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NORTH ATLANTIC TREATY ORGANIZATION

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From: Secretary General

NATO ACTIVITIES IN THE FIELD OF EAST/WEST RELATIONS

In accordance with my undertaking to the Council at the meeting held on 22nd June, 1966(1), I am now circulating a working paper to provide a start to Council discussion of East/West relations.

(Signed) Manlio BROSIO

(1) C-R(66)28, Item VI.

NATO ACTIVITIES IN THE FIELD OF EAST/WEST RELATIONSI. INTRODUCTION

1. At its meeting on 22nd June, 1966, the Council agreed that - with a view to facilitating further discussions in the Council - a working paper should be prepared by the International Secretariat summarising the activities in the field of East/West relations which have been studied in the various bodies of the Alliance.

2. This paper lists subjects which have been considered in a somewhat substantial way in recent years in various NATO forums.

3. While the survey in this paper concentrates on the recent past, it will be noted that in preparation for the abortive Summit Conference of 1960 a considerable effort was made in the Alliance to arrive at a common position on a number of questions concerning East/West relations (references: PO/60/276(Revised) and "NATO Consultation in the Preparations for the Summit Conference scheduled for May 1960" - NHQ/61/1). Attention may also be drawn to document C-M(62)143 of 28th November, 1962, setting out the principles of a policy towards the Eastern European countries which the experts still consider valid (cf. C-M(66)38, paragraph 3).

4. For the purposes of the present discussion the term "East/West relations" refers to problems connected with relations between the NATO countries on the one hand and the Soviet Union and the Communist countries in Eastern Europe on the other.

II. EAST/WEST RELATIONS AND NATO

5. During the recent Ministerial meeting in Brussels, several Ministers emphasised the importance of continued and sustained studies by the Council in Permanent Session of all possibilities of multilaterally and bilaterally improving East/West relations.

6. Various more concrete suggestions for the implementation of these studies were made by the Danish, United States and United Kingdom Representatives at the Council meeting of 22nd June, 1966 (C-R(66)28).

Overall strategy and principles in East/West relations

7. More specifically, the United Kingdom Representative enlarged upon the proposal made by Foreign Secretary Mr. Stewart at the Ministerial meeting in Brussels that the Council might work out some principles or rules of behaviour for Europe with a view to improving the political situation. Such a statement or declaration might include reference to respect for sovereignty and territorial rights, co-operation in economic, scientific, technical and cultural fields (cf. C-R(66)28, paragraph 50).

8. It will be recalled that the problems of non-interference and of a declaration of principles was also discussed in connection with the preparation for the Summit Meeting in 1960 (cf. PO/60/276(Revised), pages 3-4 and NHO/61/1, paragraphs 13 to 19, 23, 27, 28, 32.

9. When these topics were discussed in 1960, the idea of an agreement on non-interference was regarded unfavourably because it was thought to bind the West while in practice it would not inhibit Soviet leaders and the agencies controlled by them.

10. Equally, the idea of the joint East/West declaration of common principles was discarded on the general ground of the irreconcilable nature of Communism and the principles of the Free World.

11. It was, however, felt that the drawing-up of a code of international relations to be issued as a Western statement might be useful. Preparations for drafting a text were put in hand but were overtaken by the failure of the Summit Conference.

Basic problems between East and West

(a) Germany and Berlin

12. Germany and Berlin, within the framework of the general East/West problem, have been standing items on the Agenda of the Council in Ministerial Session and on various occasions of the Council in Permanent Session as well as of the Political Committee (cf. for instance, Communiqués of the Council in Ministerial Session, and more recently C-M(65)68, paragraphs 56, 57; C-M(66)25, paragraph 71).

13. The Council in Ministerial Session has reaffirmed on various occasions its conviction that a peaceful and just solution of the German problem has to be found to give satisfaction to the German people's fundamental right to reunification (cf. Communiqués of the Ministerial Sessions).

14. At the time of the Berlin crisis the Council ("Live Oak" Exercise) and a Special Working Group of the Political and Economic Committees studied the implications for the Alliance of the situation in Berlin. There was also a Special Working Group on Public Relations of Germany and Berlin which made special recommendations on information and public opinion (cf. C-M(61)81).

15. More specifically, the declaration of 16th December, 1958 to maintain the freedom of West Berlin and its people has been reaffirmed in the Communiqués of the Ministerial meetings since 1958.

16. In addition to the regular Council meetings at which East/West relations were frequently discussed, special meetings have taken place with the assistance of high level officials from capitals, such as the meeting held on 12th May, 1966 (C-VR(66)18).

17. The Atlantic Policy Advisory Group has within the framework of its general "tours d'horizon" discussed the German problem within the context of East/West relations at practically all its meetings. (Three reports on more recent meetings of the Atlantic Policy Advisory Group (or parts of them) may be considered relevant in the present context: Implications for NATO Countries of Developments in Eastern Europe (C-M(64)27, Section C); New Factors in the Relations between Sino-Soviet World and the Atlantic Alliance (C-M(65)46); General Problems of the Communist Movement (C-M(66)1, Section A).)

18. Meeting twice a year on a regular basis the Expert Working Group on Trends and Implications of Soviet Policy and the Expert Working Group on Eastern Europe and the Soviet Zone of Germany have prepared reports for Ministers. The report on Soviet policy regularly assesses the current state and prospects of East/West relations, the willingness or reluctance of the Soviet leaders to co-operate in promoting agreements on specific questions or in broad fields such as disarmament. The report on the situation in Eastern Europe similarly gives an appreciation of the current stage of development and the future prospects of relations between the West and the countries of Eastern Europe. This assessment is made against the background of the principles set forth in C-M(62)143 of 28th November, 1962, regarding policy towards the countries of Eastern Europe.

19. The Political Advisers Committee has regularly discussed various aspects of Soviet policy including Soviet policy vis-à-vis the German question (cf. for instance, AC/119-R(65)18, AC/119-R(65)19, AC/119-R(65)20; C-M(66)25, paragraphs 71 to 73; POLADS(65)25; POLADS(65)38).

20. More specifically the Political Committee has discussed the question of travel between the Soviet Zone of Germany and the Federal Republic and other NATO countries (cf. for instance, C-M(65)68, paragraph 56; AC/119-R(65)35; AC/119-R(66)1). It has also discussed the attitude of member countries vis-à-vis events in the Soviet Zone of Germany such as the Leipzig fair, scientific congresses, sporting events, etc.

21. The declaration of 16th December, 1958, still represents the official policy of the Alliance and its members both concerning obligations over Berlin and the re-unification of Germany.

22. This basic defensive position remains unchanged, but there have been various individual suggestions and initiatives, mainly in a European security context, aimed at improving the atmosphere and making accommodations to ease the situation. The discussions of recent years have, however, not resulted in the transformation of these individual initiatives into an agreed Alliance policy.

(b) European security

23. The question of how to improve the overall security in Europe has been discussed very actively in the Council and in the Political Committee, mostly in connection with collateral disarmament measures.

24. The Alliance generally has upheld the principle that European security questions should be examined in close connection with a settlement of major European issues and, in particular, the German problem. Attempts to link European security measures with steps to bring about the reunification of Germany were a feature of Western proposals in 1959 designed inter alia to meet Soviet preoccupations.

(i) European security conference

25. This subject has been tabled in the Council by the Danish Representative (cf. private meetings of 25th May and 1st June, 1966), and also at the Ministerial meetings in Brussels (cf. C-VR(66)25, pages 13-14).

26. The discussion so far has been inconclusive. It was generally agreed that ample preparation would be needed for such a conference and most members repudiated any suggestion that such a conference could be held without the United States and Canada.

(ii) Non-aggression pact

27. This subject has been discussed in the Council and at an Ad Hoc meeting of the Political Committee in 1963 (cf. C-M(63)33, C-M(63)47, C-M(63)53) and a list of arguments in favour and against such an arrangement was drawn up.

28. The German Peace Note of 25th March, 1966, was discussed in the Council (private meeting of 11th May, 1966) and in the Political Committee (AC/119-R(66)11 and AC/119-R(66)12), and mention of which was also made in the Communiqué of the Brussels Ministerial meeting (paragraph 7). This note referred, inter alia, to the possibility of an exchange of formal declarations renouncing the use of force between East European states and the Federal Republic (paragraph V.4 of the German Note).

29. Alliance policy hitherto has been inclined against such a non-aggression pact because of the following considerations:

- (1) such a pact is unnecessary in view of existing engagements in the framework of the United Nations;
- (2) such pacts have, historically speaking, proved of little value;
- (3) they should be considered only in the context of a general political settlement in Europe.

30. In the discussions of the summer of 1963, it was suggested that any such non-aggression pact should be conditional on a substantial concession by the USSR, e.g. either over Berlin or over the German question as a whole. (PO/63/366 on East/West relations.)

31. The idea of unilateral declarations instead of a multilateral non-aggression pact has recently come to the fore (vide German Peace Note referred to above and the United Kingdom suggestions made to the Council on 22nd June, 1966).

(iii) Proposals for regional arrangements in Europe

32. The Council and the Political Committee have examined on many occasions various Soviet and Polish proposals for regional arrangements in Europe, including disengagement in and denuclearisation of Central Europe (e.g. the Rapacki and Gomulka proposals). The following most recent examples may be mentioned: discussions of the Polish memorandum of 29th February, 1964 (C-M(64)26; C-R(64)19; AC/119-R(65)25; AC/119-R(66)2); the report on Mr. Spaak's talks with Mr. Gomulka (private Council meetings of 17th February, 17th March, 14th April, 1965); report on the Danish Foreign Minister's visit to Poland (private Council meeting of 16th September, 1965) and the report on the visit to Poland of the Secretary of State for Foreign Affairs, Mr. Stewart, (private Council meeting of 29th September, 1965).

33. No concrete agreed proposals in this field have emerged from NATO discussions mainly because while Western defence posture would significantly be affected there has been no indication of Soviet willingness to accept any corresponding limitations to its own defence system, thereby creating a military imbalance at the expense of the West.

(iv) Observation posts

34. In the past, discussions have taken place in NATO on various measures against surprise attack (open skies proposal, exchange of military missions, etc.). A more intensive technical study was undertaken in 1964 on the subject of observation posts (cf. PO/64/88 and C-R(64)10, Item III).

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35. The more limited idea of a bilateral exchange of military observers, as proposed by the Soviets, was discussed in the Council (private Council meetings of 9th and 16th February, 4th May and 1st June, 1966).

36. The German Peace Note of 25th March, 1966 (paragraph IV.1) suggests, on a bilateral basis, with East European countries, an exchange of military observers who would attend military manoeuvres.

37. In NATO discussions the pros and cons of the observation posts system were to a large extent self-cancelling. Those in favour of the observation posts system felt that it at least offered the West the possibility of improving upon its present sources of information. Those against such a system argued that it would offer more military advantages to the Soviet Union than to the West. In each case, the arguments advanced were challenged.

38. However, the Council (C-R(64)10, III) agreed that the Four Western Powers at Geneva might enter into "exploratory probes" on the subject of ground observation posts. But there was no further development of this question.

39. More recently, a Soviet suggestion for a bilateral exchange of military observers, when explored, proved abortive, allegedly because of the Vietnam situation.

(v) Assessment of the Soviet threat

40. The Military Committee has, on a regular basis, conducted a study of the Soviet bloc military strength and capabilities (cf. for instance, report SG 161/20, I, II, III and Annex of May 1966).

East/West contacts and agreements in various fields

(a) On the political level

41. It has become the practice to exchange information and views, in the Council or in the Political Committee, on visits and contacts between East and West, e.g. visits of Heads of State, Ministers and delegations. A list of such East/West contacts, negotiations and agreements has been circulated at intervals since February 1965. (The latest in this series is PO/65/86/4 dated 16th May, 1966.)

(b) In the field of trade and economic co-operation with Communist countries

42. Discussions in NATO on trade and economic co-operation with Communist countries have been governed by two basic considerations(1):

- (i) NATO countries favour a sound expansion of East/West trade;
- (ii) due account should be taken of the Communist countries' possibilities of utilising this trade to exercise political pressure or to play off one free world country against one or more of the others.

Diplomatic tension or "détente" have led NATO to place more or less emphasis on one or the other of these two considerations.

43. The main measures of a defensive nature which have been taken are given below with some comments:

- information on inter-governmental commercial negotiations with Communist countries has been exchanged since 1962(2). In most cases, however, there has been no consultation in NATO before the signing of trade agreements by member countries; the information has only been given after their conclusion;
- consultations have been held regularly on Western policy in the United Nations Economic Commission for Europe. Their aim so far has been to ensure that the Communist countries should not exploit this economic body to further their political aims, and in this, they have been successful. The question may arise as to whether a positive approach aimed at enhancing the rôle of the Economic Committee for Europe as a tool for expanding East/West trade might be justified. Most Eastern European countries are likely to welcome such a development, though probably not the USSR;
- NATO countries have been advised(3) to exercise caution and restraint in importing chrome ore and oil from Communist countries. Statistics on oil imports established periodically by the Committee of Economic Advisers show that they have grown less rapidly than NATO countries' total imports and consumption of oil. Nevertheless, it would certainly not be in the interest of the Alliance to lift this restriction;

(1) C-M(61)30, Part II.
(2) C-M(62)29.
(3) C-M(64)9 and C-M(62)30.

- an embargo has been placed by most NATO countries on the deliveries of large diameter pipes to Communist countries(1). It has probably slowed down the expansion of the pipeline network in Eastern Europe. The question might arise as to whether such an embargo is still necessary, although it is doubtful whether there would be unanimous agreement to remove it.

44. Attempts have been made to harmonise the policies of member countries on guaranteed export credits to Communist countries and in particular to limit their duration to five years(2). They have failed. Periodical reports on the development of such credits show that they have steadily increased over recent years(3), and that those of over five years now represent a significant share of the total. However, no export credits of over five years would yet seem to have been granted to Communist China.

45. Over recent years, NATO efforts towards trade expansion and economic co-operation have not been equally applied to all Communist countries. No specific policy of this sort has so far been envisaged towards Communist China, the USSR and the Soviet-occupied Zone of Germany.

46. The main suggestions discussed in the Committee of Economic Advisers and in the Council(4) to establish closer economic links with the Eastern European countries(5) are given below with some comments:

- (i) to encourage progress towards genuine and reciprocal multilateralisation of trade and payments. In fact, very little progress, if any, has been made;
- (ii) to give close consideration to the approaches made by some Eastern European countries to international economic organizations such as GATT.
Czechoslovakia has been a full member of GATT from its inception, but does not participate actively in it. Poland which has some kind of association with GATT wishes to be allowed to join in the "Kennedy Round"; Rumania explored in mid-1964 the possibility of adhering to GATT; Bulgaria and Hungary have also put out feelers;

(1) C-M(62)104.
(2) C-M(64)38.
(3) Latest report covering the period up to the end of 1965, C-M(66)37.
(4) C-M(64)78, C-M(65)88, C-M(65)131.
(5) Albania, Bulgaria, Czechoslovakia, Hungary, Poland and Rumania.

- (iii) to multiply business contacts between Western and Eastern European firms. In fact, progress has been made in the development of such contacts and the economic reforms introduced recently in Eastern Europe should facilitate them in the future. In addition, sub-contracting agreements, patent exchanges and technical assistance, and even joint production schemes between Socialist firms and Western enterprises are being implemented or are under consideration;
- (iv) to consider any possible simplification of administrative procedures connected with trade, the publication of trade opportunities and the improvement of commercial representation, increased exchanges of trade missions and participation in trade fairs. Progress has been made, especially as far as trade fairs are concerned;
- (v) to facilitate access of Eastern European countries' exports to Western markets, in particular by exploring the possibility of removing quantitative restrictions. Several NATO countries, in particular the United Kingdom, France and Denmark, have taken steps to this end.

Following an examination of Yugoslavia's economic experiment, the Council noted a report pointing out that there may be even greater interest for the Alliance in promoting closer economic relations with Yugoslavia than with other Eastern European countries(1).

47. When it was decided in October 1963(2) to study the possibility of expanding trade with the Eastern European countries, the idea was to loosen their ties with the USSR. One of the questions arising in the light of recent developments is whether this concern is still as important, or whether trade expansion should not also be sought with the Soviet Union. Already in the course of the Committee's studies, some countries have indicated that discrimination, even between Communist countries, would be against their traditional trade policy. In fact, the recent trade policy of most NATO countries reveals the same eagerness to deal with the USSR as with the other European Communist countries.

48. Statistics of NATO countries' trade with Communist countries(3) show that, while the situation may vary somewhat from country to country, and also between particular industries, East/West trade continues to account for a small fraction of the foreign trade of NATO countries as a whole; in 1965 it represented

(1) C-M(66)41.
(2) C-R(63)58, Item III.
(3) AC/127-D/217 and Corrigenda.

3.1% of their exports (as against 3.3% in 1964 and in 1961) and 3.2% of their imports (as against 3% in 1964 and 3.2% in 1961). On the other hand, this trade accounts for a much larger percentage of the foreign trade of Communist countries as a whole: about 13.5% of total exports and 16.5% of total imports in 1964(1). The main obstacle to a faster increase in East/West trade is the inability of Communist countries either to pay cash or to provide export goods suitable for Western markets.

(c) In the field of culture and information

49. The Committee on Information and Cultural Relations has not engaged directly in any activities connected with the promotion of East/West relations. It has, however, long been recognised that the political aspects of cultural collaboration between member countries on the one hand and the USSR and the East European countries on the other are of interest to the Committee. To this end, the Committee has been informed of the general lines of cultural agreements, or protocols to earlier agreements, signed by NATO members and East European countries (eleven times in the last two years). At times the Committee has also been informed of some of the points of substance which arose during the negotiations.

50. Since 1963 the Committee on Information and Cultural Relations has received three reports of the meetings of the Working Group on Exchanges with the Soviet Union and East European countries (on which ten NATO members are represented), which has been meeting annually for some years to discuss practical problems which arise in the execution of exchange programmes in the cultural field.

(d) In the field of science

51. The Science Committee has observed the development of science and education in the USSR. However, because of its restricted means, the Scientific Affairs Division could not embark on detailed studies of its own, but has closely followed publications on this subject by other organizations.

52. A limited attendance at NATO Advanced Study Institutes (summer schools of two to eight weeks' duration held on modern scientific topics of non-military interest) of scientists from non-NATO countries is admitted provided that they receive no direct financial support from NATO funds. Scientists from East European countries, often contribute to the Institutes and benefit from them by making contacts with their Western colleagues. The fact that these schools are held under NATO aegis does not seem to be a serious obstacle to such visits.

(1) Last year for which statistics on Communist countries' foreign trade are available.

III. FUTURE TASKS

53. The foregoing summary shows that the Council and other NATO bodies have for a considerable time now actively studied East/West relations.

54. At Brussels "Ministers directed the Permanent Representatives to continue to examine closely the prospects of healthy developments in East/West relations, and to prepare a full report on these questions for meetings to be attended, as far as is practicable, by the Foreign Ministers of the various countries. This report, which should deal with all possible initiatives in this field, would cover, inter alia, problems connected with European security and German reunification."

55. As far as the basic problems of Germany and European security are concerned, the Council might first identify and examine the possible elements of a desired development to ensure that all important aspects are thoroughly considered, and then have each appropriate NATO body work on those elements that are related to its continuing activities.

56. As far as the general improvement of East/West relations is concerned, the Council may wish to discuss and determine priorities in the fields of political, economic, cultural and scientific ties, and to decide how this work is to be taken in hand and appropriately organized.