

CONSEIL DE L'ATLANTIQUE NORD
NORTH ATLANTIC COUNCIL

MF

EXEMPLAIRE N° 209
COPY

ORIGINAL: ENGLISH
1st December, 1964

NATO CONFIDENTIAL
CORRIGENDUM (Revised) to
DOCUMENT (*)
AC/127-D/169

COMMITTEE OF ECONOMIC ADVISERS

Revised Corrigendum to AC/127-D/169 dated 6th November, 1964

Page 1:

Paragraph 1:

Add the following sentence:

"Information available to the Committee as a result of the new procedure for notification of credits exceeding 5 years(3) suggest that outstanding credits may well increase again during the second half of 1964."

Paragraph 2, second line:

After the words "Soviet bloc", read (4) instead of (3).

Paragraph 3:

The text of paragraph 3 should be replaced by the following:

"As against this drop in credits outstanding at the end of the first half of the current year, exports from NATO countries, as a whole, to Communist countries during the same period have continued to grow, as it appears from the chart at Annex (1). The curves for export and outstanding credits diverge clearly for the first time since 1960. As shown in Table IV, there has been a marked difference between the evolution of the exports (in particular those going to the USSR) from the European member countries on the one hand and from the North American on the other; while the former dropped sharply in the second half of 1963 and showed some further decrease in the first half of 1964, the latter rose substantially during the same periods, mainly as a result of deliveries of wheat. A comparison of

(*) At the request of the United States Representative, this Corrigendum to document AC/127-D/169 dated 23rd November, 1964, has been revised in order to include a further breakdown of NATO countries' exports to the Soviet bloc as between the USSR and Eastern Europe and to add some further data to Table I in document AC/127-D/169. The report will be put on the Agenda of the Committee's meeting on 3rd December, 1964.

NATO CONFIDENTIAL

DECLASSIFIED - PUBLIC DISCLOSURE / DECLASSIFIE - MISE EN LECTURE PUBLIQUE

export figures for the periods mid-1962 to mid-1963 and mid-1963 to mid-1964 shows that the share of the North American member countries in total NATO exports to the USSR rose from 3% to 48%. As pointed out in earlier reports, it is not possible on the basis of available information to determine at what period the delivery of goods, to which the credits apply, is carried out, nor in consequence to establish a precise comparison between the volume of credits and of exports."

Footnotes:

Insert the following footnote:

(3) See AC/127-D/154(Final)

Footnote (3) becomes footnote (4).

Table I:

Replace Table I by the attached new Table.

New Statistical Table:

Add the attached Table IV to the report.

(iv) Other countries of the Soviet bloc

- increase of \$4 million or 1.6%;
- share increased from 32% to 36% (19% in January 1961).

5. Credits to Communist China, consisting solely of guaranteed private credits, dropped by \$17 million or 35% in the course of the first six months of 1964. Their share in total credits of this category granted to the Soviet bloc and Communist China combined was 4%, against a maximum of 16% in June 1962.

6. Information received on private non-guaranteed credits is still most probably incomplete; however, in view of the order of magnitude involved, such information has been included in the present report for the three reporting dates 30th June, 1963, 31st December, 1963 and 30th June, 1964. It is uncertain whether these figures cover the totality of these credits, but they are comparable and give a fair basis for assessing a trend between these dates. These credits constitute 9% of the total of reported credits to the Soviet bloc. They rose by 16% during the first six months of 1964 but the amount outstanding to the USSR fell and there were no such credits granted to the Soviet-Occupied Zone of Germany. By mid-1964 the USSR accounted for 22% of these credits (against 28% end-1963), Poland for 10% and the other countries of the Soviet bloc for 68% (against 62% end-1963). Although private non-guaranteed credits only represented 17% of total credits to these latter countries, they increased by \$13 million in the period under review against an increase of only \$4 million in private credits guaranteed by governments.

7. Government-to-government credits(1), from which only Poland had benefited, again diminished slightly; they are in the process of being progressively reimbursed and no new credits appear to have been granted since NATO started to follow the trend of credits to the Soviet bloc.

OTAN/NATO,
Paris, XVIc.

-
- (1) These do not include credits granted under bilateral trade agreements which normally extend over a period of less than 180 days nor do they include sales of agricultural commodities under Public Law 480 of the United States. It has been agreed that, if any member country were to contemplate adopting an attitude not in conformity with the policy pursued by NATO of not granting any government-to-government credits to the USSR, such a country would immediately inform the Committee so that the matter might be discussed there (C-H(59)75, paragraph 3).

TABLE I

DEVELOPMENT OF CREDITS OUTSTANDING TO COMMUNIST COUNTRIES

(in million US \$)

	31st July 1959	31st December 1961	31st December 1962	31st December 1963	30th June 1964
USSR	38.3	236.5	283.5	350.9	279.7
EASTERN EUROPE(1)	231.7	433.0	512.7	667.0	668.9
TOTAL SOVIET BLOC	270.0	669.5	796.2	1,017.9	948.6
COMMUNIST CHINA	n.d.	61.9	08.7	49.6	32.1
TOTAL:	270.0	731.4	884.9	1,067.5	980.7

(1) Eastern Europe: Poland, Rumania, Czechoslovakia, Hungary, Bulgaria, Albania and the Soviet occupied zone of Germany.

TABLE II

CREDITS OUTSTANDING (1) ON DATES INDICATED

(million US \$)

Date and type of credits	USSR	Poland	Soviet-occupied Zone of Germany	Other Bloc (including Soviet Zone of Germany)	Total Soviet Bloc	Communist China	Total
<u>31st July, 1959</u>							
1. Private non-guaranteed credits	0.5	-	n.a.	3.6	4.1	n.a.	n.a.
2. Government-to-government credits	-	87.8	n.a.	-	87.8	n.a.	n.a.
3. Private credits guaranteed by governments	37.8	132.2	n.a.	8.1	178.1	n.a.	n.a.
TOTAL	38.3	220.0	n.a.	11.7	270.0	n.a.	n.a.
<u>31st January, 1960</u>							
1. Private non-guaranteed credits	0.5	-	n.a.	11.9	12.4	n.a.	n.a.
2. Government-to-government credits	-	86.8	n.a.	-	86.8	n.a.	n.a.
3. Private credits guaranteed by governments	38.0	162.2	n.a.	41.0	241.2	n.a.	n.a.
TOTAL	38.5	249.0	n.a.	52.9	340.4	n.a.	n.a.
<u>31st July, 1960</u>							
1. Private non-guaranteed credits	18.3	-	n.a.	-	18.3	n.a.	n.a.
2. Government-to-government credits	-	85.9	n.a.	-	85.9	n.a.	n.a.
3. Private credits guaranteed by governments	100.9	158.5	n.a.	67.4	326.8	n.a.	n.a.
TOTAL	119.2	244.4	n.a.	67.4	431.0	n.a.	n.a.
<u>31st January, 1961</u>							
1. Private non-guaranteed credits	18.3	-	n.a.	(excluding Soviet Zone of Germany)	18.3	n.a.	n.a.
2. Government-to-government credits	-	84.9	-	-	84.9	n.a.	n.a.
3. Private credits guaranteed by governments	139.1	151.9	14.0	72.7	377.7	n.a.	n.a.
TOTAL	157.4	236.8	14.0	72.7	480.9	n.a.	n.a.
<u>31st July, 1961</u>							
1. Private non-guaranteed credits	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
2. Government-to-government credits	-	83.9	-	-	83.9	n.a.	n.a.
3. Private credits guaranteed by governments	190.9	164.7	20.0	93.7	469.3	n.a.	n.a.
TOTAL	190.9	248.6	20.0	93.7	553.2	n.a.	n.a.
<u>31st December, 1961</u>							
1. Private non-guaranteed credits	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
2. Government-to-government credits	-	83.9	-	-	83.9	n.a.	n.a.
3. Private credits guaranteed by governments	236.5	192.8	39.3	117.0	585.6	61.9(2)	647.5
TOTAL	236.5	276.7	39.3	117.0	669.5	61.9	731.4
<u>30th June, 1962</u>							
1. Private non-guaranteed credits	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
2. Government-to-government credits	-	83.0	-	-	83.0	-	83.0
3. Private credits guaranteed by governments	262.0	182.7	43.5	134.8	623.0	124.8	747.8
TOTAL	262.0	265.7	43.5	134.8	706.0	124.8	830.8

(1) For a complete definition of this term, see AC/127-D/41, Item II, and AC/127-WF/45.

(2) On 31st December, 1960, there were no outstanding credits to Communist China.

TABLE A (Cont.)

CREDITS OUTSTANDING (1) ON DATES INDICATED

(Million US \$)

Date and Type of credits	USSR	Poland	Soviet-occupied Zone of Germany	Other Bloc (including Soviet Zone of Germany)	Total Soviet Bloc	Communist China	Total
<u>31st December, 1962</u>							
1. Private non-guaranteed credits	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
2. Government-to-government credits	-	81.5	-	-	81.5	-	81.5
3. Private credits guaranteed by governments	203.5	221.4	57.3	152.5	714.7	88.7	803.4
TOTAL	203.5	302.9	57.3	152.5	796.2	88.7	884.9
<u>30th June, 1963</u>							
1. Private non-guaranteed credits	20.3	5.6	n.a.	45.4	71.3	n.a.	71.3
2. Government-to-government credits	-	79.5	-	-	79.5	-	79.5
3. Private credits guaranteed by governments	273.6	223.5	47.5	187.7	732.3	108.4	840.7
TOTAL	293.9	308.6	47.5	233.1	883.1	108.4	991.5
<u>31st December, 1963</u>							
1. Private non-guaranteed credits	20.6	6.9	-	45.2	72.7	0.07	72.8
2. Government-to-government credits	-	77.6	-	-	77.6	-	77.6
3. Private credits guaranteed by governments	330.3	215.4	42.8	279.1	867.6	49.5	917.1
TOTAL	350.9	299.9	42.8	324.3	1,017.9	49.6	1,067.5
<u>30th June, 1964</u>							
1. Private non-guaranteed credits	18.8	8.6	-	58.7	86.1	-	86.1
2. Government-to-government credits	-	75.7	-	-	75.7	-	75.7
3. Private credits guaranteed by governments	260.9	207.1	35.2	283.5	786.8	32.1	818.9
TOTAL	279.7	291.4	35.2	342.2	948.6	32.1	980.7

(1) For a complete definition of this term, see AC/127-D/41, Item II, and AC/127-WP/45

TABLE III
CHANGES BETWEEN DATES - CONTINUED

Date and type of credit	USSR		POLAND		Soviet Zone of Germany		Other bloc (incl. Soviet Zone of Germany)		Total Soviet bloc		Communist China		TOTAL	
	Amount(1)	%	Amount(1)	%	Amount(1)	%	Amount(1)	%	Amount(1)	%	Amount(1)	%	Amount(1)	%
<u>31st July, 1959 - 31st January, 1960</u>														
1. Private non-guaranteed credits	-	-	-	-	No. S.	No. S.	+ 8.3	+230.6	+ 8.3	+202.4	No. S.	No. S.	No. S.	No. S.
2. Government-to-Government credits	-	-	- 1.0	- 1.1	No. S.	No. S.	-	-	- 1.0	- 1.1	No. S.	No. S.	No. S.	No. S.
3. Private credits guaranteed by Governments	+ 0.2	+ 0.5	+30.0	+18.5	No. S.	No. S.	+32.9	+406.2	+63.1	+ 35.4	No. S.	No. S.	No. S.	No. S.
TOTAL	+ 0.2	+ 0.5	+29.0	+13.2	No. S.	No. S.	+41.2	+352.1	+70.4	+ 26.1	No. S.	No. S.	No. S.	No. S.
<u>31st January, 1960 - 31st July, 1960</u>														
1. Private non-guaranteed credits	+17.8	36.6 times	-	-	No. S.	No. S.	-11.9	-100.0	+ 5.9	+ 47.6	"	"	"	"
2. Government-to-Government credits	-	-	- 0.9	- 1.2	No. S.	No. S.	-	-	- 0.9	- 1.0	"	"	"	"
3. Private credits guaranteed by Governments	+62.9	+165.5	- 3.7	- 2.3	No. S.	No. S.	+26.4	+ 64.4	+85.6	+ 35.5	"	"	"	"
TOTAL	+80.7	+209.6	- 4.6	- 1.8	No. S.	No. S.	+14.5	+ 27.4	+90.6	+ 26.6	"	"	"	"
<u>31st July, 1960 - 31st January, 1961</u>														
1. Private non-guaranteed credits	-	-	-	-	No. S.	No. S.	-	-	-	-	"	"	"	"
2. Government-to-Government credits	-	-	- 1.0	- 1.2	No. S.	No. S.	-	-	- 1.0	- 1.2	"	"	"	"
3. Private credits guaranteed by Governments	+38.2	+37.9	- 6.6	- 4.2	No. S.	No. S.	+19.3	+ 28.6	+50.9	+ 15.6	"	"	"	"
TOTAL	+38.2	+32.0	- 7.6	- 1.1	No. S.	No. S.	+19.3	+ 28.6	+49.9	+ 11.6	"	"	"	"
<u>31st January, 1961 - 31st July, 1961</u>														
1. Private non-guaranteed credits	No. S.	No. S.	No. S.	No. S.	No. S.	No. S.	(excluding Soviet Zone of Germany)		No. S.	No. S.	"	"	"	"
2. Government-to-Government credits	-	-	- 1.0	- 1.2	No. S.	No. S.	No. S.	No. S.	- 1.0	- 1.2	"	"	"	"
3. Private credits guaranteed by Governments	+51.8	+37.2	+12.8	+ 8.4	+ 6.0	+42.9	+21.0	+ 28.9	+51.6	+ 24.3	"	"	"	"
TOTAL	-33.5	+21.3	+11.8	+ 5.0	+ 6.0	+42.9	+21.0	+ 28.9	+72.3	+ 15.0	"	"	"	"
<u>31st July, 1961 - 31st December, 1961</u>														
1. Private non-guaranteed credits	No. S.	No. S.	No. S.	No. S.	No. S.	No. S.	No. S.	No. S.	No. S.	No. S.	"	"	"	"
2. Government-to-Government credits	-	-	-	-	-	-	-	-	-	-	"	"	"	"
3. Private credits guaranteed by Governments	+45.6	+23.9	+28.1	+17.0	+19.3	+96.5	+23.3	+ 24.9	+116.3	+ 21.0	"	"	"	"
TOTAL	+45.6	+23.9	+28.1	+17.0	+19.3	+96.5	+23.3	+ 24.9	+116.3	+ 21.0	"	"	"	"

(1) In all cases, amounts are in millions of dollars.

TOP SECRET

CHANGES IN CREDITS GUARANTEED (Contd.)

Date and type of credit	USSR		POLAND		Soviet Zone of Germany		Other bloc (excl. Soviet Zone of Germany)		Total Soviet bloc		Communist China		TOTAL	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<u>31st December, 1961 - 30th June, 1962</u>														
1. Private non-guaranteed credits	25.5		-0.9						-0.9				-0.9	
2. Government-to-Government credits		+10.8	-10.1		+4.2		+17.8		+37.4				+101.6	
3. Private credits guaranteed by Governments														+15.5
TOTAL	+25.5	+10.8	-11.0	-4.0	+4.2	+10.7	+17.8	+15.2	+36.5	+5.5	+62.9	+101.6	+99.4	+13.6
<u>30th June, 1962 - 31st December, 1962</u>														
1. Private non-guaranteed credits														
2. Government-to-Government credits			-1.5						-1.5				-1.5	
3. Private credits guaranteed by Governments	+21.5	+8.2	+38.7	+21.2	+13.8	+34.7	+17.7	+13.1	+91.7	+14.8	-36.1	-28.9	+55.6	+7.4
TOTAL	+21.5	+8.2	+37.2	+14.0	+13.8	+31.7	+17.7	+13.1	+90.2	+12.8	-36.1	-28.9	+54.1	+6.5
<u>31st December, 1962 - 30th June, 1963</u>														
1. Private non-guaranteed credits	+20.3		+5.6						+71.3				+71.3	
2. Government-to-Government credits			-2.0				+5.4		-2.0				-2.0	
3. Private credits guaranteed by Governments	-9.9	-3.5	+2.1	+0.9	-9.8	-17.1	+5.2	+23.1	+17.6	+2.5	+19.7	+22.2	+37.3	+4.7
TOTAL	+10.4	+3.7	+5.7	+1.9	-9.8	-17.1	+8.6		+86.9	+10.9	+19.7	+22.2	+106.6	+12.1
<u>30th June, 1963 - 31st December, 1963</u>														
1. Private non-guaranteed credits	+0.3	+1.5	+1.3	+23.2			-0.2		+1.4	+2.0	+0.07		+1.5	+2.1
2. Government-to-Government credits			-1.9	-2.4					-1.9	-2.4			-1.9	-2.4
3. Private credits guaranteed by Governments	+56.7	+20.7	-8.1	-3.6	-4.7	-9.9	+91.4	48.7	+135.3	+18.4	-58.9	-54.3	+76.4	+9.1
TOTAL	+57.0	+19.4	-8.7	-2.8	-4.7	-9.9	+91.2	+39.1	+134.8	+15.3	-58.8	-54.3	+76.0	+7.6
<u>31st December, 1963 - 30th June, 1964</u>														
1. Private non-guaranteed credits	-1.8	-8.7	+1.7	+24.6			+13.5	+29.9	+13.4	+18.4	-0.07	-100.0	+13.3	+18.3
2. Government-to-Government credits			-1.9	-2.4					-1.9	-2.4			-1.9	-2.4
3. Private credits guaranteed by Governments	-69.4	-21.0	-8.3	-3.9	-7.6	-17.7	+4.4	+1.6	-80.8	-9.3	-17.4	-35.2	-98.2	-10.7
TOTAL	-71.2	-26.3	-8.5	-2.8	-7.6	-17.7	+17.9	+5.5	-69.3	-6.8	-17.5	-35.3	-86.8	-8.1

In all cases, amounts are in millions of dollars.

TOP SECRET

TABLE IV

NATO COUNTRIES' EXPORTS TO THE USSR - 1959 - 1964

(in million US \$)

	1959		1960		1961		1962		1963		1964
	first half	second half	first half	second half	first half	second half	first half	second half	first half	second half	first half
NATO-EUROPE	150.8	252.1	304.1	320.4	341.7	349.4	364.0	369.3	352.0	278.5	257.2
NATO-NORTH AMERICA	13.7	7.0	18.6	28.2	48.6	20.8	12.4	10.8	10.8	151.3	345.3 ⁽¹⁾
TOTAL	164.5	259.1	322.7	348.6	390.3	370.2	376.4	380.1	362.8	429.8	602.5

	NATO COUNTRIES' EXPORTS TO EASTERN EUROPE(2) - 1959 - 1964											
	1959	1960	1961	1962	1963	1964	1959	1960	1961	1962	1963	1964
NATO-EUROPE	467.8	495.1	511.8	553.7	587.4	599.7	590.8	645.8	609.3	672.7	696.5	
NATO-NORTH AMERICA	40.7	65.7	76.8	105.5	89.7	68.3	88.1	59.1	92.6	91.2	192.2 ⁽¹⁾	
TOTAL	508.5	560.8	588.6	659.2	677.1	668.0	678.9	704.9	701.9	763.9	888.7	

	NATO COUNTRIES' EXPORTS TO COMMUNIST CHINA - 1959 - 1964											
	1959	1960	1961	1962	1963	1964	1959	1960	1961	1962	1963	1964
NATO-EUROPE	143.4	187.4	203.5	130.8	95.2	61.0	83.4	50.5	90.6	66.5	69.5	
NATO-NORTH AMERICA	0.9	0.9	6.4	2.7	55.2	65.9	93.8	44.4	70.1	27.1	54.7	
TOTAL	144.3	188.3	209.9	133.5	150.4	126.9	177.2	94.9	160.7	93.6	124.2	

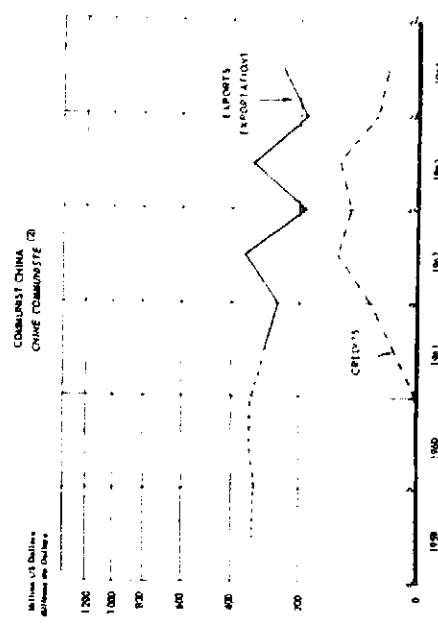
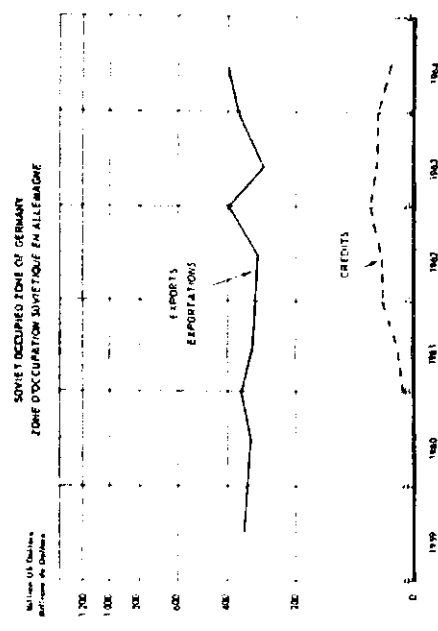
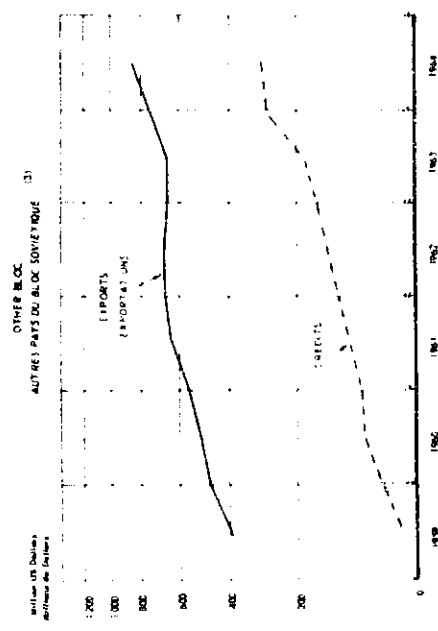
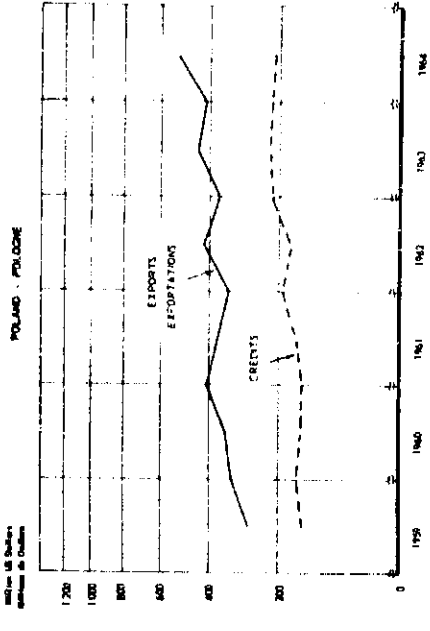
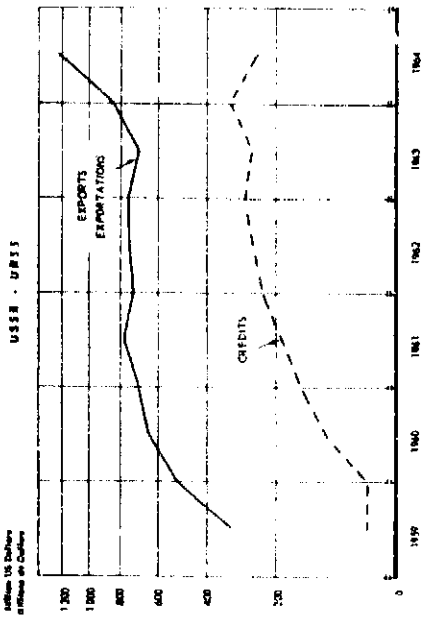
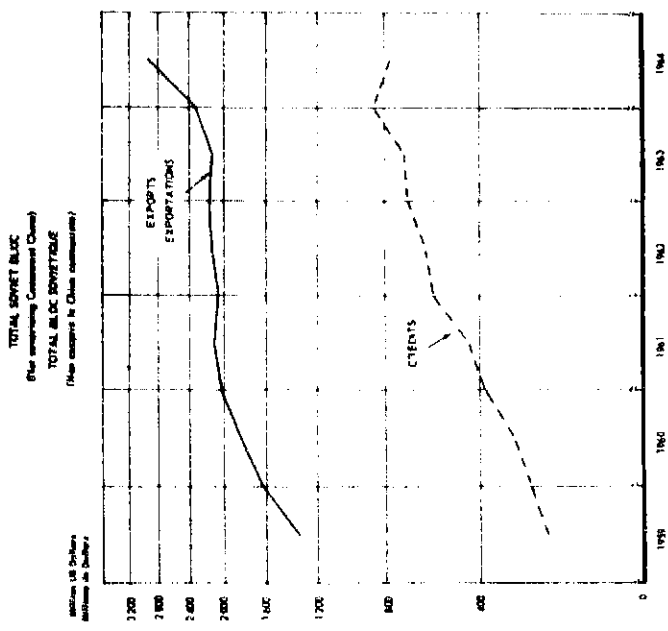
(1) United States' exports to the USSR and Eastern Europe in June 1964 have been estimated, as information is not yet available.

(2) Eastern Europe: Poland, Rumania, Czechoslovakia, Hungary, Bulgaria, Albania and the Soviet occupied zone of Germany.

DECLASSIFIED BY: 60320 UCBAJ/BJP

14-00000
CONFIDENTIAL
AC/702/BJP

DEVELOPMENT OF HAVO COUNTRIES CREDITING AND EXPORTS TO THE SOVIET BLOC AND COMMUNIST CHINA
EVOLUTION DES CREDITIS ET DES EXPORTATIONS DES PAYS OTAN VERS LE BLOC SOVIETIQUE ET LA CHINE COMMUNISTE



(1) Private credits guaranteed by Governments
Crediti privati garantiti per le governazioni

(2) Exact figures are only for 1959 and 1960. Beginning 1961, exports (figure are last year), and presented in month's average.
Les chiffres des exportations sont annuels pour 1959 et 1960. A compter de 1961, les chiffres des exportations sont présentés en moyenne mensuelle.

(3) US exports to Communist countries in June 1964 have been estimated as 100 million US dollars.
Les chiffres des exportations en juin 1964 des Etats Unis vers les pays communistes s'évaluent en moyenne cent millions de dollars.

14-00000
CONFIDENTIAL