United Nations General Assembly on 10th November 1975 can but contribute to the deterioration of the situation in that area,

RECOMMENDS THAT THE COUNCIL

1. Ensure that its members consult each other in the framework of WEU, without prejudice to their action in the framework of the European Community or the Council of Europe, in order to define a joint policy in the United Nations and prevent any sectarian use of the second decade for action to combat racism;

2. Promote the development of economic, cultural and political co-operation between Western Europe and all the Eastern Mediterranean countries with a view to helping these countries progressively to terminate their division into opposing blocs.

1. See Document 692: Motion for a Recommendation tabled by Mr. Radius and others with a request for urgent procedure.

2. Adopted in Committee by 14 votes to 3 with 2 abstentions.

3. *Members of the Committee:* Mr. *Sieglerschmidt* (Chairman); *Sir John Rodgers*, Mr. Bettiol (Vice-Chairmen); MM. Abens, Amrehn, *Sir Frederic Bennett*, Mrs. *von Bothmer*, MM. *Brugnon*, Cermolacce (Substitute: *Grussenmeyer*), *Fioret*, Fletcher (Substitute: *Lewis*), Mrs. Godinache-Lambert (Substitute: *de Bruyne*), MM. Grangier, *Leynen*, *Mende*, Minnocci, Nessler, *de Niet*, *Peijnenburg*, *Péridier*, Portheine (Substitute: *Reijnen*), Preti, Quilleri, Schmidt (Substitute: *Schwencke*), *Steel*, *Urwin*, Van Hoeylandt (Substitute: *Hulpiau*).

N.B. *The names of Representatives who took part in the vote are printed in italics.*

Document 693
Amendment No. 1

4th December 1975

Resolution on Zionism adopted by the United Nations General Assembly on 10th November 1975

AMENDMENT No. 1 [1]

tabled by Mr. Faulds and others

1. At the end of the first paragraph of the preamble to the draft recommendation, insert a paragraph as follows:

"Noting that Israel has consistently failed to comply with UN resolutions requiring her to abandon occupied Arab territories;"

2. Leave out the second and third paragraphs of the preamble to the draft recommendation.

3. In paragraph 1 of the draft recommendation proper, leave out from "without prejudice" to the end of the paragraph and insert:

"and through contacts with the Council of Europe and the EEC find means of conveying to the Israeli Government the necessity both of withdrawal to the 1967 borders in compliance with UN resolutions and the ending of attacks by its armed forces on the territory and people of Lebanon;"

Signed: Faulds, Urwin, Darling

1. See 14th Sitting, 4th December 1975 (Amendment withdrawn).

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