

3-2-07/67 (April)

8th May, 1967.

DPA/67/122

Dear Mr. Ambassador

Enclosed is a letter for Mr. Spaak and I would be most grateful if you could arrange to have it passed to him. Copy of my letter to Mr. Spaak and its enclosure are attached for your own information.

Yours sincerely

Joachim Jaenicke

His Excellency
Ambassador André de Staercke,
Belgian Delegation to NATO,
Porte Dauphine,
PARIS XVIIE.

Encls.

8th May, 1967.

DPA/67/121

Dear Mr. Spaak,

I understand that Sub-Group II has generally expressed the wish to be acquainted with the course of the discussion on the balance within the Alliance which took place at the Meeting of the Atlantic Policy Advisory Group in Greece, 18th - 21st April, 1967.

While you will, of course, understand that the formal report which I, as Chairman of A.P.A.G., will make to the Council, will have to be reserved for the latter, I have tried, in the attached paper, to draw together the main arguments and lines of thought for your use and that of the Sub-Group you chair.

I am copying my paper and this letter to all members of the Sub-Group II.

Respectfully yours,

Joschim Jaenicke

His Excellency
Mr. Paul Henri Spaak,
Belgian Delegation to NATO,
Porte Dauphine,
PARIS XVII^B.

NATO CONFIDENTIAL
DFA/67/118

5th May, 1967

THE PROBLEM OF BALANCE WITHIN
THE ATLANTIC ALLIANCE IN THE 1970s

Note: This analysis is an attempt to draw together, for the use of Sub-Group II, certain arguments and lines of thought brought out on this question in the course of discussion during the Atlantic Policy Advisory Group Meeting in Greece, 18th to 21st April, 1967. It does not, however, purport to be a full report of these discussions.

The Group agreed that any useful discussion on this question of balance had to start with certain assumptions. On the basis of the papers submitted, it was agreed to begin from the assumption that the Atlantic Alliance will continue through the 1970s as necessary for the security interests of its members: the alternative would be a situation in which the power of the Soviet Union would have an overwhelming preponderance in Europe.

Since its establishment, the Alliance has been confronted with a problem of internal balance, or rather, imbalance. This was and is due to the enormous superiority of the United States of America in the economic and military fields. On the two sides of the Atlantic, a potential source of tension between the partners has been that de facto inequality has been accompanied by a de jure equality. This has created a discrepancy between factual reality and legal fiction. In the immediate post-war era the European partners found this situation acceptable, but because of their economic recovery they have recently become increasingly dissatisfied with it.

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Balance within the Alliance did not mean the same thing to all members of the Group. Some proceeded from the tacit assumption that balance means equilibrium between the North American element of the Alliance and the European. Others felt that the thought of attempting to create de facto equality in military and economic weight, as between America and the European members of the Alliance, was unrealistic and that sufficient balance would be attained if the gap between the two sides were narrowed by increasing the comparative weight of the European element.

There was a tendency to shy away from interpreting "balance" in statistical or mechanical terms. Instead, the point was made that if European members grew in unity, this would tend to cure the imbalance and to improve the harmony of policy-formation and outlook as between Europe and the United States of America. On the other hand, it was argued that equal weight, as between Europe and America, is neither necessary nor desirable because if the Alliance were to be composed of two equal elements this would increase the danger of their flying apart. In this sense the existing imbalance was described as almost a pre-condition for harmony in the Alliance.

The Group agreed in general that while creating equality of weight, as between Europe and North America, was quite unrealistic as a prospect for the 1970s, some narrowing of the existing gap was both realistic and desirable. This would presuppose a higher degree of unity among the European partners and consequently an increase in their rôle in the Alliance.

Ways and means to attain this limited objective of mitigating the existing imbalance were examined, first in the field of economics, second in the field of defence and third, in the realm of political questions. (It was pointed out that impending short-term decisions on the possible entry of the United Kingdom and other EFTA countries into the Common Market; the Kennedy Round; monetary problems, and a Non-Proliferation Treaty, would of course considerably influence the long-term aspects in all three fields.)

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(a) Economic Field: It was noted that the existence of the Common Market had considerably strengthened the position and economic power of its members and the hope was expressed that other European countries, primarily the United Kingdom, might soon add their weight to the European Economic Community.

With regard to wider inter-allied economic co-operation, the Group noted the close economic and technological links across the Atlantic, links likely to be strengthened and multiplied in the years to come. The balance in the Alliance would benefit if a kind of "Code of Behaviour" could be adopted, especially on the part of private enterprises, in order to minimise the real or psychological problems of economic pressures felt as American "domination" in Europe.

The balance within the Alliance would also be affected by the policies the members of the Alliance pursue with regard to the developing countries. The questions of aid and trade and the problem of food and population pressures are expected to become of such vital importance in their political and security implications for the countries in the Alliance, that a much higher degree of co-ordination of the policies of the member countries might become necessary. Some members of the Atlantic Policy Advisory Group felt that NATO itself might, one day, be given new tasks in this field.

(b) Defence: There was a consensus that also during the 1970s the security of the members of the Alliance will essentially rest on the United States nuclear deterrent.

At the same time, an interesting idea, calling for closer inter-European co-operation, in certain areas of defence, was tabled for discussion. This co-operation might, in the 1970s, possibly take the form of a specific European defence organization and of a European organization for arms production. Such an

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organization would consist of those allied countries willing to take part in it. It would integrate military units from a certain level upwards. These units might form a European army and/or a European air force under a European command with European logistics and a European common budget. The entire force would, of course, be assigned to NATO.

The advantages of a European organization for arms production, including research, were considered obvious: a sounder structure of European industry; technological co-operation between larger industrial units; financing more effectively and more economically than subsidised national industry; larger markets for the production of its units.

The political implications flowing from the establishment of such organizations were stressed in the Group. Similarities and differences with regard to the EDC of 1954 were discussed.

Another important aspect of the problem of balance within the Alliance was seen in certain developments in the realm of strategic thinking, such as plans for "dual basing", redeployment or reduction of forces, and nuclear arrangements. These matters were, however, not elaborated upon.

(c) Political Questions: The hope was expressed that the membership of the European countries in the Common Market might develop ever closer political co-operation and eventually a political unit, permitting Europe to speak with one voice. On the other hand, the view was expressed that closer European political co-operation might lead to a situation in which the European partners might wish to take a more independent attitude and not always follow the policy of their American partners. Here the concept of a greater "European identity" was mentioned: Europe's interests might on occasion prove to be distinct from those of the American Alliance partner.

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Another aspect under which the problem of balance within the Alliance was discussed dealt with the relationship between the policy of détente and the basic NATO policy of assuring the security of the Allies. Should the security function of the Alliance be given less priority in the future than hitherto, a dangerous weakening of the Alliance might ensue, and some of its members feel obliged to look for alternative, perhaps bilateral, solutions. It was considered that this would give the Soviets a definite advantage. While seeking the dissolution of NATO and the Warsaw Pact for 1969, the Soviets would maintain or even build up their strong existing network of bilateral security and defence agreements. It was felt that this problem would exist for some time to come and needed careful attention.

In this connection the Soviet proposals for a European security conference were considered of particular importance: if the establishment of a European security system resulted in the disappearance of NATO, the problem of balance within the Alliance need no longer be studied!