

CONSEIL DE L'ATLANTIQUE NORD  
NORTH ATLANTIC COUNCIL

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EXEMPLAIRE N°  
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ORIGINAL: ENGLISH  
22nd October, 1963

NATO SECRET  
DECISION SHEET  
AC/127-R/120

COMMITTEE OF ECONOMIC ADVISERS

Meeting held at the Permanent Headquarters, Paris, XVIIe,  
on Thursday, 17th October, 1963 at 10.15 a.m.

DECISION SHEET

I. FOLLOW UP OF THE COUNCIL'S DISCUSSION OF 9th OCTOBER ON  
ECONOMIC QUESTIONS

The COMMITTEE:

- (1) had a preliminary exchange of views on the Council's discussion of 9th October, 1963(1);
- (2) noted that in the opinion of the Turkish and United States Representatives a study on the relative economic progress of the NATO and the Soviet bloc countries should include a discussion on the advantages of Free World economic systems for developing countries;
- (3) heard a statement by the United States Representative on his country's trade policy towards the Communist countries(2);
- (4) noted the request of the Netherlands authorities that the Committee examine the reasons for the purchase by the Soviet bloc countries of large quantities of grain in the West and the implications of these purchases;
- (5) were informed that the Economics Directorate would shortly circulate papers on Soviet bloc grain purchases and Soviet gold sales, respectively;
- (6) agreed to resume discussion at their next meeting.

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(1) See C-R(63)58, Item III.

(2) Full text circulated on a "blue" to member delegations.

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II. CREDITS TO THE SOVIET BLOC AND COMMUNIST CHINA

The COMMITTEE:

- (1) had another exchange of views on the proposal for a co-ordinated credit policy (AC/127-D/135);
- (2) heard that the Portuguese authorities had no objections to the proposal;
- (3) noted that the Canadian authorities continued to have doubts about the usefulness and timeliness of seeking to work out what would amount to a code of conduct for one particular aspect of the NATO countries' trade relations with the Soviet bloc;
- (4) were told by the United Kingdom Representative:
  - (a) that his authorities remained opposed to discrimination between the Soviet bloc countries and the industrial countries of the Free World;
  - (b) that preferential treatment of the developing countries in the field of export credit guarantees would run counter to their present policy which was a purely commercial one based on credit-worthiness; the adoption of the proposal would therefore require a basic change in United Kingdom policy and would raise major problems;
- (5) noted that the United States Delegation intended to inform in very general terms the Japanese authorities about the possibility of an agreement between NATO countries along the lines proposed, unless a majority in the Committee disapproved of such a step;
- (6) noted the Chairman's invitation to representatives to inform the United States Representative directly of their authorities' position on the above-cited question;
- (7) agreed to resume discussion at their next meeting.

III. DEMOGRAPHIC TRENDS IN THE SOVIET BLOC

The COMMITTEE:

- (1) had an exchange of views on the draft summary for the Council (AC/127-D/136) and agreed to resume discussion at the next meeting on the basis of a new text modified in accordance with the suggestions made by member delegations;

- (2) were told by the United States Representative that his authorities would inform the Committee at the next meeting whether they could agree to the reconvening of the Ad Hoc Group of experts in March, 1964.

IV. EAST-WEST TRADE

The COMMITTEE:

- (1) noted that comments could be expected from the French, United Kingdom and United States Representatives on the balance of payment situation of the Soviet bloc countries;
- (2) agreed to resume discussion on this subject at a future meeting;
- (3) were informed by the Italian Representative:
  - (a) that a Soviet trade mission had arrived in Rome to undertake negotiations for a new protocol under the trade agreement of 1961-1965 and to prepare the ground for the renewal of the agreement after 1965;
  - (b) that a trade protocol was signed between his country and Albania in June, 1963;
  - (c) that his authorities, in view of the insignificant amount, had agreed to the delivery to Rumania of 284 tons of large-diameter pipe;
- (4) were informed by the Canadian Representative of a trade agreement for a period of three years concluded between his country and Bulgaria, and had circulated to them a note on this subject by the Canadian Delegation.

V. DATE OF NEXT MEETING

31st October, 1963, at 10.15 a.m.

OTAN/NATO,  
Paris, XVIe.

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