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ASSEMBLY OF WESTERN EUROPEAN UNION

TWENTY-NINTH ORDINARY SESSION

(First Part)

Burden-sharing in the alliance

REPORT

submitted on behalf of the
Committee on Defence Questions and Armaments
by Mr. Wilkinson, Rapporteur

ASSEMBLY OF WESTERN EUROPEAN UNION
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1. Adopted in committee by 14 votes to 1 with 2 abstentions.

2. *Members of the committee:* Mr. Cavaliere (Alternate: *Valiante*) (Chairman); MM. *Blaauw, van den Bergh* (Vice-Chairmen); Mr. Bahr, Sir Frederic Bennett (Alternate: *Wilkinson*), MM. *Bernini, Bonnel* (Alternate: *De Decker*), Cox, Dejardin, Della Briotta, Duraffour (Alternate: *Baume*),

Edwards, Fosson, *Galley*, Sir Anthony Grant (Alternate: *Lord Reay*), MM. *Kittelmann, Lemmrich* (Alternate: *Müller*), *Mayoud* (Alternate: *Caro*), *Ménard* (Alternate: *Jung*), *Pecchioli, Pignion, Prussen, Scholten, Sir Dudley Smith, MM. Steverlynck, Vohrer.*

N.B. *The names of those taking part in the vote are printed in italics.*

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Introductory Note

In preparing this report the Rapporteur had interviews as follows:

7th April 1983 – SHAPE, Casteau

Major General Tabary, Belgian Army, ACOS Logistics;
 Mr. Jonathan Stoddart, Minister, Special Assistant for International Affairs;
 Air Chief Marshal Sir Peter Terry, RAF, Deputy SACEUR;
 Lieutenant General Cacciola, DCOS Logistics;
 Colonel Fox, USAF, DCOS Intelligence;
 Mr. Pozzi, Italian civilian, strategic analyst;
 Air Vice-Marshal J. Gilbert, RAF, ACOS Policy.

8th April 1983 – NATO, Brussels

General Lewis Melner, United States Army, Deputy Chairman, Military Committee;
 H.E. Mr. Tapley Bennett, Ambassador, United States Permanent Representative; Mr. Savage;
 Dr. Joseph Luns, Secretary-General;
 H.E. Sir John Graham, Ambassador, United Kingdom Permanent Representative; Mr. Colin Balmer; Admiral Sir Anthony Morton, United Kingdom Military Representative;
 H.E. Dr. H. Wieck, Ambassador, Permanent Representative of the Federal Republic of Germany; Dr. A. Böcker, Minister;
 H.E. Mr. Jean-Marie Merillon, Ambassador, Permanent Representative of France.

11th April 1983 – Bonn

Ministry of Defence:

Mr. Manfred Wörner, Minister of Defence;
 Mr. Lothar Rühl, Minister of State for Defence;
 General Tandeki, Führung Stab III; Colonel Rode; Colonel Weige; Colonel Wieland; Colonel Flasse; Colonel Ertmann; Colonel Siebert; Colonel Langan; Colonel Vorwerck.

Ministry for Foreign Affairs:

Dr. W. Hofmann, Director of Atlantic Alliance and Defence Affairs.

12th April 1983 – Ministry of Defence, London

Mr. David Fisher, DSI;
 Mr. David Wilson, DS 12.

19th April 1983 – Headquarters CINCHAN and COMEASTLANT, Northwood

Rear Admiral Pröpper, Royal Netherlands Navy, Chief of Staff;
 Captain Morin, Belgian Navy.

The committee as a whole met at the seat of the Assembly in Paris on Monday, 14th February 1983, when it discussed a draft outline of the present report.

It met subsequently in the United States from 21st to 30th March where, in the United Nations, New York, it was briefed by Mr. Jan Martenson, United Nations Under-Secretary General, Department for Disarmament; Mr. Brian Urquhart, United Nations Under-Secretary General for Political Affairs; Mr. Charles Lichtenstein, United States Deputy Representative to the Security Council. In Washington it met with Mr. Gerard Smith, former Director of the United States Arms Control and Disarmament Agency and Chief Negotiator for SALT I; Mr. George Kennan, former United States Ambassador to Moscow; Mr. Robert McNamara, former Secretary of Defence. In the State Department it was briefed by Mr. Lawrence S. Eagleburger, Under-Secretary of State, Mr. Richard Burt, Assistant Secretary for European Affairs; Admiral Jonathan T. Howe, Director for Politico-Military Affairs; Mr. Richard N. Haass, Director, Office of Regional Security Affairs; in the Department of

Defence it was briefed by Dr. William E. Hoehn Jr., Principal Deputy Assistant Secretary of Defence for International Security Policy; Mr. Franklin C. Miller, Office of the Secretary of Defence, Director for strategic Policy; Mr. Abram Shulsky, Office of the Secretary of Defence, Director for Strategic Arms Control Policy; Mr. George W. Heiser, Office of the Secretary of Defence, Theatre Nuclear Policy; Lieutenant Colonel Edward A. Hamilton, Joint Chiefs of Staff, International Negotiations; Major General Earl G. Peck, Office of the Secretary of Defence (Policy), Director for Intelligence and Space Policy; Colonel Kent Montavon, Office of the Secretary of Defence (International Security Policy), Director for NATO Affairs; Colonel James L. Gould, Office of the Secretary of Defence (Manpower, Reserve Affairs, and Logistics), Director for Mobilisation Plans and Operations; Mr. James W. Morrison, Office of the Secretary of Defence (International Security Policy), Director for European Policy.

The committee then met with Senator Ted Stevens, Chairman of the Defence Subcommittee of the Senate Appropriations Committee; and with Mr. Joseph Addabbo, Chairman of the Defence Subcommittee of the House Appropriations Committee, and the following members of the subcommittee: Mr. Les AuCoin; Mr. Norman D. Dicks; Mr. W.G. Hefner; Mr. John P. Murtha; Mr. J. Kenneth Robinson.

In the White House Executive Building the committee was briefed by Mr. Sven Kraemer and Colonel Mayer of the National Security Staff. The committee then visited the Patuxent Naval Air Test Centre, where it was briefed by the Commander, Rear Admiral E.J. Hogan, and saw the AV-8, F/A-18, SH-60B, E2 and P3 aircraft. The committee then visited the Lockheed-California Company, Los Angeles, where it was briefed by Mr. Ed Cortright, President, and Mr. Ben Rich, in particular on the TR-1 and SR-71 reconnaissance aircraft. It visited Hughes Aircraft Company and was briefed by Mr. George E. Todd, Senior Vice-President, International; Mr. David M. Snyder, Associate Director, Middle East and Africa; Mr. Paul H. Kennard, Vice-President and Manager, Advanced Projects Division; Mr. Louis E. Greenbaum, Manager, Communications Systems Division, Ground Systems Group; Mr. Leonard Gross, Vice-President, Electro-Optical and Data Systems Group; and Mr. Robert L. Roderick, Vice-President, Missile Systems Group, on various aspects of the company's activities; visited the Douglas Aircraft Company where it was briefed by Mr. E. Curtis, Senior Vice-President, Fiscal Management; Colonel John Patterson, United States Air Force Plant Representative; Mr. L.J. Colapietro, Manager, Government Customer Relations; Mr. E.A. Chambers, Manager, Government Marketing, and Mr. D.C. Caldwell, Programme Manager, T-45TS Programme, in particular on the VTXTS, C-17 and KC-10.

At the United States Air Force Academy, Colorado Springs, the committee was received by the Superintendent, Major General Robert E. Kelley, and Captain Crowley, USAF. The committee then visited NORAD Cheyenne Mountain Complex, where it was received by Lieutenant General Kenneth Thorneycroft, Canadian Forces, Deputy Commander-in-Chief, and briefed by Major Bob Tracy, Major Don Read, Lieutenant Colonel Dick Farkas, and Captain Rick Kniseley.

The committee then met in the Sala del Consiglio, Pisa, on 3rd May where it discussed a draft of the present report, and also visited the Italian Parachute Training School where it was received by Colonel Valdimiro Rossi, Commandant. On 4th May it visited the Oto Melara works in La Spezia, where it was received by Mr. Fiaccavento, Mr. Ricci, and Mr. Ferrari, and then visited the NATO SACLANT ASW Research Centre where it was briefed by the Director Dr. Rolf Goodman and staff.

The committee met finally in Brussels on 17th May for a joint meeting with the Council under the chairmanship of Mr. Tindemans, Belgian Minister for External Relations, and on 18th May when it discussed and adopted the present report.

The committee and the Rapporteur express their thanks to the ministers, members of Congress, officials, senior officers and experts who received the Rapporteur or addressed the committee and replied to questions.

The views expressed in the report, unless otherwise attributed, are those of the committee.

*Draft Recommendation**on burden-sharing in the alliance*

The Assembly,

- (i) Recognising that because of its substantial strategic nuclear deterrent and world rôle the United States spends a considerably higher proportion of its national wealth on defence than its European allies;
- (ii) Appreciating the special contribution to overall deterrence made by the independent nuclear forces of France and the United Kingdom;
- (iii) Considering that an important factor in the continuing burden-sharing debate arises from the differing approaches of the European allies and the United States administration to relations with the Soviet Union, and consequently from the different views on the necessary size and composition of the allied defence effort;
- (iv) Believing that these differences call for increased consultation between the European allies on strategic policies and defence issues;
- (v) Convinced that within the alliance the political relationship between the European members and the United States should reflect more fully their economic, political and defence contributions to the security of Western Europe in the fullest sense;
- (vi) Aware that isolationism in the United States is likely to grow to the detriment of western security unless the European members of the alliance can convince American public opinion and Congress of the adequacy of the European contribution to the NATO defence effort, and unless European public opinion and parliaments show reciprocal appreciation of all aspects of the United States contribution to allied defence;
- (vii) Welcoming therefore the annual report to Congress by the United States Secretary of Defence on allied contributions to the common defence, and statements by Eurogroup which identify the size of the European contribution;
- (viii) Aware of the manifold difficulties of comparing national defence efforts but concluding that the European allies for the most part now carry a very reasonable share of the agreed burden, a share which has increased from 24 % to 38 % in the last twenty-five years, and increased most significantly in the decade of the 1970s during which the United States effort declined, but believing that certain specific improvements in defence efforts are required;
- (ix) Believing that allied defence plans must take account of the possible consequences of developments beyond the NATO area, and that in the case of such developments which the allies jointly recognise as threatening the vital interests of the alliance, the ready assistance of all allies must be forthcoming within the area to facilitate United States deployments beyond the area, and in the case of certain allies, to participate in such deployments;
- (x) Recalling that problems of common defence and the support of public opinion for national defence projects cannot be isolated from the quality of economic, political and monetary relations between the United States and the European allies,

RECOMMENDS THAT THE COUNCIL

- A. Urge member governments concerned within the North Atlantic Council:
 - 1. To maintain and in the following specific cases improve their defence efforts:
 - (a) by maintaining collectively the NATO target of a real increase in defence expenditure in real terms as long as the Soviet military build-up continues, and by adhering to the annual force goals set by SACEUR;
 - (b) by augmenting the combat sustainability of the alliance by providing a minimum of thirty days' stocks of fuel, ammunition, spare parts and consumables and by improving the capacity of reserve forces;

- (c) by maximising conventional firepower and raising the nuclear threshold through the progressive introduction of proven systems incorporating emerging technologies jointly developed and produced on an equitable Atlantic-wide basis;
 - (d) by improving the flexibility, mobility, effectiveness and readiness of European intervention forces, both to improve national contributions to ACE Mobile Force and, in a crisis in Europe, to compensate as far as possible for any diversion outside the area of United States reinforcements destined for Europe;
 - 2. In the case of developments beyond the NATO area which the allies jointly recognise as affecting their vital interests:
 - (a) to facilitate by all necessary measures within the area the deployment of forces of any NATO country beyond the area;
 - (b) in the case of those allies with appropriate military capability to participate in such deployments;
 - 3. To lend vigorous united support to the United States efforts on behalf of the alliance to secure satisfactory balanced and verifiable arms controls agreements with the Soviet Union in the field of both strategic and intermediate-range nuclear forces and, failing the latter by the end of 1983, to proceed with the deployment of GLCM and Pershing II missiles in accordance with the decision of 12th December 1979;
 - 4.
 - (a) To improve informal European defence consultation within WEU and the Eurogroup and arrange for the European position to be expounded clearly in the United States, especially to Congress committees and staffs, through a public information effort co-ordinated by the Washington embassies of those countries which provide the Eurogroup secretariat and Chairman-in-Office;
 - (b) To undertake a similar effort with the assistance of the Assembly of WEU to explain to the European public and parliaments the contribution which the United States make to allied defence;
- B. Consider, and report to the Assembly on:
- 1. The desirability of expanding the defence activities of the Council, last defined in 1957, to include European aspects of allied defence policy;
 - 2. The desirability of inviting all members of WEU to contribute to strengthening the European pillar of the western alliance.

Draft Resolution

on burden-sharing in the alliance

The Assembly,

Reaffirming its rôle as the only European parliamentary assembly empowered by treaty to discuss defence matters;

Stressing the need for the European pillar of the Atlantic Alliance to be strengthened through agreement between all European allies on the basic principles of alliance defence policy and strategy;

Recalling its Resolution 15,

CALLS on the parliaments of Denmark, Greece, Norway, Portugal, Spain and Turkey to appoint observers to the Committee on Defence Questions and Armaments to participate in the preparation of its forthcoming report on the state of European security;

DECIDES that such observers shall have the right to speak.

Explanatory Memorandum

(submitted by Mr. Wilkinson, Rapporteur)

I. Introduction

1.1. Under the terms of reference this report is to examine European and American contributions to common defence in the alliance and the fair sharing of the burden.

1.2. A collective security system including Western European Union and the Atlantic Alliance must be founded upon the principle of equitable participation in a common defence. Since an attack upon one member is, under the terms of the North Atlantic Treaty, to be regarded as an attack upon all the members of the alliance, the interdependence of the signatories is not in doubt. The national defence provisions of the Brussels Treaty are even more binding and the commitment of the WEU nations to each other's defence lies at the heart of Western Europe's security.

1.3. Every national contribution, whether political, financial, military, industrial, in manpower or matériel, contributes towards a sharing of the joint burden of defence in the western alliance. However, certain fundamental concepts should underlie the efforts that are made:

- (a) alliance nations must pursue an agreed strategy – in the case of NATO of forward defence and flexible response underpinned by the availability of nuclear weapons to assure deterrence;
- (b) the burden of the military and economic efforts to implement this strategy must be distributed in a manner which all members of the alliance can accept as fair.

1.4. Implementing these concepts is not easy. A free association of independent states has few sanctions it can realistically apply on those members whom the majority of the alliance believe to be in default of a reasonable and realistically attainable contribution to their common defence. A too intense debate over the criteria to be applied to achieve a fair assessment of national obligations can all too easily prejudice political willingness to pursue national security objectives in an alliance context.

1.5. An objective assessment, therefore, of burden-sharing must be very comprehensive and take into account as wide a range of factors as possible if the political susceptibilities of

member countries are not to be dangerously aroused. Such factors should include:

- (a) what outlays are required to meet multilaterally-recognised force goals;
- (b) the contributions of each nation both in input (expenditure and manpower) and in output (forces and equipment) terms;
- (c) with a fair share of the effort required for every individual country actually is on a consensus basis;
- (d) how the burdens can be redistributed to match national circumstances and capabilities and the strategic imperatives recognised by the alliance as a whole.

1.6. Coalition defence between wholly sovereign states has inherent stresses and inner tensions which can only be surmounted through a recognition that the interests of the alliance as a whole transcend those of its individual members. This is particularly so when, as in the case of NATO, there is great geostrategic, topographical, economic, historical and political diversity within it. A constant effort of political magnanimity, imagination and goodwill is required to overcome those potentially fissiparous qualities within the alliance.

1.7. The NATO collective security system evolved in the aftermath of World War II out of an evident necessity to harness preponderant American power to redress a military imbalance in Europe. A relationship of virtual American protectorate, perhaps symbolised by the NATO military doctrine of the conventional force tripwire guaranteed by the strategy of massive United States nuclear retaliation which characterised the 1950s, has evolved to the point today where diminishing nuclear advantage at a strategic level and unfavourable nuclear and conventional balance at a theatre level call in question the ultimate American security guarantee which Western Europeans have conveniently taken for granted for so long.

1.8. At the same time, this relationship of strategic dependency upon the United States, which the European members of the alliance still assume, does not any longer correspond to the economic relationship between the United States and Western Europe, or to the respective

parties' physical involvement in and economic dependence upon strategic developments in the wide areas of the world outside the area of responsibility of the North Atlantic Treaty Organisation. The institutional and consultative mechanism must evolve so that the Europeans assert collectively their growing political authority within the alliance more effectively.

1.9. In short, there is a temptation on the part of the Europeans in NATO to continue to display the military dispositions of client states while adopting the independent-minded political postures commensurate with their new-found economic power. Understandably, public opinion in the United States, with the perspective of a people with global responsibilities, does not understand why certain West European countries, where the standard of living is certainly higher than in America, should spend little more than half the proportion of the national product expended by the United States, much of whose military budget goes to defending the more affluent Europeans. The argument can all too easily become simplistic and dangerously emotive unless it is clearly borne in mind that some of the deepest disagreements between members of the western alliance have very fundamental causes. One of the most obvious is a difference of view about the military threat and hence what is militarily required to meet it.

1.10. Geography, history and economic circumstances all play their part in influencing perceptions of the threat. Concern to preserve the unique relationship with fellow Germans in the German Democratic Republic and to maintain West Germany's traditional trade with Central Europe must influence the Federal Republic's perception of the threat and modify the Bonn Government's formulation of security policy in the widest sense. Likewise, the Nordic balance concept of Norway and Denmark is evolved in response to the neutralist foreign policy of Sweden and Finland and not just to the Soviet threat to the north flank of NATO.

1.11. Following the collapse of the European Defence Community in 1954 and notwithstanding the political consultation within WEU; the Eurogroup; and the process of European political consultation among the Ten, there are bound to be variations in foreign policy, threat analysis and diplomacy between the individual European members of the alliance let alone between the West Europeans and the United States. Issues such as East-West relations, trade with the Soviet bloc, linkage with human rights questions, financial credits, food aid and technology transfers to Eastern Europe, arms control and the implementation of the Helsinki final act often receive markedly different treatment by governments within the western alliance.

1.12. This foreign policy diversity explains why the greatest care must be exercised before reaching definitive conclusions about burden-sharing. Not only are political assumptions often misleading, but a universally acceptable statistical basis of comparison is almost impossible to attain. In the words of a NATO Financial and Economic Board report written as long ago as 1951:

“A final decision as to what constitutes an equitable distribution can never be derived from the mechanical use of any purely statistical formula. Even if the statistics available to the board were wholly comparable, no mechanical formula could be devised or take account of the varying circumstances and peculiar problems of each country. Differences in size, population, economic structure and stage of development of the various countries make simple comparisons impossible.”

1.13. Since then, to quote from the United States Secretary of Defence's report to the United States Congress on allied contributions to the common defence, March 1962: “despite many efforts and agreement that there is a need for burden-sharing, NATO has been unable to agree on an acceptable definition of the burden or how to measure it”.

1.14. An objective definition of the guidelines for fairer burden-sharing within NATO is easier to achieve than a consensus among the individual nations within the alliance as to whether their own contributions are equitable. Countries with low living standards or economic problems argue that a sound economy is a prerequisite for an effective defence. Countries with strong peace movements or a strong ethical tradition in the conduct of foreign affairs will stress the importance of carrying public support for national defence policy. Countries with a weak balance of payments may be reluctant to incur the foreign exchange costs of stationing forces overseas or of purchasing defence equipment abroad.

1.15. As recorded in the introductory note this report draws on information derived from the visit of the Committee on Defence Questions and Armaments to the United States in March 1983 and particularly from the briefings and discussions at the State Department, Pentagon, National Security Council, on Capitol Hill and from industry and the United States air force. In Europe information was derived at SHAPE, NATO, CINCHAN and from national defence ministries.

II. *The concept of allied defence*

2.1. The Brussels Treaty of 1948 was the first collective security agreement after World War

II which was directed against the growing Soviet threat. Its provisions as modified by the Paris Protocols of 1954 form the basis of Western European Union and bind the signatories to mutual assistance in the event of external attack in Europe¹. There is no geographic limitation to the applicability of the treaty for consultation purposes² and its unambiguous nature ensures that regardless of political developments among NATO countries in either Northern or Southern Europe and regardless of political developments in North America, there will be a Western European inner security zone among the seven nations of WEU.

2.2. Although by contrast there is a stricter geographic limitation to the applicability of mutual defence under the North Atlantic Treaty, this should not inhibit alliance consultation and co-operation in response to threats to the interests of member countries outside the NATO area. Even so, following the collapse of the southern and eastern tiers of Foster Dulles' alliance system created to contain communist expansion (CENTO and SEATO), the NATO nations did very little to concert their security policies to protect their joint interests in the Middle East, Arab/Iranian Gulf, South-West and South-East Asia and Indian Ocean. Indeed, the Government of the United Kingdom compounded western problems by closing military bases east of Suez even when in 1971 the rulers of the Gulf sheikhdoms still wanted the British to stay.

2.3. Soviet support for the Marxist régimes in Ethiopia and South Yemen and Vietnam at each extremity of the large area of instability along the southern edge of the Eurasian land-mass together with the Iranian revolution and Soviet invasion of Afghanistan at the heart of the highly volatile region bordering on the oil-rich Arab/Iranian Gulf convinced the Government of the United States that it must be prepared militarily to fill an alarming power vacuum in an area of huge oil reserves and great strategic importance to the West.

2.4. The United States has now created a new South-West Asian Command autonomous of SACEUR and has earmarked a rapid deployment force of up to six divisions to be assigned

1. Article VI: "If any of the High Contracting Parties should be the object of an armed attack in Europe, the other High Contracting Parties will, in accordance with the provisions of the Charter of the United Nations, afford the party so attacked all the military and other aid and assistance in their power".

2. Article VIII.3: "At the request of any of the High Contracting Parties the Council shall be immediately convened in order to permit them 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".

to it. Base facilities at Diego Garcia, Mashirah Island and elsewhere around the littoral of the Indian Ocean have been built up. The United States navy was already overstretched in view of the Soviet naval challenge worldwide, and with the redeployment of assets from the Mediterranean fleet and elsewhere to the Indian Ocean is almost a four-fleet navy.

2.5. The determination of the United States Administration not to afford to the Soviet Union a monopoly in underpinning the global competition for political influence and economic advantage by military means was heightened by the two shocks towards the end of Mr. Carter's presidency of Soviet invasion of Afghanistan and the failure of the United States mission to rescue the American hostages from the United States Embassy in Iran.

2.6. The European members of the alliance may or may not agree with the new military rôle which the United States has assumed in South-West Asia but an urgent accommodation on their part with the practical consequences to them of growing American commitments beyond the NATO area is required. Open disagreement with the Americans over their military strategy in South-West Asia would deepen the misunderstanding that already exists within the alliance. Quiet emphasis on the merits of a grand strategy involving diplomacy, aid, political and economic support to complement military preparedness and deployment would be a valuable contribution in terms of European expertise in ensuring the formulation of an effective alliance security policy for a notoriously unstable region where geography affords to the Soviet Union great advantages in any power struggle which might arise.

2.7. Mutual defence arrangements under the North Atlantic Treaty are of course limited to the Atlantic Treaty area defined in Article 6, but the treaty imposes no geographical limitation on *consultation* under Article 4 whenever the security of any party is threatened. Nevertheless, discussion of out-of-area defence matters has evolved only slowly in NATO, the most recent statement of the position being in the texts adopted by the sixteen members at the Bonn NATO summit on 10th June 1982:

"All of us have an interest in peace and security in other regions of the world. We will consult together as appropriate on events in these regions which may have implications for our security, taking into account our commonly-identified objectives. Those of us who are in a position to do so will endeavour to respond to requests for assistance from sovereign states whose security and independence is threatened."

The document on integrated defence adopted by representatives of the countries contributing to the integrated military structure contains the following paragraph :

“Noting that developments beyond the NATO area may threaten our vital interests, we reaffirm the need to consult with a view to sharing assessments and identifying common objectives, taking full account of the effect on NATO security and defence capability, as well as of the national interests of member countries. Recognising that the policies which nations adopt in this field are a matter for national decision, we agree to examine collectively in the appropriate NATO bodies the requirements which may arise for the defence of the NATO area as a result of deployments by individual member states outside that area. Steps which may be taken by individual allies in the light of such consultations to facilitate possible military deployments beyond the NATO area can represent an important contribution to western security.”

It is considered in NATO that “developments beyond the NATO area” which “may threaten our vital interests” are only events involving a risk of conflict with the Soviet Union or its allies.

2.8. There are two responses which the European members of the alliance must make in the event of United States out-of-area deployments. First, they have to be prepared to compensate from their own resources not only for any United States redeployments from the NATO theatre to South-West Asia but also to make contingency plans for a situation where, in the event of a simultaneous military threat in Europe, United States reinforcements currently scheduled for rapid deployment to Europe were diverted instead to South-West Asia. Notwithstanding American assurances that the defence of Europe will remain the highest priority of the United States, the danger of a confrontation on two fronts, and of a Soviet feint or diversionary move to tie down United States forces in the Middle East or South-West Asia must be recognised. It can be met primarily by the provision of some additional forces by the Europeans themselves, although the intervention forces of some European nations, notably France and the United Kingdom, are by no means negligible and can have a valuable rôle to play out of the NATO area as their respective deployments in recent years to Chad, Zaïre, Zimbabwe and the Falkland Islands have shown.

2.9. Secondly, where under the Bonn arrangements quoted above NATO collectively recog-

nises that some specific “development beyond the NATO area” does indeed “threaten our vital interests”, the European allies must be prepared to facilitate by action within the NATO area movements of United States forces, or indeed the forces of any other NATO country, passing through the NATO area. Overflying, staging and refuelling and port facilities of all sorts may be involved. The United States on the other hand cannot expect to secure, as it appears to be requesting, open ended agreements from its European allies to facilitate any future United States troop movements for whatever purpose they may be undertaken.

2.10. There is a third response which only certain European allies are in a position to offer. Often the early despatch of a very highly trained experienced force early in a crisis can prevent its development into a full-scale emergency. For this certain European airmobile or amphibious units, such as British marines, and French paratroops, would be particularly appropriate. Certainly an exercised and pre-planned determination by some European countries to bear if only a small part of American out-of-area burdens would greatly enhance mutual understanding in the alliance. So would improved host-nation support, logistic infrastructure, refuelling, docking and maintenance facilities in Europe, not just for United States forces assigned to NATO but also for United States forces en route to South-West Asia.

2.11. Within the NATO area there is undoubtedly potential for increased rôle specialisation but this is politically a highly sensitive issue since defence impinges upon national susceptibilities on sovereignty in a direct way. Few countries are prepared for example totally to assign to other nations the protection of their air space or the defence of their territory. However, the United Kingdom could rationally specialise more in naval, air and intervention forces but this could only be at the expense of its Brussels Treaty commitment on the continent in Germany which would be politically unwelcome to its allies. The Netherlands could logically concentrate its naval forces more in the North Sea and Channel, but that country understandably sets great store by its blue water anti-submarine rôle in the North Atlantic. The Federal Republic could at a cost increase still further its land and air forces in Central Europe although for demographic reasons it would be difficult and would have implications for inner-German relations. France in its latest defence plans has already decided to modernise the whole spectrum of its nuclear capability and Italy with its deployments to the peacekeeping forces in Sinai and Lebanon has demonstrated its intervention capability and

concern for security within the Mediterranean basin as a whole.

2.12. In short, geography, history, manpower, industrial and economic potential already dictate a substantial degree of national specialisation. Only France and the United Kingdom in Europe maintain independent nuclear deterrents. Likewise, only Britain and France maintain balanced forces in all three services together with a substantial overseas intervention capability. The Federal Republic of Germany is the dominant European nation on the central front. The Netherlands concentrates on the larger naval vessels which appertain to an oceanic rôle at sea. The maritime rôle of Belgium is primarily coastal. In air defence there is a worrying tendency for Belgium to downgrade its air defence commitments, particularly as regards its contribution to modernising its section of the Hawk SAM belt. Denmark and Norway have evolved the concept of total defence and have large home guards. Italy plays a key rôle in all three services on the southern flank.

2.13. There is little prospect therefore of any dramatic initiative to achieve either a more equitable sharing of the burdens or a more cost effective defence by means of a rationalisation of national rôles and responsibilities. Modest progress can always be achieved but bold radical changes would be politically fraught with danger. It has to be borne in mind that for an alliance committed to deterrence its cohesion and unity in peacetime is no less important than its combat capability in war. Of course it would be logical for the British to do more at sea and to concentrate more on intervention forces than on the central front, but with the German armed forces already fully stretched and in view of the alliance strategy of a forward defence reliant upon substantial in-place allied force contributions, there is no immediate prospect of such a change in allied rôles. Nevertheless for the defence of Central Europe there are good military and economic reasons why the seven WEU nations at least should better co-ordinate their defence policies. Franco-German military co-operation is valuable for European security as is the integration of French air defence forces with the NATO early warning system. The security of the United Kingdom Air Defence Region and Eastern Atlantic and Channel Command areas are vital for the reinforcement of Europe. It would, therefore, be better if national initiatives like the United Kingdom defence review of 1981 and the French defence review of 1983 were the subject of prior consultation within at least the WEU Council and preferably the Eurogroup Council to facilitate appropriate readjustments within the alliance.

2.14. Although the preponderance of the Warsaw Pact in both armour and manpower on the central front puts a premium on the value of mobility, manoeuvre and concentrating defence firepower at the decisive point, there is such a narrow defence depth available in West Germany that the Federal Republic's total commitment to forward defence has been inevitably espoused by the alliance as a whole.

2.15. SACEUR's proposals for the use of emerging technology to develop new land/air tactical doctrines to interdict the battlefield more effectively and to prevent the follow-through of second echelon Warsaw Pact formations are promising but they are no panacea. They will be costly and should be regarded as part of the evolutionary process of improving the combat effectiveness of NATO as and when new weapons systems become available. Certainly they should increase the confidence of western public opinion as these doctrines would appreciably raise the nuclear threshold. But to satisfy Western European public opinion the procurement of the new intelligent weaponry and precision munitions essential to enhance NATO's air/land capability to offset Warsaw Pact armoured preponderance on the central front must be achieved on an equitable basis, and it should not distort further in the United States' favour the alliance defence equipment market.

3.1. Measuring a country's "defence effort" as a general concept is not a simple task; definitions are needed before measurements can be made. It is still more difficult to compare the defence effort of one NATO country with that of another because of different national views of the requirements of defence resulting partly from social, economic and geographical differences, and partly from different political attitudes to defence. Furthermore, financial comparisons involving currency conversion may be distorted when exchange rates do not closely reflect purchasing power. But at least the NATO countries can be compared in terms of a market economy; comparisons between NATO countries and the Warsaw Pact countries with their centrally-directed communist economies are more conjectural, not only because of the incomplete disclosure of defence expenditure in the official Soviet defence budget, but also because of the difficulty of assigning comparable prices to articles in a communist economy.

(b) Defence expenditure

3.2. Defence effort is usually assessed in terms of defence expenditure and in terms of manpower in the armed services – the so-called defence inputs. It is more difficult to assess the defence capacity which can be produced from

those resources. Countries differ in the items which they include in their defence budgets, and one of the earliest tasks undertaken by the NATO international staff, in the framework of the annual review, was to draw up a common definition of "defence expenditure" for NATO purposes. This (unpublished) definition adopted in 1952 is known to include government payments to service pension funds, and costs of internal security forces that would serve under military command in war. In general, defence budgets to NATO definition tend to be slightly higher than national defence budgets submitted to parliament, largely because it was easier to agree on a common NATO definition by including items already included in the defence budget of at least one NATO country, rather than by excluding items not included in the national definitions of a majority of countries. Still excluded from the NATO definition, however, are items which certain NATO countries would consider defence-related. These include actual payments of service pensions, war damage, civil defence, strategic stockpiling of industrial war materials, and, in the case of Germany, major host-country support costs, economic assistance to Berlin and Turkey. Figures of defence expenditure at Appendix I are given to NATO definition and have been published regularly in committee reports each year for more than twenty years. The European countries today provide about 38 % of total NATO defence expenditure compared with 24 % in 1958 when the committee first published these statistics.

3.3. It should be noted that defence effort measured in this way is the total defence effort of every NATO country, irrespective of the tasks to which particular elements of the armed forces may be assigned. Not all defence tasks assumed by certain NATO countries would be recognised by a majority of the allies as being "NATO-related" defence tasks. In fact no attempt has been made to assess defence effort in terms of "NATO-related" defence, partly because of the flexibility of defence forces which, for example, recently permitted the United Kingdom to repossess the Falkland Islands in an operation which most NATO countries would not regard as "NATO-related", whereas the bulk of the forces concerned normally operate within the NATO area where they are allocated very much to NATO-related tasks. Similar examples can be cited in the case of military operations conducted in recent years by several NATO countries

(c) Manpower contribution

3.4. Appendix I.B. compares the present manpower contribution of the NATO countries to the armed forces. The European countries collectively provide 60 % of total NATO military manpower. As the European countries except

Luxembourg and the United Kingdom rely on conscription, whereas the United States has purely regular forces, there are further hidden defence advantages and economic costs of lost opportunity in the European contribution. The defence advantage is the large pool of trained reserve manpower which conscription automatically leaves in the population at large after completion of compulsory service. This can be particularly impressive and important as in the case of the Federal Republic of Germany which can mobilise its Landwehr rapidly, and in the case of Denmark and Norway which have large home guards and a concept of "total defence".

3.5. The hidden opportunity costs of conscripting manpower can be assessed in various ways. "If allied manpower costs for 1979 are computed at United States pay rates, the value of non-United States NATO total defence would increase relatively to the United States by approximately 20 % reaching a total approximately equal to that of the United States. As a result, several countries such as Canada, Luxembourg and the Netherlands, whose average pay and allowances are higher than in the United States, would have their defence expenditures adjusted downwards; others, notably Turkey, Italy, Portugal and France, would see theirs increased." ¹

(d) Ability to contribute and comparison between NATO countries

3.6. Defence expenditure statistics published by NATO (Appendix I) include some measures of ability to contribute – gross domestic product; population; and gross domestic product per capita – and derive from these comparative statistics of national contributions to allied defence. The most widely quoted are defence expenditure as a percentage of GDP, and armed forces as a percentage of the active population because international comparison between these figures is not distorted by conversion of national currencies. Defence expenditure itself, and defence expenditure per capita can only be compared when converted to a single currency with the reservations noted above.

3.7. There are, however, limitations in measuring defence expenditure as a percentage of GDP. Not all countries can be expected to devote the same percentage of their domestic product to defence – countries with the lowest per capita domestic product will be expected to make a prior claim on it to provide basic living standards for the population before making any significant contribution to allied defence

1. United States Secretary of Defence report to Congress on allied contributions to the common defence, March 1982.

beyond a local domestic defence effort. The "wealthier" countries in terms of GDP per capita can be expected to have a larger "available" GDP after basic living standards have been met, part of which can then reasonably be devoted to allied defence. The graph at Appendix II, therefore, shows defence expenditure as a percentage of GDP plotted against GDP per capita. Surprisingly, this graph shows a very significant defence effort on the part of the three poorest countries of the alliance - Turkey, Portugal and Greece - and a below average defence effort among some of the wealthier countries - Norway, Canada, Denmark and Luxembourg.

3.8. The comparative prosperity of countries as measured by GDP per capita, converted to dollars at current exchange rates, shows a relative decline in the position of the United States compared with the other allies over the last decade. At \$11,348 per head for 1980, the United States came only seventh among NATO countries, among which Norway led with \$13,766. This perception of ability to contribute has bedevilled the transatlantic argument on burden-sharing which is discussed in the following section. It has, however, been pointed out that the exchange rates used in this calculation, and inflation rates assumed for constant price comparisons over a period of years, do not accurately reflect the purchasing power of national currencies. When conversions are carried out using purchasing power parity

instead of fluctuating exchange rates, the United States remains a significantly wealthier country measured by GDP per capita (\$11,348 in 1980) than any other member of the alliance. Luxembourg, the second in this table, had only \$9,430¹.

3.9. Since March 1981, in response to the amendment introduced by Senator Levin to the fiscal year 1981 Defence Authorisation Act, the Secretary of Defence has submitted an annual report to Congress on allied commitments to defence spending (1981) and allied contributions to the common defence (1982). This report goes into burden-sharing in considerable statistical detail. In particular it has investigated other possible measures of ability to contribute than those mentioned above. The most original feature is a "prosperity index" which is derived for each country first by multiplying that country's percentage share of the total allied GDP by its per capita GDP expressed as a percentage of the highest per capita GDP of any NATO country (Denmark). The resultant product is totalled for all NATO countries and an individual country "prosperity index" is expressed as its percentage share of the allied total ("allied" is taken in the Secretary of Defence's report as the total for NATO plus Japan). Other indicators of ability

1. Sharing the defence burden, Rainer W. Rupp, Economic Directorate of the NATO International Staff in NATO Review, December 1982.

*NATO countries' gross domestic product per head
in 1980, in US \$*

Country	Based on exchange rates			Based on purchasing power parity		
	US \$	Index NATO = 100.0	Rank	US \$	Index NATO = 100.0	Rank
(0)	(1)	(2)	(3)	(4)	(5)	(6)
Germany	13,306	137.1	1	9,411	106.3	3
Denmark	12,957	133.5	2	9,094	102.7	4
France	12,136	125.0	3	9,046	102.2	5
Belgium	12,084	124.5	4	8,924	100.8	6
Luxembourg	12,059	124.2	5	9,430	106.5	2
Netherlands	11,851	122.1	6	8,599	97.1	7
United States	11,348	116.9	7	11,348	128.2	1
United Kingdom	9,344	96.3	8	7,622	86.1	8
Italy	6,906	71.1	9	7,205	81.4	9
Spain	5,648	58.2	10	5,843	66.0	10
Greece	4,236	43.6	11	4,713	53.2	11
Portugal	2,423	25.0	12	3,675	41.5	12
Other NATO countries (*)	5,082	52.3	×	5,508	62.2	×
TOTAL NATO	9,708	100.0	×	8,852	100.0	×

(*) Canada, Iceland, Norway, Turkey.

to contribute contained in the report are: percentage share of total allied GDP; percentage share of total allied population; per capita GDP as a percent of the highest nation.

3.10. The same report lists seven selected indicators of defence contribution: defence spending as a share of total allied expenditure; defence spending as a percentage increase since 1971; percentage share of total allied defence manpower; percentage increase in defence manpower since 1971; total active and reserve defence manpower share of the allied total; ground forces as a percentage share of total allied ground forces (expressed in armoured division equivalents); and tactical combat aircraft as a percentage share of the allied total. Selected indicators from this report, comparing contribution with ability to contribute, are reproduced at Appendix III.

(e) *Trends of defence expenditure*

3.11. Figures for defence expenditure for a single year are less informative than the trend of defence expenditure over a number of years, partly because with some countries expenditure in a single year may be distorted through the costs of some equipment procurement programme falling particularly heavily in one year. Also in 1977 NATO defence ministers agreed to increase defence spending "in the region of 3% per annum in real terms" over the planning period 1979 to 1984, reaffirmed in 1980 for the period up to 1986. The extent to which countries have fulfilled this commitment can be seen from the table of annual defence expenditure, if expressed in constant prices (to allow for inflation). NATO, however, has not yet been able to reach agreement on the deflators to be applied to defence expenditure in the different countries in order to produce a fair statement of expenditure at constant prices. As a consequence of this, the official NATO defence expenditure statistics published each December do not include a series of country expenditures at constant prices. Curiously, however, for the last few years these statistics have included figures of defence expenditure per capita for six successive years expressed at constant prices. These can only have been produced through the use of some provisional deflator by the NATO staff, and by multiplying by the populations concerned it is possible to deduce from these figures a table of total defence expenditure at constant prices. This is shown at Appendix IV. Annual percentage increases in real terms actually achieved by member countries from 1978 to 1982 have fluctuated widely between one year and another, and between different countries, Greece showing a decrease of 8.8% between 1979 and 1980, while Luxembourg recorded the largest increase of 16.3% from 1979 to 1980.

(f) *NATO-Warsaw Pact comparisons*

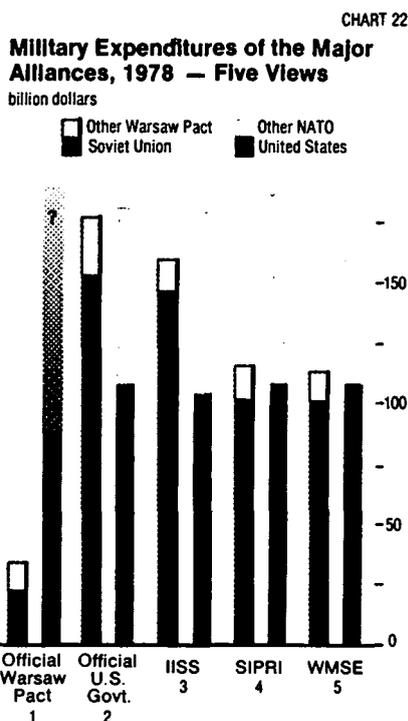
3.12. It is instructive to extend the foregoing methodology for international comparison of defence *inputs* to a comparison of the defence efforts of the NATO and Warsaw Pact countries. Most publicity is attracted to East-West comparisons of defence *output* – assessments of the defence capability the inputs produce. As pointed out in paragraph 3.1, however, to make input comparisons an attempt has to be made to assign values to the Soviet defence effort in terms of western market economies. It is of course widely accepted that the officially published Soviet defence budget records only part of defence expenditure, and is known to exclude the large amount spent on research and development.

3.13. For the past fourteen years, the United States Government has published annually estimates of Soviet and Warsaw Pact defence expenditure in the ACDA series "World Military Expenditures and Arms Transfers". Figures for defence expenditure in dollars given in this publication are calculated by the CIA on the "building block" method whereby separate estimates are made of the value of research and development (nearly a quarter of the total); procurement of equipment and construction (about one-half); and operating costs (a little over one-quarter, of which 60% is personnel costs). These official United States estimates for NATO, the Warsaw Pact, the United States and the Soviet Union are shown at Appendix V. The March 1981 version of World Military Expenditures and Arms Transfers, quoting constant 1977 prices, shows NATO as a whole to have outspent the Warsaw Pact in defence spending in every year from 1970 to 1978 – the last covered in the publication. The March 1982 version, however, using constant 1978 prices, shows total Warsaw Pact expenditure slightly exceeding that of NATO for the years 1976 to 1978 inclusive, while NATO again overtook the Warsaw Pact in 1979. What, of course, is more disturbing for the United States authorities was the trend of Soviet defence expenditure in these calculations which from being less than that of the United States up to 1970, significantly overtook it in the years 1971 to 1979 – the last quoted in the 1982 edition. Press reports on 7th April of the 1983 edition referred to an estimate for Soviet expenditure of \$188 billion in 1980 compared with United States expenditure of \$131 billion. However, the press one month earlier¹ reported that the CIA estimates on which the WMEAT figures were based had been revised for the year 1981 to show Soviet expenditure of \$160 billion compared with United States \$154 billion.

1. International Herald Tribune, Guardian, 4th March 1983.

The basis of the reduction was CIA intelligence analysis that the Soviet Union had produced less military equipment than predicted, leading the CIA to revise downwards its estimate of annual increase in Soviet defence expenditure from 3 or 4 % to 2 %. Accepted by the State Department, the CIA findings had been disputed by the United States Defence Intelligence Agency which had suggested that original estimates of expenditure were correct, but that higher costs had led to less equipment being produced.

3.14. Independent academic comparisons of Soviet and United States, and of Warsaw Pact and NATO expenditure claim that the CIA dollar estimates of the components of the Soviet defence effort, particularly the research and development and manpower costs, are overstated. The following bar chart shows two official and three independent academic comparisons for 1978 which show an excess of NATO over Warsaw Pact expenditure ranging from about 40 % to 5 % (excluding of course the Warsaw Pact estimate).



1. Defence budgets and official rates of exchange, as reported to UN.

2. US Arms Control and Disarmament Agency, World Military Expenditures and Arms Transfers 1969-78.

3. International Institute for Strategic Studies, The Military Balance, 1979-80, (IISS has since discontinued publication of an estimate for USSR).

4. Stockholm International Peace Research Institute SIPRI Yearbook 1981.

5. This publication, Table II.

Source: World Military and Social Expenditures 1981. Ruth Leger Sivard. Publisher World Priorities Inc.

3.15. Estimates of numbers in the armed forces are not subject to the uncertainties involved in cost comparisons between the unlike economies of NATO and Warsaw Pact countries. The United States ACDA WMEAT reports referred to above show total NATO armed forces for 1979 (the latest year available in that publication) of 5.29 million compared with 6.16 million for the Warsaw Pact. The IISS Military Balance estimate for that year is 4.88 million for NATO compared with 4.76 million for the Warsaw Pact; the difference is unexplained. The latest IISS estimates for 1982 are NATO 5.35 million; Warsaw Pact 4.82 million.

IV. *The transatlantic debate*

4.1. The burden-sharing debate at the present time has arisen largely through United States, especially Congressional, perceptions of supposed shortcomings on the part of the European allies. These include inadequate European contributions to what the United States believes the allied defence effort should be, or failure of the European allies to follow United States policy in economic and political relations with the Soviet Union and Warsaw Pact countries. Typical of some attitudes in Congress, seeking reductions in public spending yet believing that United States superiority in naval and air power was its chief guarantee of protection from the Soviet Union, was the enactment by the Senate last autumn requiring the level of United States troops stationed ashore in Europe by the end of fiscal year 1983 (30th September) not to exceed their real levels at September 1982 (315,600). The move led by Senator Stevens, Chairman of the Defence Subcommittee of the Senate Appropriations Committee, had originally sought a freeze at the lower level of March 1980.

4.2. The United States Administration itself has to face both ways — at times assuring Congress that the European allies make a large proportionate contribution to the total allied defence effort, at others exhorting the Europeans to make a bigger effort, or to align themselves more closely with United States policy towards the Soviet Union.

4.3. Typical of the first is evidence given by Mr. Eagleburger, Under-Secretary of State, to the Senate Armed Services Committee on 26th March 1982 on “the critical importance of maintaining the United States military presence in Europe”. Noting that over the thirty years since the creation of NATO “the United States-Soviet balance has moved from United States superiority to, at best, a precarious balance, with powerful adverse trends”, he asserted that “we are now running hard to make up for nearly a generation of neglect in

our military programmes. The allies in contrast, have turned in a remarkably steady performance. Roughly speaking they have sustained an increase of between 2 and 3 % for more than a decade."

4.4. The Secretary of Defence's annual reports to Congress referred to above¹, submitted in accordance with the Levin amendment to the 1981 Defence Authorisation Act, provide a systematic, objective, and on the whole optimistic assessment of the European contribution. In the words of the 1981 report:

"There is no question that the United States and its allies can provide the forces necessary to meet the Soviet threat and to execute agreed NATO strategy. Collectively we have more than adequate resources - human, industrial, technological and financial - to provide a reasonable margin of security...

The NATO allies maintain on active duty about three million men and women compared with about two million for the United States and 250,000 for Japan. If we include reserves... the allied total is over six million compared with about three million for the United States. If we add civilian defence manpower... the totals come to just under eight million for the allies and just over four million for the United States. The GDP of all the non-United States NATO nations combined represents around 45 % of the NATO and Japan total. Our NATO allies account for over 60 % of total NATO and Japan ground combat capability, around 55 % of the tactical air force combat aircraft and around 50 % of the total tonnage of naval surface combatants and submarines."

4.5. "... We have devised for the purposes of this report a number of indices of burden-sharing and have developed an overall assessment. We believe this approach - while imperfect and certainly not agreed by the allies - can give a better perspective of burden-sharing than any one individual indicator. Using this formulation, the aggregated NATO allies appear to be shouldering their fair share of the total NATO and Japan defence burden."

4.6. The 1982 report follows similar lines, pointing out that "collectively [the NATO allies and Japan] have 80 % greater population, four times the GDP and more than double the per capita GDP of the Warsaw Pact".

ously it then reduces significantly the assessment of allied contribution: "Our NATO allies account for over 55 % of total NATO and Japanese ground combat capability, around 50 % of the tactical air force combat aircraft and around 35 % of the total tonnage of naval surface combatants...". The reductions of these percentages from 60 %, 55 %, and 50 % respectively the previous year are obviously far greater than any real changes in the force balance in the intervening twelve months. In conclusion the report is more critical of its allies: "In the final analysis the United States appears to be doing somewhat more than its fair share of the NATO and Japanese total based on quantifiable measures examined for this report."

4.7. The informal meeting of defence ministers of all European NATO countries, except France but now including Spain, known as Eurogroup regularly publishes its assessment of the European contribution to defence within the alliance. The last communiqué of 29th November 1982 noted a more favourable European share than did the foregoing reports:

"4. Within the NATO partnership, Eurogroup countries participating in NATO's integrated military structure make a substantial and significant contribution to the alliance's military forces. Their active armed forces total some two-and-a-half million and they provide approximately 75 % of NATO's readily available ground forces in Europe, 75 % of the tanks, 65 % of the air forces and 60 % of the warships..."

A list of new military equipment being introduced by the Eurogroup countries was appended. The percentages would of course be increased if account were taken of French forces.

4.8. In the light of the foregoing authoritative assessments, and the Rapporteur's extensive discussions in NATO, SHAPE, and Bonn, the committee concludes that on the whole the European countries are providing a very reasonable share of the allied defence burden. Required improvements in the European effort call for a long-term commitment to steady enhancement, particularly in "sustainability" of the conventional forces - the ability to offer sustained resistance beyond the first few days of any possible attack. This requires an improvement in the ammunition stockpiles of many countries and in rapidly available reserves to relieve the combat fatigue of forward troops, although there is more insistence in some quarters on the need to be able to "re-establish deterrence" if the forward defences were in danger of being overrun. Certainly a 4 % increase in real terms in defence budgets called

1. On allied commitments to defence spending, March 1981; and on allied contributions to the common defence, March 1982.

for by SACEUR to provide new generations of conventional equipment and weapons to permit detailed reconnaissance, target acquisition and selective attack on the second echelon of Soviet forces will not be forthcoming; the need is rather for steady investment in new weapons technology as proven weapon systems become available. Mr. Weinberger's emerging technology on which he has reported to NATO can be incorporated only progressively into the NATO armoury.

4.9. With the present United States Administration there have been significant failures of allied consultation. President Reagan's address to the National Association of Evangelicals on 8th March 1983 – dubbed the “Darth Vaders” speech by the Washington establishment – portraying the Soviet Union as an implacably hostile power reveals an outlook not shared by European governments. His proposal for research on new ABM systems in his television address of 23rd March – dubbed the “Star Wars” speech – was not conveyed by Mr. Weinberger attending the Nuclear Planning Group of NATO defence ministers in Portugal a few hours earlier the same day. Mr. Weinberger was either himself unaware that the proposal would be made, or still hoping that President Reagan would heed the advice of Department of Defence advisers not to make the proposal. It is a lesser failure of communication that the otherwise valuable briefings given to the committee in the Pentagon only a few hours before the Presidential speech should have contained no inkling of the ABM proposal.

4.10. Differences between the present United States Administration and European governments in general policy issues related to defence are frankly recognised in the Secretary of State's 1982 report on allied contributions to the common defence already quoted in the burden-sharing context above:

“Emphasising social and economic viability as their first priority, many Europeans continue to view the Soviet threat less seriously than the United States. Moreover, United States and European views of how best to counter the Soviet threat remain divergent, in spite of major United States efforts over the past year to portray the threat graphically for European élites and publics... Europeans believe Soviet policy can be moderated through traditional forms of social, economic and political contact. They are less enthusiastic than the United States about the build-up of military force as a counter to the Soviet challenge.”

Referring to foregone economic benefits of defence contributions, the report continues:

“Occasionally however the common interest is overridden. An especially painful example occurred during 1981 and early 1982 when several allies opted in favour of economic expediency rather than defence interests in agreeing to the West Siberian pipeline despite strong opposition by the United States. In this case some NATO countries chose to place the interests of their domestic industry ahead of national security considerations. This occurred even though it was far from clear that the cost of delivered natural gas would be economical, given the hidden charges in the long-term bargain struck with the Soviet Union. In addition, despite the projected massive dependency on Soviet gas of western areas such as Bavaria, no safeguards have been planned by the allies to offset the danger of a gas cut-off. This is a very critical development in the alliance and it may have serious consequences in the future.”

4.11. The tendency of the present United States Administration to assume that its approach to East-West relations is the correct one for the alliance as a whole has led to an increase in consultation on defence and security issues among the European countries independently of the United States, and for calls for further improvement in such arrangements – discussed in the next chapter.

V. *The European pillar*

(a) *General*

5.1. There is a growing feeling today among European members of NATO, reflected strongly among members of the committee, that the European members of the alliance must concert their views on the main principles of allied defence policy and strategy as they affect Europeans. The European pillar of the alliance must be strengthened. That observation has been made many times before. The question on which there is less agreement is on what topics and to what extent should the Europeans consult independently, and in what institutional framework? Several are available and are considered separately below.

(b) *Western European Union*

5.2. Western European Union is primarily a defence organisation as Article V of the modified Brussels Treaty makes clear. After signature of the treaty by the original five members in 1948, the Brussels Treaty Organisation, as WEU was then known, created its own Western Union Defence Organisation and established

the first post-war allied headquarters at Fontainebleau. But even in the eyes of the five signatories WUDO was a stop-gap, awaiting the signature of the North Atlantic Treaty which took place the following year. Once the NATO integrated military structure was in place the BTO dissolved its own defence organisation as superfluous and transferred its existing military headquarters and infrastructure programme to NATO. The relevant resolution of the Council of 20th September 1950 is worth quoting:

“Resolution by the Consultative Council of the Brussels Treaty Organisation of 20th December 1950 on the future of the organisation of western defence in the light of the creation of the North Atlantic Treaty Organisation military structure”¹.

1. The Consultative Council have considered the suggestion of the North Atlantic Council that the Brussels Treaty powers should review the status of the Western Union Defence Organisation in the light of the establishment of an overall North Atlantic Treaty Command Organisation.

2. The Consultative Council have noted:

(i) that it has been decided to dissolve the existing European Regional Planning Groups with their Regional Chiefs-of-Staff and principal Staff Officers Committees;

(ii) the view of the North Atlantic Council that, when the new NATO Command Organisation is established, it will be unnecessary and undesirable to have a parallel Western Union Command and that the new Headquarters suggested for Western Europe should be directly under SHAPE and should not be responsible to the Western Union Defence Committee.

3. The Council agree that, in the light of this re-organisation, the continued existence of the Western Union Defence Organisation in its present form is no longer necessary. They accordingly instruct the Permanent Commission to consider in consultation with the Western Union Military Committee, acting on the instructions of the Defence Ministers,

how the proposed re-organisation can best be effected and what military machinery, if any, needs to be retained under the Brussels Treaty.

4. The Council affirm that these new arrangements will in no way affect the obligations assumed towards each other by the signatory powers under the Brussels Treaty. In particular, the Consultative Council established under Article VII, including the non-military organs set up under the Council, will continue to function, and the reorganisation of the military machinery shall not affect the right of the Western Union Defence Ministers and Chiefs-of-Staff to meet as they please to consider matters of mutual concern to the Brussels Treaty powers.”

It will be noted in particular that under paragraph 4 of the resolution the new arrangements “shall not affect the right of the Western Union defence ministers and chiefs-of-staff to meet as they please to consider matters of mutual concern to the Brussels Treaty powers”.

5.3. However, since that date defence ministers and chiefs-of-staff have not met in the Brussels Treaty framework, and when the treaty was modified in 1954 to create the seven member WEU the 1950 resolution was in effect confirmed in the new Article IV of the modified treaty which expressly provides that NATO military bodies will not be duplicated:

“In the execution of the treaty, the high contracting parties and any organs established by them under the treaty shall work in close co-operation with the North Atlantic Treaty Organisation.

Recognising the undesirability of duplicating the military staffs of NATO, the Council and its Agency will rely on the appropriate military authorities of NATO for information and advice on military matters.”

In fact, under the terms of the modified Brussels Treaty the military provisions concerning levels of forces and control of armaments incorporated in Protocols Nos. II, III and IV, are inextricably linked to the integrated military structure of NATO which is made responsible in part for implementation of some of the WEU treaty obligations.

5.4. While the Council recognises that its defence *responsibilities* – notably under Articles V and VIII of the treaty – are not diminished by post-1950 arrangements, the desirable extent of the Council’s defence *activities* has been the subject of debate between the Council and the Assembly ever since the latter was estab-

1. Reproduced previously in Document 29, 3rd October 1956, and Document 557, 16th November 1971.

lished under the same 1954 modifications. As a consequence of this debate the Council was led in 1957 to define formally the scope of its residual defence and related activities. The seven governments considered that the activities of the Council in the field of defence questions and armaments should relate only to :

- “(a) matters which the contracting parties wish to raise, especially under Article VIII;
- (b) the level of forces of member states;
- (c) the maintenance of certain United Kingdom forces on the continent;
- (d) the Agency for the Control of Armaments;
- (e) the Standing Armaments Committee.”¹

Since then it is understood that no government has in fact raised any matter under Article VIII of the treaty, so that Council defence activities have been limited to discussion of force level limitations, arms control and Standing Armaments Committee matters discussed in another report by the committee¹. As the committee points out in that report, on the basis of extensive quotations from ministers of member countries who have addressed the Assembly, although member governments today are unanimous in stressing the importance of the *Assembly's* functions as a contribution to public debate on defence issues, no WEU government has proposed that the defence activities of the WEU Council should be increased; indeed, Mr. Cheysson, Minister for External Relations of France, reporting to the French National Assembly on 6th June 1982 on his earlier address to the WEU Assembly, commented specifically on the lack of any great future for the executive of WEU :

“The other day, on behalf of the French Government, I addressed the Assembly of WEU, not because the executive of WEU seems to have a very great future but because the Assembly is an elected one... competent to handle these [defence] matters, which must be discussed among members of parliament...”

5.5. The fact that despite intermittent urging by the Assembly over the last twenty-five years the Council since 1950 has chosen not to discuss allied defence planning, is not in itself a reason why it should not do so at the present time. Several members of the committee believe that without seeking to replace the

1. Second annual report of the Council, Document 37, 25th February 1957.

1. Application of the Brussels Treaty - reply to the twenty-eighth annual report of the Council, Document 948.

organs of NATO concerned with detailed allied defence planning, and taking full account of member states, obligations to NATO, the Council of WEU should today assume responsibility for discussing the main lines of a defence strategy common to the WEU countries. The advantages of reviving Brussels Treaty defence activities in this way are obvious: the seven member countries collectively provide the great bulk of the European defence contribution to NATO; their forces man the vital central front; they include all the most important defence production industries in Europe; they include all the countries on whose territory it is proposed to deploy a new generation of intermediate-range nuclear missiles if the INF talks fail. Most important, France, which has withdrawn its forces from the integrated military structure of NATO, remains a full member of WEU as does the only other European nuclear power, the United Kingdom.

5.6. There is, however, a serious political disadvantage in discussing collective defence policy among only an inner nucleus of European allies. Your Rapporteur was made very much aware of it during his extensive discussions in preparing the present report, and it has obviously inhibited member governments in making any such use of WEU since 1950. Any proposal for a “caucus” meeting of European countries within NATO is a delicate matter because of the obvious exclusion of the United States and Canada from such discussions. Any inner caucus meeting of seven countries within the fourteen European allies will be particularly resented by the remaining seven just as much as suggestions for defence meetings of a “big three” or “big four” - put forward occasionally in the past have been bitterly resented by other members of WEU. As it happens the peripheral European members of NATO, although the defence efforts of some of them may appear smaller than the average contribution of European countries, all make a vital contribution to allied defence through the strategic location of their mainland and island territories which almost completely block sea and air access of Soviet forces to the open oceans, or provide important naval bases, maritime patrol bases and submarine listening posts. Norway and Turkey alone among NATO countries have common frontiers with the Soviet Union itself.

5.7. For the foregoing reasons many members of the committee feel that in any attempt to agree on a European approach to the main principles of allied defence strategy it is essential to ensure the participation of all European members of NATO. On a number of occasions in the past the Assembly has recommended that other European NATO countries

should be invited to join WEU¹; the Council has never agreed to extend such invitations knowing that they would not be taken up as was once made clear by one of the countries concerned². The political obstacles to accession to the modified Brussels Treaty by other European allies are several: first the treaty embodies many outdated restrictions on force ceilings and internal arms control; secondly accession at the present late stage could be seen as a vote of no-confidence in NATO and in the United States commitment which is particularly important to the countries of the periphery. Lastly, some European allies may not wish to subscribe to the terms of the mutual defence obligations in Article V of the Brussels Treaty which are more constraining than the corresponding Article 5 of the North Atlantic Treaty.

5.8. For all these reasons the draft recommendation proposes in paragraph B.1 that the Council should consider and report to the Assembly on the desirability of expanding its defence activities. The defence activities of the WEU *Assembly* remain uncontroversial. The draft resolution included in this report recalls the earlier Resolution 15 of the Assembly adopted on 18th June 1959, on a report from the Presidential Committee¹ whereby the Assembly considered the interests "of member states of NATO which are not members of WEU" and decided that the committee could invite observers from any NATO country to attend its meeting with the right to speak. In implementation of that resolution, the committee did in fact invite parliamentary observers from Denmark and Norway, some of whom duly attended meetings at that time, but the practice appears to have fallen into abeyance. The draft resolution now proposed would specifically invite parliamentary observers from all European NATO countries not members of WEU to participate with the right to speak in meetings of the committee which will be concerned with the preparation of the forthcoming report on the state of European security. In paragraph 4 (b) of the draft recommendation the committee also proposes that the Assembly should assist governments in explaining to the European public and parliaments the contribution which the United States makes to allied defence.

(c) *Eurogroup*

5.9. Eurogroup describes itself as "an informal association of defence ministers of European member governments within the frame-

1. Recommendation 41 of 3rd December 1959; Recommendation 372 of 1st December 1981.

2. Reply of the Council to Recommendation 41.

1. Text at Appendix IX.

work of NATO... " open to all European members of the alliance. It was founded in 1968 at the suggestion of Mr. Denis Healey (the then United Kingdom Secretary of State for Defence) "as a means of responding to a widespread desire for closer European co-operation within the alliance"¹. In particular, the Eurogroup "provides an informal forum for an exchange of views by defence ministers on major political/strategic questions affecting the common defence".

5.10. Originally an informal dinner of defence ministers in 1968, discussion among participants today continues between the Permanent Representatives to NATO of the participating countries and their staffs. Participation in Eurogroup has extended progressively and now includes all European members of NATO with the exception of France. Significantly Spain, which does not yet participate in the integrated military structure of NATO, took part in the ministerial Eurogroup meeting on 29th - November 1982. Eurogroup has no international staff, or formal structure. Secretarial services are provided by the staffs of the various participating delegations. Meetings are held in the NATO headquarters. Eurogroup also aims at co-ordinating more closely the defence efforts of participating countries and for this purpose has established some nine subgroups which have had varying degrees of success.

5.11. It is as an informal forum for discussion of political and strategic questions affecting common defence that Eurogroup activity appears to have increased during the last two years, as the European NATO countries have increasingly felt the need to co-ordinate the European attitude to the United States within NATO. Such "caucussing" within the NATO framework is of course a politically sensitive matter, but Eurogroup provides a flexible and discreet framework because meetings between officials within the NATO headquarters need not attract publicity.

5.12. France does not participate in the Eurogroup; the then French Minister of Defence, Mr. Debré, took some weeks to consider the invitation to attend the first Eurogroup dinner of defence ministers in 1968. One factor at that time was that the British initiative was suspected of being a "back door" to British membership of the European Community then being negotiated. The other factor undoubtedly was the link with NATO.

5.13. The first of these obstacles to French participation in Eurogroup disappeared in 1973 with British accession to the European Community. As for the second, it can be said that

1. Quotations from "The Eurogroup" pamphlet published by Eurogroup, issued by NATO information service.

Eurogroup as such has no closer links to NATO than France which, despite the 1966 withdrawal from the integrated military structure, has always remained a fuller participant in NATO as a whole than is generally recognised. France, of course, is a full participant in the North Atlantic Council, as it is now in such NATO bodies as the new Air Defence Committee, in the Conference of National Armaments Directors, as well as in the three NATO military agencies based in France. Some French nationals remain in the NATO International Staff, chiefly in the economic and political sections; French military missions are of course appointed to the NATO Military Committee and to all military headquarters. On balance it would seem that the political obstacles in the way of French participation in Eurogroup are fewer than those in the way of the accession of six or seven European NATO countries to WEU. It was noted at the time of the NATO summit meeting in Bonn in June 1982 that the attendance of President Mitterrand at the concluding formal dinner was a precedent. It could not be a greater precedent for a French Defence Minister to attend the next Eurogroup dinner of defence ministers – it is understood that an invitation was extended on one recent occasion.

5.14. The committee suggests in paragraph B.2 of the draft recommendation that the Council consider and report to the Assembly on the desirability of inviting all members of WEU to contribute to strengthening the European pillar of the western alliance. Many members believe that Eurogroup, where all European members of NATO except France are already present, remains the most flexible and appropriate method of concerting European positions on NATO-related defence issues, without having a disruptive effect on allied defence planning. There is a case for strengthening the ability of Eurogroup to make its position better known in the United States, particularly to members of Congress. This can be co-ordinated through the United Kingdom Embassy in Washington, as that country provides the permanent secretariat to Eurogroup, and additionally through the Washington Embassy of the country which for the time being is chairman-in-office of the Eurogroup as happened during a recent tour by Eurogroup officials and senior officers to the United States as a public relations exercise.

(d) European political co-operation

5.15. European political co-operation among the ten countries of the Community has been increasingly successful on a number of issues including Middle East policy. It is now agreed among the ten foreign ministers that "security" policy can be discussed in that frame-

work. The Falklands is a recent example of very rapid decision-making by the Ten in this framework in a resolution condemning the Argentine invasion. Other "security" matters discussed by the Ten include the European position in the Conference on Security and Co-operation in Europe and aspects of disarmament usually considered in the United Nations framework.

5.16. European political co-operation is a largely informal arrangement although the functions of the "presidency" have developed around the three ministers comprising the foreign minister who is chairman-in-office for six months, associated with his immediate predecessor and successor. In the foreign ministry of the chairman-in-office room is provided for one official from each of the two other countries associated with the "presidency" for the time being. However, European political co-operation remains outside the framework of the European Community treaties themselves, and two or three member countries at least have reservations about extending the defence functions of this institution at the present time. The neutral position of Ireland remains a problem.

(e) Independent European Programme Group

5.17. The IEPG is yet another informal grouping, without treaty or international staff, in which all European NATO countries participate. Concerned with European armaments production, and co-ordination with the NATO Conference of National Armaments Directors in pursuance of a two-way street in defence equipment between Europe and the United States, this is not a body which is likely to become involved in discussing more general aspects of European defence policy.

VI. Defence production

6.1. In measuring progress on the concept of a two-way street in defence equipment between the United States and its European allies, a concept formally adopted by the NATO Defence Planning Committee in May 1975, it is useful to compare the attitudes of the Carter and Reagan administrations.

(a) The Carter administration

6.2. A few days before Ronald Reagan arrived at the White House on 20th January 1981, a report on rationalisation/standardisation within NATO (report to the United States Congress, January 1981) by Mr. Harold Brown of the Carter administration, outgoing Secretary of Defence, was published. According to this

report, the United States expects each NATO nation to do its fair share in support of the collective defence of the West, but joint European defence production is considered to be the best means of improving the two-way street. The 3% formula goes hand in hand with a recommendation that Europeans place their industries on a "united and collective basis". Yet Europe and North America are the two richest, most technologically advanced industrial economies in the world. Together we have a combined GNP more than twice that of the Warsaw Pact. If we were to pool our resources and efforts and pull together, we could produce a credible and capable coalition defence, without economic strain. In his address to the NATO summit in London in May 1977, President Carter emphasised that:

"A common European defence production effort would help to achieve economies of a scale beyond the reach of national programmes. A strengthened defence production base in Europe would enlarge the opportunities for two-way transatlantic traffic in defence equipment, while adding to the overall capabilities of the alliance.

The Europeans have sought the economic benefits (jobs and technological pride and progress) of developing, producing and selling weapons to the United States in order to earn the foreign exchange needed to buy weapons from the United States. But here we confront a structural problem within Europe itself that compounds the problems already mentioned. Only Britain and France (and in some areas, Germany) can produce weapons to a continental scale. No country in Europe can produce to an intercontinental scale. Thus the economies of scale in the alliance needs - and the benefits the Europeans seek - cannot be fully realised until (in the words of the Culver-Nunn Legislation) the European nations organise their defence procurement on 'a united and collective basis'. Europe's fragmented defence industrial base also makes it difficult for its industries to develop and produce weapons competitive in quality, quantity and price with those produced in the United States."

6.3. The attitude towards the IEPG is not negative either:

"As a result of the Eurogroup initiatives, the European members of the alliance established the Independent European Programme Group (IEPG) in February 1976 with France as a full member. The Congress, in the Culver-Nunn Legislation

of July 1975, encouraged the European governments to accelerate their efforts to achieve European armaments collaboration. President Carter at the London NATO summit in June 1977 also encouraged these collective European defence industrial efforts, and pledged to work with the Independent European Programme Group as it gathered strength and cohesion. The United States has participated in a transatlantic dialogue with the IEPG in a series of meetings sponsored by the alliance as a whole. However, the IEPG has not developed into a strong device for co-ordinating European contributions to alliance armaments development."

6.4. According to Mr. Brown's report, standardisation and interoperability are essential:

"The challenges to standardisation and interoperability are many. In meeting them, we have had a number of important successes in the past year. In our triad of rationalisation, standardisation and interoperability (RSI) initiatives, we signed the first memorandum of understanding (MOU) for a family of weapons, culminating two years of negotiations. We also made substantial progress towards a second family. We signed two more bilateral general reciprocal procurement MOUs. Dual production of many major systems continues and is planned for other. The periodic armaments planning system (PAPS) and the NATO armaments planning review (NAPR) programmes have started, marking a major step toward an integrated and unified NATO arms planning system. The NATO airborne early warning and control programme is moving from planning to operational status. The alliance Conference of National Armaments Directors (CNAD) has become increasingly active and effective in its support of arms co-operation programmes. The European national armaments directors and defence ministers strongly expressed their sense of progress and commitment to NATO co-operative programmes at their fall 1980 meetings. We also continue to revise DoD directives so that the principles of standardisation and interoperability are reflected in our internal standard operating procedures. Moreover, we are undertaking two major new initiatives: (1) reviewing the feasibility of establishing a second source in Europe for selected systems and (2) examining our foreign ownership, control or influence regulations and procedures and how they affect cross-national investment in arms industries.

Meeting challenges to standardisation/interoperability

To meet the challenges we have outlined, the United States has continued to take three primary approaches for increasing defence co-operation with allies: (1) reciprocal procurement agreements, (2) dual production of weapons systems which have already been developed, and (3) sharing development of next-generation families of weapons. In addition, we are pursuing efforts at developing a NATO-wide acquisition process, have continued to work on the NATO AEW&C programme, and are working toward production of a multiple-launch rocket system. We have also begun a programme by which DoD evaluates weapons and technologies of our allies in terms of potential utilisation in the United States in order to save research and development funds. Finally, the Conference of National Armaments Directors (CNAD) has been extremely active in the past year. We continued to make substantial progress in all of these areas."

6.5. Mr. Brown considers results achieved in 1980 to be satisfactory:

"The past year has been one of great success in NATO standardisation and interoperability. The momentum that has been building for several years has resulted in a rapid movement forward. Under the triad of initiatives, we have signed our first family of weapons MOU and have almost completed all of the reciprocal general procurement MOUs. Dual production of systems has proven most valuable. The CNAD has been extremely active with PAPS and NAPR now activated. The NATO AEW&C programme is nearing operational status and other new initiatives are under way. Congress has provided important support for United States and alliance efforts at standardisation and interoperability. In sum, 1980 was a year in which many of our efforts came to fruition and others are being refined and/or are nearing fulfilment."

6.6. Where armaments co-operation is concerned, Mr. Brown's analysis lays greater emphasis on progress accomplished than on the imbalance of trade between the United States and Europe:

"The alliance has made significant progress toward greater co-operation in armaments. The Conference of National Armaments Directors has become a much stronger organisation which is now

working on major co-operative programmes for the future. Under its auspices, the family of weapons concept promises a more efficient division of effort in the field of weapons development. The first family of weapons agreement signed in August 1980 covers air-to-air missiles and provides for the Europeans to develop an advanced short-range missile while the United States develops an advanced medium-range missile. Thus, the family of weapons has moved from concept to reality within four years. Also, the United States has negotiated bilateral MOUs for reciprocal procurement of defence equipment with individual allies (eleven have been signed, and one is pending). These agreements are designed to improve open competition in systems acquisition by waiving buy-national and other restrictive provisions. Ongoing or pending co-operative programmes include:

(A) Dual production in the United States: Roland air defence system, HAG-58 armour machine gun, 120 mm tank gun, CFM engine (KC-135 re-engining), squad automatic weapon.

(B) Dual production in Europe: F-16, MOD Flir, M438, improved conventional munition; Stinger man-portable air defence system, AIM-9L improved short-range air-to-air missile, Patriot.

(C) Co-operative programmes: NATO AWACS, multiple-launch rocket systems (MLRS), rolling air frame (RAM), NATO small arms ammunition."

6.7. Mr. Brown therefore asks for the support of Congress:

"The Department of Defence appreciates the support Congress has given NATO rationalisation / standardisation / interoperability. Our efforts in this regard continue to be bolstered by the Congressional affirmation in the FY 77 Defence Appropriation Act that it is United States policy for equipment procured by the United States for use in NATO to be standardised or at least interoperable with that of our allies and that progress toward realisation of standardisation/interoperability objectives would be enhanced by expanded inter-allied procurement of arms and equipment within NATO and greater reliance on licensing and coproduction."

(b) The Reagan administration

6.8. With the Reagan administration the United States seems not only to be keeping up

the transatlantic dialogue but also wishing to strengthen it, recognising its political importance for the Atlantic Alliance. This was affirmed by Mr. Richard De Lauer, United States Under-Secretary of Defence, at the CNAD meeting in Brussels on 5th May 1981. The Reagan administration strongly supports United States and NATO arms co-operation programmes but apparently, unlike the Carter administration, lays greater stress on the fact that industry must play a more active rôle in the process of armaments co-operation than on the need for widespread intra-European co-operation so that Europe may become a real competitor for the United States.

6.9. The programme of the symposium on industrial co-operation with NATO, held in Brussels in April 1983, also offers a number of ideas, for instance:

- “(a) review of mandatory DoD contract clauses and subcontract flow-down provisions to delete those which are inapplicable or unnecessary for contractors/subcontractors located outside the United States;
- (b) negotiation of ‘contract administration’ and ‘pricing/auditing’ annexes to general MOUs to provide for reciprocal exchange of government services
 - audit agreements exist for France and United Kingdom
 - first contract administration annex signed with the Netherlands in April 1982 ;
- (c) strong emphasis on ‘industry-to-industry’ seminars to explore mutual business opportunities ;
- (d) defence acquisition circular no. 76-25, issued on 31st October 1980
 - first major change to section VI ‘Foreign acquisitions’ in over 20 years
 - includes all NATO general MOUs
 - creates new part 14 ‘Purchases from NATO participating sources’
 - waives ‘Buy American Act’; customs duties etc.
 - stresses open subcontracting with NATO sources.”

6.10. Mr. Weinberger, United States Secretary of Defence, in his report on the allied contribution to the common defence (Department of

Defence, March 1982) considers that NATO has developed major programmes for improving the alliance’s defence capability:

“These are the coproduction, dual production and families of weapons programmes. These programmes provide for the sharing of development and production costs and can produce substantial savings in R&D expenditures. Such savings can improve the industrial base in the United States, Canada and Europe and assist technology transfer within the alliance. These transfers take place in both directions – from Europe to the United States and from the United States to Europe.”

Major examples quoted by Mr. Weinberger are United States procurement of the MAG-58 machine gun and the 120 mm smooth bore tank gun. He underlines that Europeans have derived benefits from coproduction in the framework of the F-16 aircraft programme:

“Both sides may benefit from future air-to-air missile weapons families. Dual production, coproduction and the family of weapons programmes enable industry to distribute large R&D costs, to reap the benefits of economies of scale and to share in advanced technology.”

6.11. Unlike Mr. Brown, he also stresses the problem caused by the imbalance in the equipment trade between the United States and its partners:

“In 1980, eight major NATO trading partners (Belgium, Denmark, France, Germany, Italy, the Netherlands, Norway and the United Kingdom) accepted United States manufactured defence equipment deliveries amounting to \$1.85b. In contrast, the United States accepted deliveries on only \$0.20b from those same NATO countries – a ratio of 9.4:1 favouring the United States. The comparable ratio was 5.3:1 in 1977 and has been increasing consistently since then in favour of the United States.”

6.12. In the report standardisation of equipment within NATO (report to the United States Congress, January 1983), Mr. Weinberger comments on the efforts of the Department of Defence and NATO allies to standardise, or at least make interoperable, equipment (including weapons systems, ammunition and fuel) of allied forces committed to NATO. Mr. Weinberger considers progress has been made in the effort to strengthen alliance conventional forces and to adapt the alliance defence posture to the changing needs of the 1980s:

“Improvements in NATO planning procedures are contributing to the process of

improving standardisation and interoperability within NATO. NATO has agreed to explore urgently ways to improve its conventional defence by taking advantage of emerging technologies."

6.13. Mr. Weinberger considers it necessary to:

"... improve NATO's efforts to allocate development of related weapon types to specific allies under the family of weapons concept. Artificial barriers to trade in defence equipment must be removed under the reciprocal memoranda of understanding that we have with our allies.

Coproduction may be selectively employed to provide industrial participation to allies who agree to adopt standardised systems.

Finally, the two-way street/armaments co-operation must be made a reality through increased trade in defence equipment in both directions across the Atlantic resulting in benefits to NATO as a whole."

6.14. Another difference between Mr. Weinberger's approach (see abovementioned text) and that of Mr. Brown is the emphasis he places on the need for a major leadership rôle for industry (in this process) and his desire to see a reduction in obstacles to direct industry-to-industry agreements.

6.15. In the United States, it has been decided that the determination of allied governments is not enough. It is also necessary to obtain United States Congress backing and ensure a will on the part of American industry to carry out European projects jointly. Anxiety about unemployment also carries great weight in this analysis. Mr. Weinberger concludes the introduction to the abovementioned report with remarks about Congress's attitude:

"We welcome the positive statement of the Congress for greater co-operation with our allies as expressed in the FY 1983 Defence Authorisation Act.

We will intensify consultations to meet these objectives. At the same time we solicit the assistance of Congress in elimination of obstacles to co-operation, e.g. specialty metals legislation which is seriously undermining NATO's arms co-operation efforts."

6.16. Nevertheless the rhetoric exceeds tenfold the practical progress made towards achieving an equitable two-way street. True there are notable examples of European equipment's being accepted for the United States armed for-

ces but primarily where the European produce was outstanding such as the Harrier for the United States Marine Corps, the Hawk for the United States navy and the CF-56 powerplant for the KC-135 tankers of Strategic Air Command.

6.17. Surprisingly, amendments in favour of NATO industrial co-operation like the Roth-Glenn-Nunn Amendment (Appendix VI) can be passed by the Senate and yet amendments like the Speciality Metals Amendments and the Defence Appropriations Bill are carried which do immense damage to the prospects of the procurement of European equipment by the United States armed forces and to transatlantic relations.

6.18. The Europeans do not help their own cause by their slow progress towards interoperability, standardisation, and joint development and procurement. The IEPG has had great difficulty, inevitably, in harmonising national operational requirements and procurement time-scales. Some promising examples exist of greater co-operation such as the Tornado programme or the new generation of collaborative anti-tank guided weapons. Others such as the tortoise-like progress towards a new European combat aircraft for the Italian air force, Luftwaffe and Royal Air Force show how hard it is even for the Europeans to concert their procurement among themselves let alone with the United States.

(c) Conclusions

6.19. Both the democratic and republican administrations placed and are placing emphasis on the need for standardisation and/or at least interoperability of allied equipment. Both show interest in the principle of the two-way street, considered to be essential for enhancing the defence capability of the alliance itself.

6.20. However, there are differences of tone or rather of emphasis in the two approaches. Mr. Carter's administration underlined the idea that large-scale intra-European co-operation could have been a means of making Europe a true competitor for the United States. The 3% formula goes hand in hand with this idea. The Reagan administration makes more direct reference to the imbalance of trade between the United States and Europe but in its strong desire to pursue cross-Atlantic industrial teaming does not mention the expediency of intra-European co-operation (at least in the reports examined by your Rapporteur) and, although on the one hand it proposes to repeal the Buy American Act, on the other hand it vigorously asserts the need for a "major leadership rôle for industry" and a reduction in "obstacles to direct industry-to-industry agreements".

VII. Forces of WEU countries

(a) General

7.1. This section briefly summarises the forces which the WEU countries make available for allied defence. There are of course other important forces in Europe: those of the United States and of the other European NATO countries - Norway, Denmark, Portugal, Spain, Greece and Turkey.

(b) Belgium

7.2. The Belgian forces, which include conscripts, are mostly NATO-assigned in peacetime. A significant element of the Belgian corps is stationed in the Federal Republic of Germany in peacetime and comes under the command of the NATO Northern Army Group, but there is some doubt about continued Belgian participation in the vital Hawk SAM screen in Germany. The Belgian air force is largely under command of the 2nd Tactical Air Force of NATO. Belgium contributes a parachute battalion group to the ACE Mobile Force and transports them in the C-130s of its air force. The small but modern naval force usually contributes a frigate to the peacetime Standing Force Atlantic and minesweepers to the Standing Force Channel. Together with the Netherlands they form a joint minesweeping force for their coastal waters. In developing situations, reserve formations are formed to reinforce the NATO-assigned forces, or to provide a force under national control for internal defence, and for the protection of national lines of communication. In wartime all naval ships will operate under NATO control.

(c) France

7.3. France, although a member of the NATO alliance, does not assign forces to NATO and does not participate in the integrated military structure, although elements of these forces participate from time-to-time on a bilateral basis in military exercises outside the NATO area with allied nations. There is conscription in France. France maintains an army corps in Germany, consisting of three divisions, and a garrison in Berlin at battalion strength. Some corps troops are stationed in north-east France. Two army corps headquarters and some eleven other divisions are located in France and their army is tasked to defend French territory in war. The French navy will eventually have six nuclear missile submarines for deterrence; Jaguar aircraft squadrons, and of course the ballistic missiles at the Plateau d'Albion installation, and nuclear-capable Mirage-IV aircraft also serve this purpose. Besides having

some twenty-eight conventional submarines, the navy possesses two conventional aircraft-carriers, and some forty-four destroyers, frigates and corvettes. The naval air arm has a total of some 200 aircraft, some that are carrier-borne and others that are engaged in maritime surveillance. The French air force is based in France, although there is normally a detachment at Djibouti. The French air force consists of some 700 combat aircraft and there are about 300 aircraft in the transport or liaison rôle. The French army has already despatched a contingent to join the United Nations peacekeeping force in Lebanon. It always has units at readiness to meet requests for military aid at typically brigade group strength with the necessary air force support for countries such as Chad who have a military aid agreement with France. French forces at battalion strength are stationed in Guyana, at Kourou, and in Mururoa, Oceania, and are mainly employed in the engineer rôle. French overseas territories, which are administered as part of metropolitan France, have their own local defence forces in which local conscript soldiers serve.

(d) Federal Republic of Germany

7.4. Almost without exception, the armed forces of the Federal Republic of Germany, which include conscripts, are based in the Federal Republic. The army, however, has a training facility in Canada and the United Kingdom for tank formations and the air force, until recently, has maintained an F-104 pilot training facility in the United States of America which will be closed due to the establishment of a new facility in the United Kingdom for training Tornado pilots at RAF Cottesmore for aircrews of the Luftwaffe, German naval air arm, Italian air force and RAF.

7.5. For the defence of the Federal Republic's eastern frontier, the land forces place an army corps size formation under Northern Army Group and two army corps under the command of the Central Army Group. A further formation operates in the Jutland area under the command of Allied Forces Northern Europe. Reserve formations are assembled during developing situations to reinforce NATO and to protect lines of communication. The naval forces consist of some twenty-four conventional submarines, twenty frigates and destroyers, and some fifty light fast-patrol craft. Their rôle is to maintain naval superiority of the Baltic Sea and the Kattegat and to operate in the North Sea; they contribute units to the Standing Force Atlantic and the Standing Force Channel in peacetime.

7.6. The navy is supported by some twenty maritime patrol aircraft and has some 100 shore-based 104-G fighters which are being gradually replaced by Tornado aircraft.

7.7. The air force possesses some 600 combat aircraft, most of which are assigned to NATO and serve in the 2nd and the 4th Tactical Air Forces. There is a detachment of the Luftwaffe with an air-sea rescue capability at the NATO training base at Decimomannu, Sardinia.

(e) *Luxembourg*

7.8. Luxembourg provides a regimental combat team, which includes conscripts, which is normally assigned to the ACE Mobile Force but is transported by the air forces of other NATO countries.

(f) *Italy*

7.9. Italy confines its forces almost entirely to the defence of its territory and its immediate coastal waters. It is fair to say that the three services of the Italian forces, which include conscripts, are to all intents and purposes assigned to NATO. They comprise an army corps based in the north of Italy, and twenty-five squadrons of aircraft, totalling some 300 combat machines, some of which have a maritime rôle. Italy possesses a fleet of twenty-seven warships and a number of fast attack craft. There remains about three brigades under national command for internal defence in wartime. The Italians, at the moment, are contributing to the United Nations peacekeeping force in Lebanon and they provide contingents for the ACE Mobile Force which they airlift in their own aircraft.

(g) *Netherlands*

7.10. The Netherlands armed forces, which include conscripts, are mainly based in that country, although a naval picket ship is normally on station in the Netherlands Antilles with a detachment of marines, and one or two maritime aircraft for air-sea rescue and coastal surveillance tasks are based there. The army assigns an army corps to NATO, consisting of an armoured division and two infantry divisions. The navy contributes units to the Standing Force Atlantic and Standing Force Channel. Their minesweeping effort works jointly with that of Belgium. The fleet of some fifteen destroyers and frigates, supported by fleet supply ships and six submarines, is also assigned to NATO. Two squadrons of maritime patrol aircraft are available. The air force has some 200 combat aircraft and is almost completely under NATO command.

(h) *United Kingdom*

7.11. The United Kingdom considers that the support of NATO is the principal rôle of its

regular armed forces. On the European continent a corps, comprising three divisions and an artillery division, is assigned to NATO. The logistical support of these formations remains under national control. This British effort is called the British Army of the Rhine, and in 1982 was at an average peacetime strength of some 58,600 men.¹ The Brussels Treaty imposes an obligation upon the United Kingdom to station an army of the equivalent of four divisions and a tactical air force on the continent. The Royal Air Force maintains a number of air bases in Germany on which some 160 combat aircraft are stationed in peacetime. These are assigned to the 2nd Tactical Air Force of NATO. Reforming in the United Kingdom at this moment is the 2nd Infantry Division, comprising regular and reserve brigades and of course their supporting arms. This formation is to reinforce BAOR when required. The United Kingdom has its own air defence capability which operates under NATO. The United Kingdom maintains a brigade in Berlin and a strong presence of all three arms of service in the Falklands at brigade strength. A battalion-sized garrison is kept in Gibraltar together with naval elements to support fleet operations in the Mediterranean if required. A battalion group, with a detachment of Harrier aircraft and a naval picket ship, is based on Belize in Central America. The United Kingdom is able to provide a contribution to the ACE Mobile Force - usually Royal Marines - for deployment on the flanks of NATO and able to engage in Arctic warfare if required.

7.12. Naval elements are provided to the Standing Force Atlantic and the Standing Force Channel. Contributions are made to the United Nations peacekeeping forces in Cyprus and Lebanon, the United Kingdom base in Cyprus supporting this force. The British forces are required to provide training support for certain former colonies and the Gulf states. Certain units of the forces assigned to NATO are detached for duty in Northern Ireland in order to maintain law and order in a paramilitary rôle.

7.13. Maritime aircraft, operating from United Kingdom shores, are able to maintain surveillance over a wide sea area, particularly the Faroes gap and the Denmark Strait and are able to engage hostile naval submarine and surface units. Airborne early warning aircraft extend the United Kingdom surveillance capability. The United Kingdom possesses its own nuclear deterrent in the form of four nuclear-powered ballistic-missile submarines which each carry sixteen Polaris missiles, which is to be modern-

1. Twenty-eighth annual report of the Council, Document 942, page 11.

ised towards the end of this decade through the construction of four new nuclear-powered ballistic-missile submarines and the procurement of a complement of Trident D5 missiles for them.

(i) *ACE Mobile Force*

7.14. The committee has frequently drawn attention in the past to the political importance of Allied Command Europe Mobile Force (AMF) which, when activated, draws on specially trained and equipped units supplied by all WEU countries (except France), the United States and Canada. In a crisis it can be rapidly deployed by air to either NATO flank to provide a military demonstration of the political solidarity of the alliance. The force comprises a land component of brigade group size drawn from infantry battalions and support units supplied by Belgium, Canada, Germany, Italy, Luxembourg, the United Kingdom and the United States, and an air component of some four squadrons one of which is provided by the Netherlands. AMF is a tangible demonstration of burden-sharing in a joint allied force and it is essential that participating countries meet their commitments. At present the land component needs more local air defence, and the Luxembourg infantry battalion – the only military unit which Luxembourg contributes to NATO – is at less than half strength.

VIII. Nuclear weapons.

8.1. The committee is to prepare a separate report on all aspects of nuclear weapons for the second part of the session in November; it last reported in detail in May 1982¹. The present chapter merely records the present levels of nuclear weapons, the status of modernisation and improvement programmes and the relevant arms control negotiations.

(a) *Current levels of nuclear weapons*

8.2. Current information on levels of nuclear weapons by categories is given at Appendix VIII – estimates for autumn 1982 with some updating.

(b) *INF debate*

8.3. The INF debate goes back at least to the late 1950s when the Soviet Union began deployment of some 600 SS-4 and SS-5 medium-range missiles while NATO deployed comparable Thor missiles in the United Kingdom and Jupiter missiles in Italy and Turkey, and had primitive cruise missiles of the day –

Matador and later Mace – deployed in Germany. With the entry into service of ICBMs, however, these NATO weapons systems were rapidly considered obsolescent and were phased out by 1963, reliance being placed both on the United States ICBM and SLBM force and on aircraft including the forward-based F-111 in the United Kingdom, the FB-111A in the United States, and carrier-borne aircraft.

8.4. NATO began a re-examination of the theatre nuclear force (as it was then called) position in the light of the appearance of the Soviet Backfire bomber from 1974 and SS-20 missile from 1977. A high level group under United States chairmanship was established in NATO and considered NATO force improvement proposals ranging from 200 to 600 missiles. In April 1979, NATO established a similar special group to examine the arms control aspects of theatre nuclear forces. At the conclusion of these deliberations a special meeting of NATO foreign and defence ministers announced the “dual track” decision on 12th December 1979 whereby NATO decided on the deployment in Europe of 572 United States nuclear missiles distributed as follows :

Country	GLCM	Pershing II	Total
Belgium	48	-	48
Netherlands	48	-	48
Germany	96	108	204
Italy	112	-	112
United Kingdom	<u>160</u>	<u>-</u>	<u>160</u>
TOTAL	<u>464</u>	<u>108</u>	<u>572</u>

8.5. The communiqué said :

“As an integral part of TNF modernisation, 1,000 United States nuclear warheads will be withdrawn from Europe as soon as feasible... The 572 LRTNF warheads should be accommodated within that reduced level.”

8.6. The communiqué stressed the importance of arms control and supported the United States decision to negotiate LRTNF limitations with the Soviet Union along the following lines :

A. Any future limitations on United States systems principally designed for theatre missions should be accompanied by appropriate limitations on Soviet theatre systems.

B. Limitation on United States and Soviet long-range theatre nuclear systems should be negotiated bilaterally in the SALT II framework in a step-by-step approach.

C. The immediate objective of these negotiations should be the establishment

1. The problem of nuclear weapons in Europe, Document 918, 19th May 1982.

of agreed limitations on United States and Soviet land-based long-range theatre nuclear missile systems.

D. Any agreed limitations on these systems must be consistent with the principle of equality between the sides. Therefore, the limitations should take the form of *de jure* equality in ceilings and in rights.

E. Any agreed limitations must be adequately verifiable."

8.7. The communiqué concluded :

"11. The ministers have decided to pursue these two parallel and complementary approaches in order to avert an arms race in Europe caused by the Soviet TNF build-up, yet preserve the viability of NATO's strategy of deterrence and defence and thus maintain the security of its member states.

A. A modernisation decision, including a commitment to deployments is necessary to meet NATO's deterrence and defence needs, to provide a credible response to unilateral Soviet TNF deployments, and to provide the foundation for the pursuit of serious negotiations on TNF.

B. Success of arms control in constraining the Soviet build-up can enhance alliance security, modify the scale of NATO's TNF requirements, and promote stability and *détente* in Europe in consonance with NATO's basic policy of deterrence, defence and *détente* as enunciated in the Harmel report. NATO's TNF requirements will be examined in the light of concrete results reached through negotiations."

8.8. Deployment of the United States missiles is to begin at the end of 1983 and site construction is in progress in the United Kingdom and Italy. There have been conflicting reports of progress in development of Pershing II and the Tomahawk GLCM in the United States. Belgium and the Netherlands have reserved a final decision on deployment in their countries pending an assessment of progress in the INF negotiations.

8.9. The bilateral INF talks opened in Geneva towards the end of 1980, under the Carter administration, and were then adjourned for a year until 30th November 1981 while the Reagan administration considered its negotiating position. On 21st October 1981 the NATO Nuclear Planning Group formulated NATO's zero option position: "On the basis of reciprocity the zero level remains a possible option under ideal circumstances...". President Reagan defined the zero option in more

detail in a speech on 18th November 1981: "The United States is prepared to cancel its deployment of Pershing II and ground-launched cruise missiles if the Soviets will dismantle their SS-20, SS-4, and SS-5 missiles."

8.10. The SS-20 missile has been deployed both in European Soviet Union and around the Urals, from both of which sites it is within range of Europe, and about one-third out of range of Europe near Mongolia. The United States has made it clear that the zero option would require the Soviet Union to dismantle all SS-4, SS-5, and SS-20 missiles whether in range of Europe or of China and Japan, particularly stressing that some of these missiles are a threat to Japan and other Asian countries.

8.11. On 30th March 1983, President Reagan, apparently responding to urgings from most European allies, announced that the United States had informed the Soviet Union in the INF talks in Geneva that the United States was "prepared to negotiate an interim agreement in which the United States would substantially reduce its planned deployment of Pershing II and GLCM provided the Soviet Union reduce the number of its warheads on longer-range INF missiles to an equal level on a global basis", and had proposed that the talks, which had adjourned for Easter, resume on 17th May. The zero option remained on the table. Press reports had earlier suggested the proposals would imply an interim level of 300 INF warheads on each side, but the statement made no reference to numbers, nor did it link an interim agreement to Soviet acceptance of zero levels as the ultimate aim. By referring to "a global basis", the statement included all Soviet INF systems in the Far East as well as Europe.

8.12. The public position of the Soviet Union on the INF talks had been Mr. Andropov's earlier statement of 21st December 1982, key excerpts from which are :

"... We have suggested an agreement renouncing all types of nuclear weapons - both medium-range and tactical - designed to strike targets in Europe... We have also suggested another variant : that the USSR and the NATO countries reduce their medium-range weaponry by more than two-thirds. So far the United States will not have it... It has submitted a proposal which, as if in mockery, is called a zero option. It envisages elimination of all Soviet medium-range missiles not only in the European, but also in the Asian part of the Soviet Union, while NATO's arsenal of nuclear missiles in Europe is to remain intact and may even be increased... We ... will continue to work for an agreement on a basis that is fair to both sides. We are prepa-

red, among other things, to agree that the Soviet Union should retain in Europe only as many missiles as are kept there by Britain and France – and not a single one more. This means that the Soviet Union would cut down by hundreds of missiles, including dozens of the latest missiles, known in the West as SS-20... If later the number of British and French missiles were scaled down, the number of Soviet ones would be additionally reduced by just as many. Along with this there must also be an accord on reducing to equal levels on both sides the number of medium-range nuclear-delivery aircraft stationed in this region by both the USSR and the NATO countries.”

8.13. At a rare televised Moscow press conference on 2nd April, Mr. Gromyko, the Soviet Foreign Minister, rejected President Reagan's proposals of 30th March, stressing that it would give NATO a 2.5 to 1 superiority over the Warsaw Pact in warheads on all INF systems. He reiterated the demand for British and French nuclear forces, and United States forward based systems, to be taken into account. He rejected the “global” basis of the United States proposal to cover Soviet systems in Asia, pointing out that the Soviet Union was surrounded “by a ring of United States bases” where United States “medium-range nuclear weapons are deployed”. The latest public statement of the Soviet position was contained in Mr. Andropov's speech at a dinner in Moscow for the East German leader, Mr. Honecker, on 3rd May 1983, in which he offered to count warheads, as well as missiles, but still insisted on British and French nuclear forces being taken into account, and on limiting the scope of an agreement to Soviet weapons “in the European part of the Soviet Union”. The real Soviet negotiating position will be explored only when the bilateral talks resume in Geneva on 17th May.

8.14. United States press reports of 16th and 20th January 1983 said Mr. Nitze, the United States INF negotiator, had discussed an informal agreement with his Soviet counterpart, Mr. Kvitsinsky, in July 1982 whereby the United States would forego all planned INF missile deployments in Europe if the Soviet Union reduced its INF missiles in range of Europe from 500 to 50, and froze those in range of China and Japan at the present level of 100. The proposal was said to have been rejected by the Soviet Union and not subsequently endorsed by the United States authorities.

8.15. Opposition circles in the United States and some European countries have regarded the “zero-zero” option as unrealistic on

the grounds that the Soviet Union has had 600 intermediate-range missiles deployed since the early 1960s and cannot be expected to reduce these weapons to zero in exchange for the non-deployment by NATO of weapons that do not yet exist. Mr. Paul Warnke, the former Director of United States Arms Control and Disarmament Agency, and negotiator of SALT II, has proposed that :

“1. all intermediate-range missiles be taken into account, regardless of nationality or whether launched from the land or sea; and

2. the United States would cancel the Pershing II and GLCM deployment if the Soviets reduced an equivalent number of warheads.”¹

This would involve the dismantling by the Soviet Union of all 280 remaining obsolete SS-4 and SS-5 missiles and about 100 of the SS-20 missiles. “The result would be equilibrium between the Soviet land-based force of SS-20 missiles and the western (British, French and American) sea-based missiles of intermediate range. The Soviets would have 215 SS-20 missiles (100 of which would remain targeted only on China or Japan) carrying 645 warheads, and the West would have 184 missiles carrying 544 warheads. (There are also eighteen land-based French IRBMs and approximately thirty Soviet SS-N-5 SLBMs.)” Mr. Denis Healey, in his address to the WEU Assembly Socialist Group in December 1982, specifically endorsed Mr. Warnke's proposals.

8.16. Reports of the Committee on Defence Questions and Armaments on a number of occasions have endorsed both aspects of the NATO dual track decision of December 1979, but have stressed that any attempt to measure “nuclear balance” between East and West can only be done globally, taking account of all categories of nuclear weapons on both sides, because of the great complexity of defining categories of nuclear weapon which should be deemed “of interest” to the European theatre. Reports have similarly stressed that for deterrent purposes reliance must be placed on the whole range of nuclear weapons available to the West, so as to avoid any risk of “decoupling” the United States strategic deterrent through mistaken reliance on a supposed separate nuclear balance within Europe. Any agreement on the reduction of weapons on the other hand would almost certainly have to be limited to narrow categories of weapons systems. Reports have stressed that although there can be no question of France or the Uni-

1. Source: Committee for National Security – statement released on 16th September 1982.

ted Kingdom accepting reductions in the present relatively small levels of their nuclear weapons, while levels of Soviet and United States weapons remain very large, nevertheless existing numbers of British and French weapons are inevitably taken into account by the Soviet Union in its own assessment of the balance.

(c) *Strategic nuclear weapons*

8.17. As part of the United States strategic force modernisation programme the air-launched cruise missile became operational for the first time on 16th December 1982 when a squadron of fourteen specially marked B-52s were fitted with twelve ALCM each, the first of 201 B-52s earmarked to carry ALCM of which 4,348 have been ordered¹. The special marking of the B-52s in accordance with SALT II is to permit external verification. Plans for deployment of the controversial MX ICBM are still in abeyance pending further decisions on the basing mode. A bi-partisan Presidential Commission on Strategic Forces appointed by President Reagan, under the chairmanship of retired Air Force General Brent Scowcroft, reported on 12th April that the Soviet ability to destroy United States land-based missiles (as claimed by the Reagan administration) was theoretical only, because of "problems of operation accuracies" and "planning uncertainties". The commission recognised that reasonable survivability of ICBMs "may not outlast this century", that the MX could not be invulnerable, but that 100 should be deployed in Minuteman silos, and that a new small mobile ICBM with only one warhead should be developed. On 17th December 1982 the forty-eight British Vulcan bombers were withdrawn from service.

8.18. The SALT II Treaty negotiated during the successive presidencies of Nixon, Ford and Carter, signed by the last on 18th June 1979, has not been ratified. The Reagan administration has found it "fatally flawed" but declared that it will not "undercut" it provided the Soviet Union does not do so either. SALT II was signed on the assumption that negotiations on a SALT III, to include restrictions on theatre or forward-based nuclear systems, would have started at once, and the attitude of the United States Administration to the protocol to SALT II is not clear. The protocol would have expired on the last day of 1981 and forbids: (i) the deployment or testing of mobile ICBMs; (ii) the deployment of GLCMs or SLCMs with a range greater than 600 km; or

1. Press reports have suggested the existing ALCM will shortly become vulnerable to Soviet AWACS and improved defences; it will be replaced by a new model with small radar image.

the testing of such missiles with MIRVs; (iii) the testing or deployment of air-to-surface ballistic missiles.

8.19. United States proposals for reductions of strategic nuclear weapons in the START talks, proceeding parallel to the INF talks in Geneva, were announced by President Reagan on 9th May 1982 in general terms, concentrating on a reduction in ICBMs, the category in which the Soviet Union is superior to the United States. Officials at that time said the proposal was for a common ceiling of 850 ballistic missiles (SLBMs plus ICBMs) with a total of not more than 5,000 warheads, of which only 500 warheads could be on ICBMs. This was said to involve a reduction of 1,500 Soviet missiles and 1,300 warheads compared with a reduction of 850 United States missiles and 2,200 warheads, the reductions to be carried out over ten years.

8.20. Mr. Andropov, in his speech of 21st December 1982, proposed a 25% reduction in all strategic weapons of both sides, restrictions on improvements to nuclear weapons, and a freeze at present levels while negotiations were in progress. Comments in Pravda of 2nd January 1983 pointed out that this proposal amounted to a 25% reduction in the ceilings of SALT II to leave each side with a combined total of 1,800 ICBMs, SLBMs, and heavy bombers by 1990. The Soviet Union has proposed a total ban on all new types of strategic weapon including ALCM, GLCM and SLCM.

IX. Conclusions

9.1. The present burden-sharing problem arises chiefly because of differences in the way that the European allies on the one hand and the present United States administration on the other approach relations with the Soviet Union, differences which lead to differing views as to the necessary size of the total allied defence effort.

9.2. Because of these difficulties the committee fully recognises that there is a greater need for defence consultation between European allies and for a more equal political relationship between the European members and the United States. The relative merits of WEU and the Eurogroup as a forum for discussion among European allies are examined in Chapter V above and the committee's conclusions are presented in paragraphs A.4 and B of the draft recommendation and in the draft resolution. There is a need for the European position to be expounded clearly in the United States, especially to Congress committees and staffs, through a public relations effort co-ordinated by the Washington embassies of the

countries which provide the Eurogroup secretariat and chairman-in-office. Reciprocally there is a need for European public opinion and parliaments to show greater appreciation of all aspects of the United States contribution to allied defence; WEU, especially the Assembly, has an important rôle to play in this connection.

9.3. International comparisons between the defence efforts of different countries are difficult to make, both because of problems of methodology discussed in Chapter III above, and because of differences in military manpower policy, geography, economic and industrial capacity, logistic infrastructure, political priorities and perceptions of the threat. The committee concludes however that the European allies for the most part now carry a very reasonable share of the agreed burden, a share which has increased from 24 % to 38 % in the last twenty-five years, and has increased most significantly in the first eight years of the last decade during which the United States effort declined.

9.4. It is important to maintain the collective commitment to an annual increase in defence expenditure in real terms as long as the Soviet military build-up continues, and to meet the NATO biennial force goals as approved by nations on proposals from the supreme commanders. Certain specific improvements listed in paragraphs 1 (b), (c) and (d) of the draft recommendation are also required.

9.5. Unilateral decisions by any allied country to opt out of a specific defence rôle which forms a part of collective allied defence plans can be particularly damaging. Despite its theoretical attraction the committee has not identified specific rôle-sharing opportunities that would permit any greater specialisation by member countries in specific military rôles than exists at present.

9.6. In the case of developments beyond the NATO area which the allies jointly recognise as threatening the vital interests of the alliance (discussed in paragraph 2.7 above), the ready assistance of all allies must be forthcoming within the area to facilitate deployments by the United States, or by any NATO country, beyond the area. Certain allies, such as France and the United Kingdom, should be ready to participate in such deployments.

9.7. The British and French independent nuclear forces constituting an additional centre of strategic decision and national riposte to potential Soviet aggression afford an extra dimension to overall western deterrence and must not be bargained away in any accommodation between the Soviet Union and United States over the balance of intermediate-range nuclear forces between them.

9.8. The United States and its allies should seek to balance although not necessarily to match at every level the growing nuclear capabilities of the Soviet Union. However, the deployment since the end of 1977 of some 350 SS-20 ballistic missiles by the Soviet Union has had a seriously adverse effect upon the theatre nuclear balance in Europe, and unless this deployment is substantially reduced or countered it could have a gravely intimidating impact upon the Soviet Union's neighbours around the Eurasian landmass. The first objective therefore of the "twin track" decision of 12th December 1979 remains a priority. If it cannot be met in verifiable manner there must be no departure from the agreed national commitments to deploy GLCMs or Pershing II ballistic missiles. It is to be hoped that the deployment process would induce the Soviet Union to reach an accommodation with the United States over INF on a mutually-acceptable basis of balance as a first step to reductions on both sides.

9.9. Every effort should be made at all levels both politically, diplomatically and militarily to maintain trust and mutual confidence between the European and American components of the alliance. This can only be achieved in the long term if the Europeans show an understanding of America's concern over its worldwide peacekeeping rôle in view of the emerging Soviet global threat and if the Europeans make a financial and military contribution to the alliance commensurate with their economic potential.

X. *Opinion of the minority*

10.1. The report as a whole was adopted by 14 votes to 1 with 2 abstentions. The minority of the committee which voted against was opposed to the terms of paragraph 3 of the draft recommendation calling for the deployment of cruise missiles failing agreement in the INF negotiations.

COMPARATIVE TABLE OF DEFENCE EFFORT 1978-1982

A. FINANCIAL EFFORT

Country	National currency unit	Defence expenditure (national currency, current prices)					Defence expenditure (current prices — US \$ million) a					GDP in purchasers' values (current prices — US \$ million) a b					Population (thousand)					Defence expenditure as % of GDP in purchasers' values					Defence expenditure per head (current prices — US \$) a					Defence expenditure as % of total WEU				
		1978	1979	1980	1981	1982	1978	1979	1980	1981	1982 f	1978	1979	1980	1981	1982 e	1978	1979	1980	1981	1982 e	1978	1979	1980	1981	1982 f	1978	1979	1980	1981	1982 f	1978	1979	1980	1981	1982 f
		(-5)	(-4)	(-3)	(-2)	(-1)	(2)	(3)	(4)	(5)	(10)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
		99,726	106,472	115,754	125,689	127,175	3,632	3,958	3,385	2,958	97,251	111,127	119,327	97,369	90,259	9,841	9,849	9,859	9,873	9,887	3.3	3.3	3.3	3.5	3.3	323	369	401	343	299	4.63	4.37	4.01	3.84	3.31	
Belgium	Million B. Frs.	99,726	106,472	115,754	125,689	127,175	3,632	3,958	3,385	2,958	97,251	111,127	119,327	97,369	90,259	9,841	9,849	9,859	9,873	9,887	3.3	3.3	3.3	3.5	3.3	323	369	401	343	299	4.63	4.37	4.01	3.84	3.31	
France (c)	Million F. Frs.	85,175	96,439	111,672	129,708	145,874	22,668	26,425	23,867	23,651	474,450	573,422	652,775	569,395	575,436	53,277	53,478	53,713	53,962	54,124	4.0	4.0	4.0	4.2	4.1	354	424	492	442	437	27.51	27.28	26.76	27.05	26.45	
Germany	Million DM	43,019	45,415	48,518	52,193	54,417	24,778	26,692	23,094	23,097	639,810	759,722	814,818	683,159	677,858	59,409	59,454	59,667	59,763	59,850	3.3	3.3	3.3	3.4	3.4	361	417	447	386	386	31.22	29.82	27.03	26.17	25.84	
Italy	Milliard Lire	5,301	6,468	8,203	9,868	12,246	7,785	9,578	8,681	9,349	261,887	323,998	395,900	350,226	359,877	56,714	56,914	57,069	57,197	57,403	2.4	2.4	2.4	2.5	2.6	110	137	168	152	163	9.11	9.37	9.70	9.84	10.46	
Luxembourg	Million L. Frs.	1,154	1,242	1,534	1,715	1,837	42	52	46	43	3,562	4,245	4,575	3,750	3,567	362	364	365	365	365	1.0	1.0	1.1	1.2	1.2	102	115	142	126	118	6.16	6.06	5.34	5.13	5.12	
Netherlands	Million Guilders	9,146	10,106	10,476	11,296	11,928	5,038	5,269	4,527	4,577	137,291	157,501	168,929	140,486	141,745	13,942	14,038	14,150	14,246	14,280	3.1	3.2	3.1	3.2	3.2	303	359	372	318	321	21.31	23.05	27.11	27.93	28.78	
United Kingdom	Million £ Sterling	7,616	9,029	11,510	12,154	14,619	19,155	26,775	24,647	25,726	315,713	407,140	523,373	497,079	484,886	55,902	55,946	56,010	56,021	56,032	4.6	4.7	5.1	5.0	5.3	262	342	478	440	459	100.00	100.00	100.00	100.00	100.00	
TOTAL WEU							83,098	98,749	88,247	89,401	1,929,964	2,337,155	2,679,697	2,341,464	2,333,628	249,447	250,043	250,833	251,427	251,941	3.6	3.6	3.7	3.8	3.8	275	332	394	351	355	100.00	100.00	100.00	100.00	100.00	
Canada	Million C. \$	4,662	4,825	5,499	6,289	7,408	4,119	4,703	5,245	6,044	205,596	228,483	253,348	279,950	297,052	23,493	23,701	23,959	24,213	24,564	2.0	1.8	1.9	1.9	2.0	174	174	196	217	246	5.96	4.96	4.76	5.94	6.76	
Denmark	Million D. Kr.	7,250	7,990	9,061	10,230	11,315	1,519	1,608	1,436	1,436	56,464	65,047	66,594	57,579	58,883	5,104	5,117	5,125	5,120	5,118	2.3	2.3	2.4	2.5	2.5	258	297	314	280	281	1.92	1.83	1.63	1.63	1.63	
Greece	Million Drachmas	77,861	89,791	96,975	142,865	171,125	2,420	2,276	2,578	2,745	31,690	38,519	40,138	36,707	39,912	9,360	9,450	9,599	9,707	9,775	6.7	6.3	5.7	7.0	6.9	227	256	237	266	281	3.10	2.91	2.30	2.92	3.07	
Norway	Million N. Kr.	6,854	7,362	8,242	9,468	10,830	1,454	1,669	1,650	1,803	40,647	47,130	57,400	57,143	59,179	4,060	4,073	4,087	4,100	4,107	3.2	3.1	2.9	2.9	3.0	322	357	408	402	439	1.91	1.75	1.69	1.87	2.02	
Portugal	Million Escudos	27,354	34,343	43,440	51,917	61,823	702	868	844	871	17,758	20,326	24,076	23,485	25,533	9,820	9,863	9,905	10,005	10,106	3.5	3.5	3.6	3.6	3.4	63	71	88	84	86	0.91	0.84	0.88	0.96	0.97	
Turkey	Million L.	66,239	93,268	185,656	313,067	447,728	3,001	2,442	2,815	3,031	52,499	69,371	56,886	57,560	57,355	42,926	43,821	44,737	45,672	46,718	5.2	4.3	4.3	4.9	5.3	64	68	55	62	65	3.98	3.61	2.47	3.19	3.39	
United States	Million US \$	109,247	122,279	143,974	170,033	198,524	122,279	143,974	170,033	198,509	2,131,801	2,376,828	2,587,100	2,881,512	3,008,587	222,585	225,055	227,627	229,805	231,988	5.1	5.1	5.6	5.9	6.6	491	543	632	740	856	159.26	147.15	145.80	192.68	222.04	
TOTAL NON-WEU							135,494	157,540	184,601	..	2,536,455	2,845,704	3,085,542	3,393,936	3,546,501	317,348	321,080	325,039	328,622	332,376	4.8	4.8	5.1	5.4	..	383	422	485	562	..	177.02	163.05	159.54	209.19	..	
TOTAL NATO (d)							218,592	256,289	272,848	..	4,466,419	5,182,859	5,765,239	5,735,400	5,880,129	566,795	571,123	575,872	580,049	584,317	4.3	4.2	4.4	4.8	..	335	383	445	470	..	277.02	263.05	259.54	309.19	..	

Note a: GDP in purchasers' values are calculated in national currency and converted to United States \$ at the rates shown below. Figures in columns (1) to (10) and (21) to (30) are affected by exchange rates and are not therefore always comparable between countries, whereas figures of defence expenditures as % of GDP in columns (16) to (20) do not involve currency conversion.

For the period 1978-1982 the following rates of exchange have been applied:

Country	Unit	US \$ per unit	Units per US \$	Country	Unit	US \$ per unit	Units per US \$
Belgium and Luxembourg	Franc			Italy	1,000 Lire		
— 1978		0.03184	31.41000	— 1978		1.17832	0.84866
— 1979		0.03411	29.31860	— 1979		1.20357	0.83086
— 1980		0.03420	29.24260	— 1980		1.16761	0.85645
— 1981		0.02693	37.13101	— 1981		0.87969	1.13677
— 1982		0.02312	43.24500	— 1982		0.77484	1.29059
Canada	Canadian Dollar			Netherlands	Guilder		
— 1978		0.87664	1.14073	— 1978		0.46224	2.16336
— 1979		0.85371	1.17136	— 1979		0.49849	2.00608
— 1980		0.85523	1.16928	— 1980		0.50299	1.98812
— 1981		0.83409	1.19891	— 1981		0.40077	2.49520
— 1982		0.81518	1.22672	— 1982		0.38361	2.60680
Denmark	D. Krone			Norway	N. Krone		
— 1978		0.18134	5.51462	— 1978		0.19076	5.24224
— 1979		0.19008	5.26097	— 1979		0.19747	5.06406
— 1980		0.17743	5.63593	— 1980		0.20246	4.93922
— 1981		0.14038	7.12337	— 1981		0.17423	5.73951
— 1982		0.12594	7.94010	— 1982		0.16627	6.01421
France	Franc			Portugal	Escudo		
— 1978		0.22159	4.51276	— 1978		0.02276	43.94021
— 1979		0.23505	4.25445	— 1979		0.02044	48.92344
— 1980		0.23663	4.22604	— 1980		0.01998	50.06208
— 1981		0.18401	5.43458	— 1981		0.01625	61.54642
— 1982		0.16294	6.13738	— 1982		0.01407	71.05603
Fed. Rep. of Germany	Deutschmark			Turkey	T. Lira		
— 1978		0.49785	2.00863	— 1978		0.04118	24.28216
— 1979		0.54559	1.83288	— 1979		0.03218	31.07752
— 1980		0.55016	1.81767	— 1980		0.01315	76.03811
— 1981		0.44248	2.26000	— 1981		0.00899	111.21862
— 1982		0.42338	2.36195	— 1982		0.00677	147.75632
Greece	Drachma			United Kingdom	£		
— 1978		0.02729	36.64843	— 1978		1.91951	0.52097
— 1979		0.02696	37.09694	— 1979		2.12155	0.47135
— 1980		0.02347	42.61666	— 1980		2.32628	0.42987
— 1981		0.01805	55.40842	— 1981		2.02791	0.49312
— 1982		0.01596	62.63780	— 1982		1.81350	0.55142

Note b: GDP = Gross domestic product in purchasers' values, current prices. Prior to 1978, tables of defence statistics published in reports of the committee used gross national product (GNP) as a measure of national wealth. In line with the practice of other international organizations, the tables are now given in terms of GDP which is somewhat higher than GNP. Consequently, the figures for defence expenditure as a percentage of GDP are slightly lower than percentages of GNP previously published.

Note c: France is a member of the alliance without belonging to the integrated military structure; the relevant figures are indicative only.

Note d: The corresponding statistical data for Spain are not available.

e = preliminary estimate.

f = cast.

Source: Defence expenditures (NATO definition), from NATO press release M-DPC-2(82)24.

B. MANPOWER EFFORT - 1982

	Period of compulsory ¹ military service (months)			Total in armed forces ² military personnel (thousands) (e)	Total armed forces ² (military and civilian) as percentage of active population (e)
	Army	Navy	Air force		
Belgium	10 ³	10 ³	10 ³	109	2.8
France	12 ⁴	12 ⁴	12 ⁴	578	3.1
Germany	15 ⁵	15 ⁵	15 ⁵	495	2.5
Italy	12	18	12	517	2.4
Luxembourg	voluntary			1	0.8
Netherlands	14-16	14-17	14-17	106	2.6
United Kingdom	voluntary			335	2.2
TOTAL WEU				2,141	2.6
Canada	voluntary			81	1.0
Denmark	9	9	9	31	1.6
Greece	22	26	24	186	5.9
Norway	12	15	15	40	2.5
Portugal	16	24	21-24	91	2.3
Turkey	20	20	20	769	4.4
United States	voluntary			2,189	2,9
TOTAL NON-WEU				3,387	3.0
TOTAL NATO				5,528	2.8

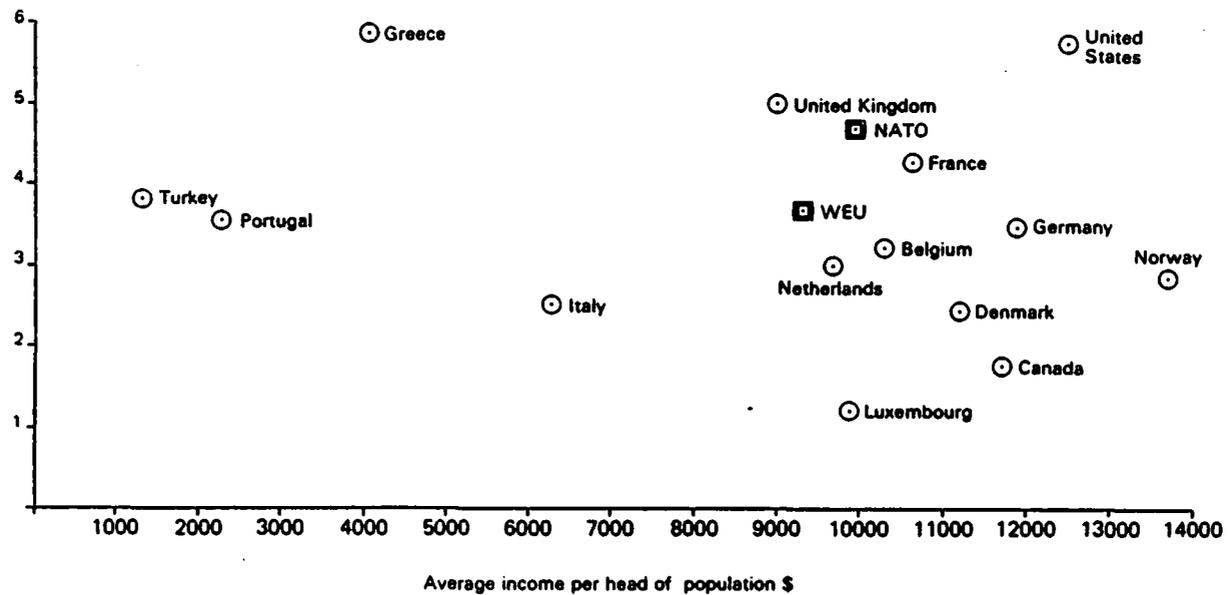
Sources :

1. IISS, Military Balance, 1982-83.
 2. NATO press release M-DPC-2 (82) 24, 1st December 1982.
 3. Eight months if served in Germany.
 4. Eighteen months for overseas.
 5. To be eighteen months.
- e = estimate.

APPENDIX II

Defence expenditure as percentage of GDP plotted against income per capita - 1981

Defence expenditure as percentage of GDP



APPENDIX III

Selected indicators comparing defence contribution with ability to contribute

Country	Ratio defence spending share/ GDP share			Ratio defence spending share/ prosperity index share			Ratio active defence Manpower share/ population share		
	1981	1982	1983	1981	1982	1983	1981	1982	1983
Belgium	0.88	0.86	0.85	0.77	0.77	0.94	1.29	1.11	1.11
France	1.08	1.05	1.03	0.99	0.93	1.05	1.24	1.25	1.23
Germany	0.89	0.84	0.83	0.71	0.68	0.81	1.02	1.02	1.02
Italy	0.67	0.63	0.61	1.16	0.98	1.07	0.89	0.91	0.92
Luxembourg	0.33	0.29	0.30	0.29	0.25	0.32	0.36	0.40	0.33
Netherlands	0.92	0.81	0.79	1.11	0.74	0.87	0.85	0.90	0.88
United Kingdom	1.38	1.33	1.31	1.90	1.52	1.59	0.96	0.98	0.97
Canada	0.53	0.50	0.50	0.55	0.51	0.46	0.46	0.47	0.47
Denmark	0.56	0.63	0.61	0.43	0.53	0.59	0.85	0.80	0.80
Greece	1.50	1.45	1.73	3.60	3.63	4.93	2.07	2.09	2.05
Norway	0.86	0.75	0.71	0.71	0.58	0.55	1.17	1.15	1.13
Portugal	1.00	0.92	0.88	4.29	4.13	4.06	0.87	0.94	0.93
Turkey	1.18	1.21	1.29	7.65	10.20	11.02	1.61	1.62	1.63
United States	1.37	1.39	1.38	1.27	1.31	1.19	1.28	1.26	1.27
Japan	0.25	0.25	0.24	0.29	0.32	0.28	0.21	0.21	0.21
NATO less United States	0.95	0.92	0.90	0.97	0.91	1.02	1.09	1.09	1.09
NATO plus Japan less United States	0.77	0.76	0.72	0.81	0.79	0.82	0.86	0.87	0.87
Total NATO	1.15	1.13	1.15	1.12	1.09	1.12	1.16	1.16	1.16
Total NATO plus Japan	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Note: Years are date of Secretary of Defence report.

"Share" means "share of total for NATO plus Japan".

Source: Successive reports to United States Congress by the Secretary of Defence on allied contributions to the common defence.

APPENDIX IV

*Defence expenditure at constant 1980 prices*¹

\$ million

Country	1978	1979	1980	1981	1982 (e)
Belgium	3,799	3,881	3,963	3,999	3,727
France	24,880	24,974	26,427	27,467	27,387
Germany	25,724	26,100	26,671	30,419	27,530
Italy	8,904	9,106	9,588	9,552	9,816
Luxembourg	43	45	53	55	57
Netherlands	5,145	5,363	5,264	5,442	5,555
United Kingdom	25,491	26,015	22,773	27,226	28,016
TOTAL WEU	93,986	95,484	94,739	104,160	105,815
Canada	4,581	4,551	4,696	4,867	5,011
Denmark	1,592	1,597	1,609	1,613	1,662
Greece	2,555	2,485	2,275	2,796	2,766
Norway	1,608	1,641	1,667	1,714	1,754
Portugal	766	789	872	880	859
Turkey	2,361	2,410	2,461	2,466	2,523
United States	132,438	137,509	143,860	151,212	163,784
TOTAL NON-WEU	145,901	150,982	157,440	165,548	178,359
TOTAL NATO	239,887	246,466	252,179	269,708	284,174

1. Calculated from NATO figures for per capita expenditure.

APPENDIX V

*United States ACDA official world military expenditures and arms transfers**(Military expenditure, constant prices)*

\$ billion

March 1981 edition - 1977 prices			March 1982 edition - 1978 prices				
	NATO	Warsaw Pact	United States	NATO	Warsaw Pact	Soviet Union	
1970	174.7	129.4	128.8	192.4	150.0	127.8	1970
1971	166.9	133.0	117.9	184.2	153.4	130.2	1971
1972	169.3	138.0	117.4	187.1	158.9	134.4	1972
1973	165.2	144.3	112.1	183.3	165.8	140.5	1973
1974	167.8	150.1	112.3	185.8	173.1	147.2	1974
1975	164.9	154.6	108.5	183.3	178.1	151.4	1975
1976	161.5	161.2	103.3	179.8	185.4	158.2	1976
1977	167.5	161.7	108.0	186.3	187.2	159.9	1977
1978	169.1	165.1	108.4	188.8	189.0	161.6	1978
1979	-	-	112.3	195.2	193.6	166.7	1979

APPENDIX VI

*Roth-Glenn-Nunn Amendment*¹

The full text of the Roth-Glenn-Nunn Amendment on NATO Defence Industrial Co-operation follows :

Sec. 1122. (a) The Congress finds that—

- (1) the United States remains firmly committed to co-operating closely with its North Atlantic Treaty Organisation (hereinafter in this section referred to as NATO) allies in protecting liberty and maintaining world peace;
 - (2) the financial burden of providing for the defence of Western Europe and for the protection of the interests of NATO member countries in areas outside the NATO treaty area has reached such proportions that new co-operative approaches among the United States and its NATO allies are required to achieve and maintain an adequate collective defence at acceptable costs;
 - (3) the need for a credible conventional deterrent in Western Europe has long been recognised in theory but has never been fully addressed in practice;
 - (4) a more equitable sharing by NATO member countries of both the burdens and the technological and economic benefits of the common defence would do much to reinvigorate the North Atlantic Treaty Organisation alliance with a restored sense of unity and common purpose;
 - (5) a decision to co-ordinate more effectively the enormous technological, industrial, and economic resources of NATO member countries will not only increase the efficiency and effectiveness of NATO military expenditures but also provide inducement for the Soviet Union to enter a meaningful arms reduction agreement so that both Warsaw Pact countries and NATO member countries can devote more of their energies and resources to peaceful and economically more beneficial pursuits.
- (b) It is the sense of the Congress that the President should propose to the heads of government of the NATO member countries that the NATO allies of the United States join the United States in agreeing—
- (1) to co-ordinate more effectively their defence efforts and resources to create, at acceptable costs, a credible, collective, conventional force for the defence of the North Atlantic Treaty area;
 - (2) to establish a co-operative defence-industrial effort within Western Europe and between Western Europe and North America that would increase the efficiency and effectiveness of NATO expenditures by providing a larger production base while eliminating unnecessary duplication of defence-industrial efforts;
 - (3) to share more equitably and efficiently the financial burdens, as well as the economic benefits (including jobs, technology, and trade) of NATO defence; and
 - (4) to intensify consultations promptly for the early achievement of the objectives described in clauses (1) through (3).

1. Approved by the United States Senate by 87 votes to 1 on 13th May 1982.

APPENDIX VII

*Major United States equipment procured by European countries and vice-versa**A. European equipment being procured by the United States*

- MAN truck for weapon systems in Europe (Germany)
- MAG-58 armour machine gun ¹ (Belgium)
- 120 mm tank gun ¹ (Germany)
- 5.56 mm squad automatic weapon ¹ (Belgium)
- Muzzle bore sight (training) (United Kingdom)

B. European equipment being evaluated by the United States

- Anti-tank weapons :
 - LAW-80
 - M72-750
 - M72A3
 - Jupiter
 - Panzerfaust III
 - Armbrust
 - Apilas
 - Strim
- Plessey groundsat rebroadcast radio
- 90 mm Cockerill Mk III gun
- Large-calibre bore brushes
- Underground field shelter, MK-2
- MH-842 (Markhandler rough terrain forklift truck)
- 7.62 mm machine gun mount
- Chemical agent monitoring system
- Conventional generic mine devices (training mines)
- HC smoke pots
- Cartridge, 5.56 mm, ball, practice, Xm 858
- 4.2 inch mortar sub-calibre training system
- Cartridge, 50 calibre, ball and tracer, plastic training ammunition
- DM 82 (hand grenade fuse)
- FH-380 (personal dosimetry system)
- Lightweight decontamination system (SANATOR)
- Inflatable decoy system for United States Hawk air defence system
- 150 kW low noise generator
- Aerial radiac system
- 105 mm kinetic energy practice ammunition
- Kinetic energy recovery rope
- Penguin missile
- PAP-104 mine neutralisation system
- Minesweeper hunter (MSH-1) procurement
- Searchwater radar
- Versatile exercise mine (VEM)

C. United States equipment being procured by European countries

- M113 APC
- AN/TSQ-73 missile Minder (a part of the fire direction centre of the improved Hawk battery)
- I-Hawk (air defence system)
- 66 mm M72 Law (a squad-level anti-tank weapon)
- Projectile 155 mm M483A1 (anti-personnel round delivered by the 155 mm Howitzer)

1. Produced in the United States.

- 2.75 inch rocket (air-delivered anti-personnel round)
- Flir
- Tow W/helicopter roof-mounted sight
- M109A3 SP Howitzer
- Stinger missile (man-portable infrared-homing air defence missile system)
- Harpoon anti-surface ship missile
- Submarine-launched Harpoon
- MK-46 light-light anti-submarine torpedo
- Sparrow advanced monopulse missile (AMM) AIM/RIM-7M
- AIM-9L infrared air-to-air missile (The AIM-9L will be employed on the F-14, AV-8, F-16, F-15, F/A-18 and the MRCA Tornado. This Sidewinder missile differs from its predecessors principally in having an all-aspect attack capability.)
- High-speed anti-radiation missile (HARM)
- F/A-18 naval strike fighter aircraft
- P-3 patrol aircraft Orion
- Super rapid-blooming offboard chaff (SRBOC)
- E2-C early warning aircraft
- F-16 multinational fighter programme ¹
- Airborne early warning and control (AEW&C) programme
- Navstar global positioning system (GPS)¹
- Joint tactical information distribution system (JTIDS) (system adopted for the NATO AEW&C programme)
- Advanced medium-range air-to-air missile ¹
- KC-135 (tanker fleet) re-engining (CFM-56)¹
- Electronic countermeasure simulator
- Peace Green communications equipment
- ALQ-131 electronic countermeasure pods
- ALQ-101 electronic countermeasure pods

1. European coproduction.

Source: Standardisation of equipment within NATO (report to the United States Congress by Mr. Weinberger, January 1983).

APPENDIX VIII

*Levels of nuclear weapons**A. Total warheads all systems*

Numbers of nuclear warheads mid-1982 (Figures rounded to nearest hundred)		
	United States	Soviet Union
ICBM	2,100	5,200
SLBM	4,800	1,800
Strategic bomber	2,300	300
Total strategic ¹	9,200	7,300
All other ²	14,700	8,700
Grand total ³	24,000	16,000

- Sources: 1. As in following table.
 2. Deduced by difference.
 3. Hearings United States Senate Foreign Relations Committee, 13th November 1981.

*B. Levels of United States and Soviet strategic nuclear weapons
(covered by SALT)**United States strategic systems (covered by SALT)*

Type	Medium-range (km)	Number	Number of independent warheads each	Assumed total number of warheads
ICBMs				
Titan II	15,000	52	1	52
Minuteman II	11,300	450	1	450
Minuteman III	13,000	{ 250 (160 kt) 300 (353 kt- Mk 12A) }	3	1,650 ¹
Sub-total		1,052		2,152
SLBMs				
Poseidon C-3	4,600	304	10-14	3,040
Trident C-4	7,400	216		
Sub-total		520		4,768
BM total		1,572		6,920
Aircraft B-52	16,000	312 ²	up to 10 or 12 ALCM	2,280
TOTAL		1,884		9,200

1. On the assumption that the maximum number of warheads are fitted.

2. 570 reported in SALT II data base includes 220 in "deep storage". United States figures for March 1983 show a further 75 B-52D withdrawn from service.

Soviet strategic systems (covered by SALT)

Type	Maximum-range (km)	Number	Number of independent warheads each	Assumed total number of warheads
ICBMs				
SS-11	10,500	570	1	570
SS-13	10,000	60	1	60
SS-17	10,000	150	1 or 4	600 ¹
SS-18	9-10,500	308	1 or 8	2,464 ¹
SS-19	11,000	310	6 or 1	1,500
Sub-total		1,398		5,200
SLBMs				
SSN-5	1,120	57	1	57
SSN-6	2,400-3,000	400	1	400
SSN-8	8,000	292	1	300
SSN-17	5,000	12	1	12
SSN-18	8,000	208	3	1,040
Sub-total		969		1,800
BM total		2,367		7,000
Aircraft	Combat radius (km)			
Bear Tu-95	5-6,000	105	2-4	210
Bison Mya-4	4-6,000	45	1-2	90
Sub-total		150		300
TOTAL		2,498		7,300

1. On the assumption that the maximum number of warheads are fitted.

Note: Forces loadings for aircraft deduced from total warheads (rounded to nearest hundred).
United States forces estimated at mid-1982.

Source:

- IISS, Military Balance 1982-83.
- United States Department of Defence Annual Reports fiscal year 1982 and fiscal year 1983.
- Soviet military power, United States Department of Defence, September 1981.
- Whence the threat to peace, Soviet Ministry of Defence, January 1982.

C. Levels of intermediate-range nuclear weapons of interest to Europe

Maximum range or combat radius (km)	Assumed warheads per system	Weapons	Western estimates ¹		Soviet claims ³
			Total inventory	In range of Europe ²	
5,000	3	USSR: SS-20	351	234	"land-based" 496
2,000	1	SS-4	210	170	
4,000	1	SS-5	15	70	
1,000	1	SS-12	70	70	
1,000	1	SS-22	100	100	
1,120	1	SS-N-5	57	57	"sea-based" 18
4,000	3 or 4	Backfire	100	40	
2,800	2	Badger	310	124	"air-based" 461
3,100	2	Blinder	125	50	
1,600	2	Fencer	550	110	
720	1	Flogger D	550	220	
600	1	Fitter C/D (a)	688	138	
		TOTAL	3,126	1,313	975
1,900	2	NATO inc. France: F-111	156	78	723
2,000+	4 or 6	FB-111A	60	60	
750	1	F-4	424	127	
800	1	F-104	290	87	
		F-16	68	20	
1,000	2	A-6/A-7	68	34	46
950	2	Buccaneer	50	25	
720	1	Jaguar	117	58	
1,600	1	Mirage IV-A	34	34	
560	2	Super-Etendard	16	8	
720	1	Pershing I	180	180	64 80
4,600	1	Polaris	64	64	
3,000	1	M-20	80	80	
3,000	10 or 14	Poseidon (b)	40	40	
		TOTAL	1,647	895	913⁴

1. IISS Military Balance 1982-83 and NATO NPG communiqué of 23rd March 1983.

2. Military Balance estimate of numbers available in nuclear rôle in Europe.

3. Lev Semeiko in Moscow News, 17th January 1982.

4. Omitting 55 Vulcan bombers phased out in February 1983.

(a) The Military Balance 1982-83 also lists 265 Fitter A and 100 Fishbed J-N aircraft under long- and medium-range systems for the European theatre but their combat radius of 400 km has excluded them from this table.

(b) 400 Poseidon warheads are assigned to SACEUR but are also included in strategic table B.

D. Historical levels of SS-4, SS-5 and SS-20 missiles

Year	Total of SS-4 and SS-5	SS-20	Total missiles	Total warheads ¹	Total yield MT ²	Total equivalent megatons ³	Total warheads in range of Europe ⁴	Notes
1962	200	-	200	200	200	200	200	Period of SS-4 and SS-5 build-up
1963-1971	700	-	700	700	700	700	525	
1972-1976	600	-	600	600	600	600	450	Start of SS-20 deployment
1977	600	(20)	620	660	609	617	440	
1978	590	100	690	890	635	675	642	
1979	590	120	710	950	644	692	682	
1980	440	160	600	920	512	576	650	
1981	380	230	610	1,070	483	575	745	
1982 ⁵	230	324	554	1,200	376	504	820	

Source : Successive editions of IISS Military Balance.

1. Assuming 3 warheads on all SS-20 missiles, but ignoring any reloads.
2. Assuming 1 MT on SS-4, SS-5 warheads; 0.15 MT on SS-20 warheads.
3. Total of $Y \frac{2}{3}$ where Y is yield of each warhead in MT.
4. Figures from NATO NPG communiqué of 30th November 1982.
5. Assuming $\frac{3}{4}$ SS-4, 5 and $\frac{2}{3}$ SS-20 in range of Europe.

APPENDIX IX

RESOLUTION 15 ¹*on the participation of observers in certain meetings
of the Committee on Defence Questions and Armaments* ²

The Assembly,

Considering the interests of member states of NATO which are not members of WEU,

DECIDES

1. That the Committee on Defence Questions and Armaments may invite observers to attend its meetings from member states of NATO which are not members of WEU;
2. That such observers shall have the right to speak.

1. Adopted by the Assembly on 18th June 1959 during the first part of the fifth ordinary session (6th sitting).

2. Explanatory memorandum: see the report tabled by Mr. Patijn on behalf of the Presidential Committee (Document 130 and Addendum).

IMPRIMERIE ALENÇONNAISE
Rue Édouard-Belin, 61002 ALENÇON
Dépôt légal : 2^e trimestre 1983
N° d'ordre 98739

PRINTED IN FRANCE

