

CONSEIL DE L'ATLANTIQUE NORD
NORTH ATLANTIC COUNCIL

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SUMMARY RECORD
C-R(70)54

Summary record of a meeting of the Council held at the
NATO Headquarters, Brussels, on Wednesday, 28th October, 1970
at 10.15 a.m.

PRESENT

Chairman: Mr. Osman Olcay

<u>BELGIUM</u>	<u>GREECE</u>	<u>NORWAY</u>
Mr. A. de Staercke	Mr. A. Papadopoulos	Mr. R.T. Busch
<u>CANADA</u>	<u>ICELAND</u>	<u>PORTUGAL</u>
Mr. D.C. Arnould	Mr. I. Ingvarsson	Mr. A. Nogueira
<u>DENMARK</u>	<u>ITALY</u>	<u>TURKEY</u>
Mr. H. Hjorth-Nielsen	Mr. C. Gasparini	Mr. T. Tülümen
<u>FRANCE</u>	<u>LUXEMBOURG</u>	<u>UNITED KINGDOM</u>
Mr. F. de Rose	Mr. L. Schaus	Mr. A.D.F. Pemberton-Pigott
<u>GERMANY</u>	<u>NETHERLANDS</u>	<u>UNITED STATES</u>
Mr. W. Boss	Mr. P.W. Jalink	Mr. G.S. Vest

INTERNATIONAL STAFF

Assistant Secretary General for Political Affairs:	Mr. J. Kastl
Director of Information:	Mr. J.L.W. Price (Item II)
Director of Administration:	Mr. W.J. de Vries (Item VII)
Director Economic Directorate:	Mr. Y. Laulan (Items IV and V)
Acting Executive Secretary:	Mr. E.G. Luff

MILITARY COMMITTEE

Representative: Maj.Gen. P. Symons

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I. STATEMENTS ON POLITICAL SUBJECTS

(Private session)

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II. CONFERENCE OF NATIONAL INFORMATION OFFICIALS

Document: C-M(70)39

1. The CHAIRMAN drew the Council's attention to the Chairman's Report on the Conference of National Information Officials which had been held on 17th and 18th September (C-M(70)39). This had been the third in a series of annual conferences and had provided a most useful opportunity for an exchange of views between national information officials on their own activities and for a discussion on the NATO Information Programme. The previous conference, which had been held in September 1969, had recommended that a survey of the NATO Information Service output should be prepared so as to provide sufficient facts and figures for an expert evaluation of the Information Service's activities in terms of cost-effectiveness. A very detailed document on this subject had been submitted to governments in March 1970. After this paper had been studied by national authorities, it had been decided to set up an open-ended group of national information experts. This body had met in April and prepared a report, which had been discussed by the Council on 17th June. The Council had decided that the Conference of National Information Officials should be asked to study ways and means of improving co-operation between national services and the NATO Information Service. As could be seen from the present Report, this had been the main topic at the latest conference. One of the measures discussed had been the possible establishment of regional information offices. However, it had been decided that this question warranted further study on a country-by-country basis. Starting in 1971, a detailed survey of the Information Service output would be prepared at the end of each year and the Conference of National Information Officials would meet each spring in conjunction with the Committee on Information and Cultural Relations to examine the proposals for the NATO Information Programme and budget for the following year.

2. In his view, all the past twelve months' studies on the Information Service had been very useful and the procedure now established for the future would ensure that its output was in line with the priority needs of national authorities. One of the advantages of these annual meetings was that the Chairman's Report provided an opportunity for the Council to

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consider the subject of information at least once a year. The need for the public to be better informed about the work of the Alliance, its aims and its basic raisons d'être, had never been greater than it was today, when there were signs of increasing apathy, and even antipathy, towards it.

3. The NETHERLANDS REPRESENTATIVE said that he fully concurred with the Chairman's comments, particularly as regards the increasing need for the public to be better informed. This was especially true of young people, whose attitude to NATO was usually critical. His Government attached great importance to this work and, therefore, welcomed the fact that Conferences of National Information Officials were now being held each year. He expressed the hope that, when the Information Budget came before the Civil Budget Committee, delegations would be authorised to make the necessary resources available to the Information Service.

4. The UNITED STATES REPRESENTATIVE agreed that there was a need to secure a better understanding of NATO's work. He expressed satisfaction that, for the first time, the information problem had been systematically and rationally tackled in an effort to provide for co-operation between everyone concerned. Paying tribute to Mr. Price for the way he had conducted the Information Service's activities, he expressed the hope that, when the Budget estimates were considered, they would be given a higher priority than in the past.

5. The UNITED KINGDOM REPRESENTATIVE said that his Authorities attached great importance to NATO's information activities. However, in view of the urgency of reducing State expenditure in his country, it would unfortunately be obliged to call for some restrictions on appropriations for this very important work. Expressing satisfaction at the outcome of the Conference of National Information Officials, he said that, setting aside the question of credits, his Authorities felt that the proposal for the establishment of regional information offices was an interesting one, although it would be difficult to carry into effect in all member countries. He agreed that this proposal should be studied on a country-by-country basis.

6. The ITALIAN REPRESENTATIVE expressed satisfaction at the way the NATO Information Service was carrying out its task. His Authorities were prepared to assist as much as they could in the organization of information activities, with special reference to co-operation between national services and NATO. They agreed that this work should be given a high priority.

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7. The ICELANDIC REPRESENTATIVE recalled that his country's delegate to the Conference of National Information Officials had paid tribute to the regional office in Iceland for its effectiveness. He fully concurred with these remarks. His Government greatly appreciated the co-operation it was receiving from the Information Service.

8. The COUNCIL:

took note of the Report by the Chairman of the Conference of National Information Officials (C-M(70)39) and of the comments made thereon.

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III. THE EMPLOYMENT AND STATUS OF NATO CIVILIAN PERSONNEL IN TIME OF CRISIS AND WAR

Reference: PO/69/594
Document: PO/70/416

9. The CHAIRMAN said that the problem dealt with in PO/70/416 was by no means a new one and that for several years the NATO Administration and the Major Commanders' administrative services had been considering ways and means of ensuring that members of the International Staff required to operate NATO Headquarters, the Commands and the Agencies would be available in times of crisis. In view of the differences in the applicable legislation and the contracts of the staff members concerned, this was an extremely difficult problem and, although several proposals had been put forward, the arguments for them were never entirely satisfactory. One of the Agencies having recently drawn attention to the need for a solution, the Secretary General had called for a review of the whole question. In conclusion, he proposed that the Council should set up a working group to consider the matter, which was of the greatest importance since it was difficult to imagine how the Council, the Commanders and the Agencies could operate effectively in times of crisis or war without the necessary administrative and logistic support.

10. The UNITED STATES REPRESENTATIVE felt that it might be premature to set up a high-level working group. His Authorities would prefer the International Staff to prepare a study outlining the problem and suggesting solutions. However, he was ready to accept the majority view.

11. The CHAIRMAN said that he had personally directed the preparatory studies as a result of which the International Staff had submitted a proposal to the Council in an effort to resolve this problem, which was one of the oldest and most intractable of those besetting the Alliance. He was convinced that there was no prospect of arriving at a satisfactory solution without delegations' co-operation, since member countries' legislation was involved.

12. The COUNCIL:

subject to confirmation by the United States(1), approved the establishment of a working group in accordance with the proposals in PO/70/416.

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IV. ECONOMIC REVIEW OF BULGARIA

Document: C-M(70)38

13. The CHAIRMAN drew the Council's attention to the Report prepared by the Economic Committee within the framework of the Committee's periodic reviews of economic developments in the East European countries. This study, which had been carried out with the assistance of experts from capitals, showed that the Bulgarian economy was closely linked to that of the Soviet Union, whose predominant rôle had been further strengthened by the events in Czechoslovakia in 1968. Whereas the economic reforms previously envisaged had been largely based on the Czechoslovak model, very few of the original concepts had survived the reversal of economic policy after 1968. Bulgaria, which was traditionally an agricultural country, had rapidly developed its industrialisation with the assistance of the Soviet Union and the rate of growth of industrial output over the past ten years had been one of the highest in the world. At the same time, the Bulgarians had recognised the need to draw on Western technology and had been importing sophisticated Western equipment on credit. However, this had not slowed down the increasing integration of Bulgaria's economy with that of the Soviet Union.

14. The NETHERLANDS REPRESENTATIVE, supported by the CANADIAN REPRESENTATIVE, expressed satisfaction that this excellent Report had been circulated as an unclassified document since it could thus be made available to everyone in the public and private sectors who had an interest in its contents. However, it was perhaps inadvisable for NATO to publicise so widely the comments on its economic policy in paragraph 10 of the introduction; this paragraph should be deleted if this were technically feasible.

(1) Subsequently received

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15. The GERMAN REPRESENTATIVE having also questioned the wisdom of declassifying all the information in the Report, the CHAIRMAN suggested that paragraph 10 should be deleted and that the introduction, as thus amended, should be recirculated.

16. The COUNCIL:

took note of the Report by the Economic Committee on the economic situation in Bulgaria (C-M(70)38), and of the points made in discussion, and endorsed the Chairman's proposal regarding the circulation of the introduction to this paper.

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V. ECONOMIC DEVELOPMENTS IN THE "GERMAN DEMOCRATIC REPUBLIC" - 1968-1969

Document: C-M(70)40

17. The CHAIRMAN introduced the report on economic developments in the "German Democratic Republic" (GDR), issued under reference C-M(70)40. These developments were regarded by the Economic Committee as being of special interest in view of the country's recent economic performance which, in terms of industrial and agricultural output per head and the standard of living, was the most advanced in the Communist world. The report, drafted with the assistance of experts from capitals, showed that, over the past five years, the economy had been growing at a rate of about 3 per cent per annum, i.e. slightly more rapidly than during the first half of the Sixties but at less than half the rate of increase during the Fifties. Economic performance during the present year was expected to be rather modest even by comparison with recent trends.

18. He recalled that the economy of the "GDR" was geared to the Soviet Union and that, perhaps more than in any other COMECON country, its development was largely influenced by political considerations. The Five-Year Plan provided for a two-fold increase in foreign trade by 1975 (which was equal to an annual increase of almost 15 per cent) but trade with the Communist countries was expected to increase more rapidly. Nevertheless, Western technology was essential to the GDR if it was to maintain its leading position within the COMECON. It would be interesting to see how it could preserve this position without becoming too dependent on the West for its technological progress.

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19. The GERMAN REPRESENTATIVE was of the opinion that the report of the Economic Committee on the GDR was a comprehensive document and would be extremely useful in the preparation of forecasts of future trends. It revealed once again the fundamental difference between the economic systems of East and West. This impression was heightened by the fact that the study dealt with one half of a divided country, the economic development and current position of which could quite easily be compared with the position in the other half which belonged to a different economic system. He also pointed out that while, at the outset, the Federal Republic had been helped by its Allies, particularly through the Marshall Plan, to get its economy off the ground, the East Germans had had no such aid from the Communist countries. He added that considerable delays had been caused on the one hand by rigid planning which took no account of economic considerations, and in some cases by remarkably misguided structural changes in the various sectors of the economy and, on the other hand, by the integration of the economy of the GDR into the Eastern bloc. It was quite clear, however, from a comparison with the other COMECON countries, that the GDR led the field in output, both as regards quality and as regards the nature of its products. Moreover, notwithstanding drastic and deliberate cuts in private consumption to boost investment in heavy industry and a probably crippling burden of defence expenditure, the GDR had the highest standard of living of all the countries in the Eastern bloc.

20. The UNITED STATES REPRESENTATIVE said that he had found this study, as well as the study on the Bulgarian economy, of considerable interest. He noted that its conclusions belied the Pankow régime's claims that its economy was almost on a par with that of the Federal Republic and that there was, in fact, evidence to show that this result was still a long way off. He had also thought it interesting that the GDR, with the highest per capita gross national product in any Warsaw Pact country, and Bulgaria, with the lowest, had a number of common economic problems. In addition, the labour shortage in the GDR seemed particularly acute. While it was likely that the GDR could keep these problems in check, he did not anticipate any rapid improvement in its troubled economic situation. He had noted that the study had excluded the specific problem of Berlin which the Economic Committee proposed to deal with in a separate report. The economic viability of West Berlin was a matter of great interest and he would, therefore, welcome such a report.

21. The FRENCH REPRESENTATIVE said that he, too, had read with great interest the two reports from the Economic Committee to the Council. Continuing, he said that, while he was aware that his suggestions on the layout of this kind of report were too recent for the Committee to have been able to act on them,

he was anxious that in future information on trade between each Eastern and each Western country should be more detailed so as to give a clearer picture of the pattern. He also regarded it as important that this information should be supported by the most up-to-date statistics on the goods traded between East and West. He remarked in this connection that the figures supplied for the GDR only went up to 1969. This being said, he had appreciated the parallel drawn, in the report on the latter country, between the economic situation and the political problems which were of direct concern to the Council. He had noted, in particular, that, in order to keep its leading position, the GDR needed to develop its trade with the West in products of modern technology but was hampered by political considerations. He had also noted that, in this particular sphere, the GDR was trading mainly with the Federal Republic, a fact which strengthened the political position of the latter but also gave the GDR the means of maintaining its predominant position among the COMECON countries. The example of Bulgaria seemed, in his opinion, to show that development in all the East European countries was conditioned by trade with the West which, because the goods were the same, gave rise to rival influences. Governments, he felt, could with advantage reflect on all these points.

22. In reply to the Netherlands Representative, who wondered whether it would be possible to declassify the report on the economy of the GDR, the GERMAN REPRESENTATIVE said that he would consider the matter but that he could not agree to this declassification for the present.

23. The DANISH REPRESENTATIVE also stressed the advantages of a wide distribution of documents of this kind.

24. The COUNCIL:

noted the report on economic developments in the "German Democratic Republic" (C-M(70)40) and the comments made during the discussion.

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VI. POSSIBILITY OF ACCESSION TO A TREATY ON HIJACKING

25. The CHAIRMAN recalled that, on 20th October, the Council had held a special meeting to consider the problems related to the hijacking of civil aircraft and the measures that could be taken against this threat. At this meeting, the United States Delegation had stated that it intended to organize a conference of interested nations in Washington, probably at the end of 1970. During the discussion, several Permanent Representatives had expressed their concern about the way

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invitations would be issued and who should receive them. In summing up, the Secretary General had noted that the Council recognised the political implications of this matter and had agreed to keep it under review, both in the Council and in any appropriate NATO committees, so as to pursue the discussion or undertake co-ordinated action should this be necessary.

26. He understood that the Netherlands Delegation wished to make a statement regarding the conference on hijacking which was to take place at The Hague in December.

27. The NETHERLANDS REPRESENTATIVE said that his Authorities had instructed him to initiate Council consultations on a number of aspects of the hijacking problem. He recalled that the extraordinary General Conference of the International Civil Aviation Organization (ICAO) which had been held in Montreal in June had discussed at great length the question of participation in the diplomatic conference scheduled to take place at The Hague in December to consider a draft multilateral treaty on the unlawful seizure of aircraft (aerial hijacking). In the meantime, the ICAO Council had decided to apply the so-called "Vienna" formula, i.e. to invite only member States of the United Nations, members of the United Nations specialised agencies and the parties to the Statute of the International Court of Justice. Invitations had already been sent out. Another similar question which was likely to come up at the meeting in The Hague, or even before that, had to do with the possibility of States which did not participate in the conference acceding to the treaty drafted in The Hague. Many members of ICAO supported the idea that all countries, including East Germany, Communist China, North Vietnam and North Korea, should be given an opportunity to accede to the Convention, since it could not work effectively without international validity. For the same reason, an "all-States formula" had been accepted for other treaties and conventions, such as the Partial Test Ban Treaty, the Cosmic Space Treaty, the Treaty on Saving Astronauts and the Non-Proliferation Treaty. The principal objection to accepting a formula of this kind for the Treaty on Aerial Hijacking was that this would create a precedent for future multilateral treaties. However, this objection would lose much of its force if, as seemed possible, aerial hijacking was described in the Treaty as a universal crime.

28. Before taking a position or a decision on this question, the Netherlands Authorities wished to hear the views of the other Allied governments, preferably before the conference in The Hague. They, therefore, hoped that consultations would take place at an early date.

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29. The GERMAN REPRESENTATIVE said that he wholeheartedly supported the Netherlands Representative's proposal and that his Authorities felt that it was vital to find a solution to the problem of hijacking.

30. The COUNCIL:

took note of the statement by the Netherlands Representative and agreed to hold the consultations he had requested on Wednesday, 4th November.

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VII. FINANCIAL ARRANGEMENTS FOR THE CATERING FACILITIES AT NATO

31. This item was considered in private session. The conclusions reached were circulated as PO/70/504.

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VIII. DATE OF NEXT MEETING

32. Wednesday, 4th November at 10.15 a.m.

NATO,
1110 Brussels.

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