

PART IIDOCUMENTS OF THE YEAR 1949-1952, SERIES REVIEWEDLISTS SHOWING THE CORRELATION BETWEEN THE PARAGRAPHS OF
THE REPORT, THE APPENDICES AND THE MICROFILM ROLLS
CONTAINING THE DOCUMENTS

Appendices	Para no.	Microfilm Roll
II, A North Atlantic Council (NAC)	58-65	1-3 ; 1-3
B North Atlantic Council Deputies (NACD)	66-75	4-10; 3-6
1 Documents (D-D)	66-71	
2 Summary Records of Meetings (D-R)	66-71	
3 Notices (D-N) and Lists (D-L)	73	121
4 Press Releases/Communiques	73	201
5 Secretariat, Office of Statistics	74	56
Official Progress Report (OPR) and CDP		
6 Miscellaneous Documents (MISC)		55
C North Atlantic Defence Committee (DC)	76-79	
1 Documents	77-78	620
2 Records of Meetings	77-78	620
3 Memorandum (DCM)	78	
D Temporary Council Committee (TCC)	80-85	
1 Documents (TCC-D)		84
2/1 Verbatim Records of Meetings (TCC-VR)		84
2/2 Summary Records of Meetings (TCC-R)		84
3 Notices (TCC-N) and Country Responses	81-83	84 - 85
4 Draft, Final Report and Supplementary Report	83	86
5 Communiques and Resolution		86
6/1 Country Comments (TCC-CC)	83	86
6/2 Military Comments on TCC Final Report (IPT 65/2)	83	86
7 Economic Analysis Staff (EAS)		86
8/1 Executive Bureau, Documents on German Defence Contribution	83	86
(G)		
8/2 Executive Bureau Documents (EB-D)		87
8/3 Executive Bureau Draft of Final Report (EB-DR)		87
8/4 Executive Bureau Summary Records of Country Reviews (EB/CR)	82	87
8/5 Executive Bureau Working Group Documents (EB/WD)	83	87
8/6 Executive Bureau Notices (EB/N)		87
9/1 Screening and Costing Staff Documents (SCS-D)		87
9/2 Screening and Costing Staff Verbatim and		87
Summary Records of Meetings (SCS/VR and SCS/R)		
9/3 Screening and Costing Staff Working Group	83	87
Documents (SCS/WG)		
E Atlantic Community Committee	86-89	56
III, A Defence Financial and Economic Committee (DFEC)	98-109	

1	Verbatim Record of Second Meeting (FEC/M)	104-106	349
2	Meeting Records (FEC-STAFF/M)	107	349
3	Documents (FEC-STAFF/D)	108	349
B	Economic and Financial Working Group (GTEF)	110-117	
1	Documents, Records of Meetings and Notices (GTEF-D,R/M)	110-114	43
2	Economic and Financial Working Group, Paris (FE(P))	115	43
3	Working Group of Twelve (FE(P)DT)	116	43
C	Working Group on the High Priority Production Programme (WGHP)	118-121	55
D	Working Group on Production and Finance (WGPF)	122-127	55
E	Financial and Economic Board (FEB)	128-135	
1	Documents (FEB-D)	131	37 - 38
2	Summary Records of Meetings (FEB-R)	131	38
3	Notices (FEB-N)	131	38
4	Working Groups (GT/I to GT/6)	133	42
5	Working Documents (FEB-DT-D)	132	43
6	Internal Documents (INT-D)	135	43
F	Military Production and Supply Board	136-143	
1	Documents (MPSB)	136-138	347
2	Secretariat Memoranda (see, memo)	139	347
3	Meeting documents/records	138	347
4	Secretariat/circulators	139	347
5	Permanent Working Staff (PWS) Summary Minutes	140	347
6	PWS Notices (PWS-STAFF)	141	347
7	PWS Documents (PWS)	141	348
8	PWS Working Party Documents (PWS(WP))	142	348
9	Task Force Reports (TF)	143	55
G	Defence Production Board (DPB)	144-164	
1	Papers	148	40 - 41
2	Board Meetings (DPB-M)	147	41
3	Secretariat Memoranda (DPB SEC, MEMO)	149	39 - 41
3/3	Secretariat Circulars and Secretary's Memoranda (DPB/SECY)	150	44
4	Staff Memoranda and Staff Notices	150	44
5	Analysis Division Records of Decisions (DPB /AD)	150	44
6	Production and Programs Division Documents (DPB/PPD)	152	44
7	Office of Coordinator of Defence Production	154	44
7/1	Documents prepared by Assistant to Coordinator (LW)	154	44
7/2	Liaison Office Document (DPB/LO)	154	44
7/3	Operations Committee/Production Committee Records of Meetings	154	44
7/4	Coordinator of Defence Production Memoranda (DPB/CODP)	154	
7/5	Supplementary Production Documents (DPB/SP)	154	44
7/6	General Production (Division) Documents (DPB/GP)	154	44
7/7	Chief-of-Staff Memoranda (DPB/CS and COS)	154,	44
	Records of Working Groups and Groups of Experts	155-159/ 162-164	
8	Raw Material	161	44
9	Aircraft	161	45
10	Armaments	161	45
11	Explosives, Propellants and Ammunitions	161	43

12	Anti-gas	161	46
13	Electronics and Signals	161	46
14	Vehicles	161	47
15	Shipbuilding	161	47
H	Permanent Board on Ocean Shipping (PBOS)	165-168	116
I	Ad Hoc Committees	169-214	
1	NATO International Information Meeting (AC/1)	170	56
2	Political Working Group (AC/2)	171	56
3	Special Working Group on the Establishment of FEB (AC/3)	172	56
4	Special Committee on the Provision of Funds for Second Slice Infrastructure Programme (AC/4)		
4/1	Documents (AC/4-D)	174	11
4/2	Summary Records of Meetings (AC/4-R)	174	13
4/3-4	Payments and Progress Sub-Committee (AC/4(PP))	175	14
5	Working Group on the Use of Export Control (AC/5)	176-177	56
6	Working Group on the Revised NATO Security System (AC/6)	178-181	56
7	Working Group on Shipping Needs in Wartime (AC/7)	182-184	56
8	Working Group on Production, Finance and Military Requirements Problems (AC/8)	185-189	56
9	[Working Group on Protocol to Accession of Greece and Turkey, AC/9 - not included]	190	
10	Atlantic Community Community Working Group (AC/10)	192-197	56
11	Working Group on the Sharing of the Costs of SACLANT Headquarters (AC/11)	198-203	56
12	[Petroleum Planning Committee, AC/12 - not included]	204	
13	Working Group on the Employment of Firms and Companies Involving Security (AC/13)	205-208	57
14	Legal Working Group on Reciprocal Engagements between Members of the EDC and Members of NATO (AC/14)	109-214	57
J	Working Group on the Military Status of the Armed Forces of the North Atlantic Countries	215-218/2	
1	1951 Documents (MS-D(51))	217	115
2	1951 Summary Records of Meetings (MS-R(51))	217	115
3	1952 Documents (MS-D(52))	218/2	115
4	1952 Summary Records of Meetings (MS-R(52))	218/2	115
5	Notices (MS-N)	218/2	115
6	Juridical Sub-Committee (MS(J))	216	115
7	Financial Sub-Committee (MS(F))	216	115
K	Budget	218/3-231	
1	Establishment of an International Budget for NATO (IB)	218/3-229	48
2	1951 Budget for International Staff and Civilian Agencies (BC)	220-226	48
3	Establishment of an International Budget for SHAPE (IB)	227-229	48
4/1	1951 Military Budgets (BC and MBC)	229-230	48,49,50,53
4/2	Military Budget Committee, Standing Military Budget Sub-Committee, Summary Record at Meetings (MBC/R)	230	53
IV, A	North Atlantic Military Committee (NAMC)	232-236	
1	Documents (MC)	233	
2	Records of Meetings	234	
3	Memoranda (MM) and (MCM)	235	
B	Military Representatives Committee (MRC)	237-241	

1	Summary Records of Meetings	238	
2	Memoranda (MRM)	239	
3	Communications Received (MRC)	240	
C	Standing Group (SG)	242-253	
1	Documents (SG)	244	
2	Minutes/Records of Meetings	245	
3	Liaison Office Memoranda (LOM)	251-253	

N.B. The Appendices referred to throughout Part II are not reproduced in this document, but are held by the Archives/Index Section of the International Staff where they may be consulted as required.

PART II

DOCUMENTS OF THE YEARS 1949-1952

A. The North Atlantic Council, Council Deputies, and Ministerial Committee Records September 1949 - April 1952

58. Article 9 of the North Atlantic Treaty established a Council with each signatory party to be represented. The task of implementing the Treaty was the responsibility of the North Atlantic Council. To carry out that mandate the Council was authorised to "set up subsidiary bodies as may be necessary."

59. A working group was set up two days before the Treaty was signed to make recommendations to the Council as to the manner of conducting its business and agencies which should be established. The working group's report was considered and approved at the first session in Washington, D.C. on 17th September 1949. The principal decisions of interest here may be summarised as follows:

- (a) The Council would normally be composed of Foreign Ministers of the member states.
- (b) The Council would meet at least annually and at such other times as deemed desirable or as called by any party under Articles 4 and 5 of the Treaty.
- (c) United States Secretary of State, Dean Acheson, was to be the first Chairman, thereafter the chairmanship was to be held annually by the Foreign Minister of each member state in alphabetical order.
- (d) English and French were established as the two official languages of NATO.(1)

(The proposals for establishing the military components and the creation of the economic, financial and production agencies will be included in the pertinent parts which follow.)

60. The North Atlantic Council (NAC) met nine times between September 1949 and February 1952. Some sessions lasted a single day while others consumed most of a week. Each was characterised by Foreign Ministers and their advisors considering reports from the civil and military components of NATO, discussing political issues of the day, deciding on proposals, preparing resolutions and issuing a communique. While there were some brief open meetings to which the press was invited, most meetings were plenary and attendees were admonished to avoid discussion of the matters before the Council. At some sessions Defence Ministers and Finance Ministers attended

along with the Foreign Ministers. Sometimes these ministers met concurrently to develop resolutions or to resolve matters so that Council decisions could be made.

61. All of the records of these nine NAC sessions are of the utmost importance to an understanding of the workings of NATO and of the evolution of its unique character and procedure for carrying out the Treaty obligations. Meeting agendas, documents, resolutions and declarations prepared for NAC consideration or proposed during the course of the sessions, verbatim transcripts of meetings, minutes and summary records of meetings, staff notices, notes for delegates covering administrative matters and communiques are all part of the records of these nine ministerial sessions. Nearly all of the documents in the IS Registry associated with Council Sessions 1 through 9 have been formally declassified by application of the Downgrading Notice issued in 1974 (DN/74/8 dated 15th February 1974).

62. The surviving records of the NAC are in the custody of the International Staff (IS) Registry. They are located in four parallel files:

(1) A "Serial File" of formal documents (agendas, documents, records of meetings and some notices). This file is arranged by Council Session and thereunder by document type.

(2) The "NISCA File," a file created by the NATO International Staff Central Archives Unit of the IS Registry. This file is made up largely of duplicate copies of the final versions of the formal documents found in the Serial File and sometimes other versions of these same documents. Additionally, the Archives Unit sometimes has identified and included copies of documents originated by other NATO elements which were referred to the Council at a particular session. Copies of entire documents and extracts of other documents directly associated with the session itself (notes, notices, preparation of agendas, publicity, etc.) also have been assembled carefully from a variety of sources.

(3) & (4) IS Microfilm Rolls 1 through 3 and "Index" Microfilm Rolls 1 through 3. The records of NAC Sessions 1 through 9 have been filmed and refilmed. Most of the documents which were originally microfilmed in 1956 and refilmed for the IS Index Unit in 1986, are found in the "Serial File" described above. When refilmed, however, some (but not all) of the documents omitted in the original filming were included.

63. Since 1956 some of the documents noted as "not issued" or "missing" in the IS microfilm were found and added to the Serial File and/or NISCA File. In a few cases, an original document has been misplaced from the Serial File and replaced by a satisfactory reproduction made from the microfilm. Frequently only the "final" version of a document was microfilmed. At Council Session meetings the earlier forms of these documents were often discussed, amended and

otherwise revised. Many parts of the verbatim transcripts of meetings are understandable only if these earlier versions of the papers are available to the researcher.

64. Appendix II A is a listing of all of the identified NATO documents associated with each session of the North Atlantic Council. Their presence in English (E) or French (F) is indicated in the column for each of the four parallel files. From this comparison the consultants concluded that the Index microfilm contains most of the substantive documents proposed for release. However, some language versions do not appear on the film, some "missing" (or "not issued") documents are known to be elsewhere in the IS holdings and some earlier versions of documents and records of meetings have been identified in one or both of the parallel Serial or NISCA files. Agendas, notes and notices found in the NISCA file should also be included in the release review process in order to complete the records of these first nine Council Sessions.

65. The consultants recommend that the Council documents not on Index microfilm Rolls 1 through 3 and located in the Serial or NISCA files be microfilmed in a supplementary roll for inclusion in the release review programme. A list of the NATO documents which the consultants feel should be reproduced on the supplementary microfilm appears as an annex to Appendix II A.

66. Le Conseil des suppléants fut créé lors de la réunion du Conseil à Londres le 5 mai 1950. C'était un organisme permanent chargé d'exécuter les directives des gouvernements membres de l'OTAN dans l'intervalle des sessions du Conseil. Chaque gouvernement y était représenté par un suppléant de son représentant permanent. Le Conseil des suppléants siégea à Londres. Il se réunit pour la première fois le 25 juillet 1950 et fut dissous le 4 avril 1952 dans le cadre de la réforme consécutive à la Conférence de Lisbonne. M. Charles M. Spofford en assuma la présidence et y représenta en même temps les États-Unis.

67. En 1950 les suppléants se réunirent 44 fois et produisirent 219 documents.

68. En 1951 on compte 90 réunions et 315 documents.

69. En 1952 on compte 27 réunions et 101 documents.

70. See Appendix II B-1 for a Listing of the documents and Appendix II B-2 for a listing of the summary records of meetings.(2)

71. Comme pour les documents du Conseil, les documents du Conseil des suppléants sont conservés en série chronologique sur papier ("serial file") en langues française et anglaise. C'est cette série qui a été remicrofilmée récemment et figure sur les films index : 3, 4, 5, 6. Le texte anglais y est d'abord microfilmé dans l'ordre des cotes de chaque série, année par année, puis le texte français est ensuite reproduit. C'est pourquoi les textes anglais et français ne

figurent pas toujours sur le même film. Une autre série chronologique avait auparavant été microfilmée dans les années "fifties". Elle figure sur les films 4, 5, 6, 7, 8, 9, 10. Les documents y sont microfilmés dans l'ordre croissant des cotes, le document en langue anglaise, suivi du document en langue française. Ces films sont un peu effacés et n'ont pas la qualité des films index. Cette série de documents, une fois le microfilm effectué, n'a pas été conservée.

72. Les suppléants se sont réunis trois fois avec le Comité militaire. Three documents on German participation in western defence were prepared for the first joint meeting (14.12.50). These documents and the summary records at the three joint meetings held in 1950, 1951 and 1952 are on Roll 10 and are listed in Appendix II B-1/4. They do not appear on the Index film and are included in the supplementary filming list along with of documents of the Council Deputies omitted in the microfilm.

73. The Secretariat of the NACD (North Atlantic Council Deputies) produced 121 Notices (D-N) between July 1950 and April 1952. These Deputies' Notices concern routine administrative matters, press communiques, calls to meetings, agendas and a variety of useful lists. They are on Roll 121 and are listed in Appendix II B-3. An additional 39 press releases and communiques (not among those reproduced as Deputy Notices) appear on microfilm Roll 201. They are arranged chronologically and are numbered by hand. They are listed in Appendix II B-4.

74. The Central Statistical Service produced a single Official Progress Report.(OPR) in June 1951 containing information on the current status and progress of NATO programmes. The Statistical Office also prepared a summary of the reports and statistics which were in the Secretariat in September 1951 which would be useful to the TCC. Both items are on microfilm Roll 56 (Appendix II B-5).

75. The NAC/NACD Secretariat assigned and numbered (usually by hand) 40 documents under a general title of Miscellaneous (MISC). This "series," on microfilm Roll 55, is listed in Appendix II B-6. Wideranging in topics covered, this series contains a copy of D-1/1, the report of the Working Group which proposed the organisation of NATO in September 1949 (MISC(51)11), and numerous unique items which might have been published as notices, communiques, drafts and notes on military as well as civil matters. The Executive Secretary also used the MISC series to transmit international budget estimates for July-December 1951 of several major military commands (MISC(51)23 through 28).

76. A Defence Committee (DC) was established by the NAC as part of its first decision paper at the First Session (D-1/1, 17th September 1949). The DC would consist of Defence Ministers of each of the member nations. The DC was charged with the task of drawing up unified defence plans for the North Atlantic area. The DC was to be convened at least once a year at a location determined by the chairman. The NAC recommended that the military organisation under the DC should include a Military Committee (MC) made up of one military representative from each member country -preferably a Chief-of-Staff - which

would provide policy guidance of a military nature to the Standing Group (SG). The SG was composed of one representative of each of the Chiefs-of-Staff of France, the United Kingdom and the United States. The SG served as the military executive body of NATO. The records of the MC and the SG are described in Part IIC of this report. Five Regional Planning Groups were established and instructed to develop and recommend to the MC, through the SG, plans for the defence of their respective regions.(3)

77. The DC met four times between October 1949 and December 1950 when it disappeared as a separate ministerial body as a result of the reorganisation of the NAC into a "Council of Governments" (by decision of the NACD, D-D(51)86(Final) dated 3rd May 1951). The DC produced 78 documents in 32 series. The documents are described in Appendix II C-1 and the records of the four meetings of the DC in Appendix II C-2. The DC and its Secretariat also sent 76 memoranda addressed to NATO agencies such as the NAC, the MC, the SG, the Military Production and Supply Board (MPSB), the Defence Finance and Economic Committee (DFEC) and to various persons concerning its day-to-day business.

78. Nearly all of the DC series of documents can be found on microfilm Roll 620. The consultants recommend that the eight missing items located in the IMS Registry be reproduced on the supplementary microfilm. However, only a portion of the various forms of the records of the meetings held by the DC are on microfilm Roll 620. In order to examine a coherent set of records of the four meetings, the consultants recommend that the complete set in IMS custody be microfilmed. Alternatively, the unfiled meeting records can be added to the supplementary rolls. A listing of the unfiled meeting records is provided as Annex to Appendix II C-2. The DC Memoranda (DCM) listed in Appendix II C-3 are of less substantive significance and 47% of them have been destroyed in the IMS Registry. Ten of them appear on microfilm Roll 620 including 3 no longer in the IMS Registry. The declassification and release of the surviving DCMs (not on Roll 620) can be based on the final determination on the DC Documents and Records of Meetings and any related MC and SG items. Reviewers locating any of the missing DCMs are requested to provide reproductions to the IMS Registry in order that they may be replaced in their original file location and considered for declassification and release.

79. The current classification level of each of the records of the DC is indicated on the appended listings (Appendices II C-1 through C-3). It is taken from the most recent classification marking appearing on the copy of the described item in the custody of the IMS Registry. All COSMIC TOP SECRET documents were downgraded. These re-gradings were performed before the records were transferred to Brussels in 1968. No subsequent systematic review for security sensitivity has been conducted on these records. Consequently, most of the records of the DC require a concurrent review for declassification and release.

80. The NAC decided at its 7th Session (Ottawa) in September 1951 to set up a Temporary Council Committee (TCC) charged with reconciling the

requirements of "fulfilling a militarily acceptable NATO plan for the defence of Western Europe and the realistic politico-economic capabilities of the member countries." The TCC was authorised to ask for information, advice and assistance from all member governments and from all the military and civilian agencies of NATO.(4)

81. Representatives of the twelve nations met in Paris in October 1951 and delegated detailed work to the Executive Bureau (EB), nicknamed the "Three Wise Men", W. Averill Harriman (US), Jean Monnet (France) and Sir Edwin Plowden (UK). An international secretariat was set up drawn from all NATO organisations and national delegations. Questionnaires were sent to member nations on resources, troops, equipment, production, defence programmes, costs, economic status, etc. The responses were examined by committees of experts under the EB. A Screening and Costing Staff (SCS) scrutinised each country's military plans in consultation with its senior military representatives and recommended changes to ensure the most efficient military effort. At the same time the EB consulted with NATO military authorities and determined on a total defence plan necessary to meet the estimated military threat.

82. The member countries were required to respond to the questionnaire by submitting detailed information on their defence programmes for the next three years and the economic resources available to meet them. (The national replies can be found in an unnumbered series of documents in alphabetical order by name of country on microfilm Rolls 84 and 85.) The responses were analysed by the EB and its Economic Analysis Staff (EAS) together with the findings of the SCS. The EB conferred during November 1951 with representatives of each member government armed with proposals for improving each country's defence programme and for the financial and economic measures which would be necessary to support this effort (EB-CR series described in Appendix II D-8/4).

83. The TCC had not completed its work when its chairman submitted an interim report to the NAC at the Eighth Session in Rome (TCC-D/18 and D/19, C8-D/8). On 18th December 1951 the TCC forwarded its final report to member governments and to the Military Committee for comment (Appendix II D-4). The country comments were received in January 1952 (TCC-CC series, Appendix II, D-6/1). The military parts of the country comments and the comments of the Military Committee (MC 39, see Appendix III D-6/2) were examined by the SCS Working Group (SCS/WG series, Appendix II D-9/3) while the politico-economic parts were examined by the Working Group of the Executive Bureau which drafted a Supplementary Report for the TCC to present to the NAC (EB-D/65, TCC-D/28). At the request of the TCC and the Allied High Commission, the EB also examined the possible German contribution to the defence of Europe (the "G" series, Appendix II D-8/1). The final report of the EB to the TCC was omitted from the microfilm and should be included in the recommended supplementary filming. Finally, the Working Group of the EB prepared resolutions for consideration by the Council when it met at Lisbon (EB/WD series, Appendix II B-8/5).(5)

84. The records of the TCC are on microfilm Rolls 84 through 87.

Appendices II, D-I through D-9 lists each of the series of documents appearing on those rolls in the order in which they appear on the film.

85. The records of the TCC have never been reviewed formally for declassification. Some individual documents appear as Council documents and are declassified in that form. The documents originally marked as COSMIC TOP SECRET were regraded SECRET by DN/179. While the TCC exercise was, *inter alia*, the first annual review (subsequent annual reviews have been declassified) it was also much more than that as it examined basic issues of organisational structure and made recommendations in areas not addressed in subsequent annual reviews. Consequently, the records of the TCC require concurrent review for declassification and release. The detailed listings will enable reviewers to identify readily documents originating in member states or concerning their national defence, political, financial and economic affairs as recorded forty years ago.

86. At the Seventh Session (Ottawa) of the NAC, the decision was made to take special steps to strengthen the free institutions of the Atlantic Community and to advance the well-being of their peoples. An Atlantic Community Committee comprised of representatives from Belgium, Canada, Italy, the Netherlands and Norway was created at the ministerial level to consider broad issues under Article II of the Treaty. In particular the Committee was to consider and make recommendations on (a) coordination and frequent consultation on foreign policy; (b) closer economic, financial and social cooperation designed to promote conditions of economic stability and well-being, both during and after the present period of defence effort, within the NATO or through other agencies; and (c) collaboration in the fields of culture and public information (C7-D/18(Final)).

87. The Committee on the North Atlantic Community met in Paris on 9th November 1951 to consider the report drafted by its working group (Ad Hoc Committee 10, Atlantic Community Committee Working Group, AC/IO-D/2).(6) The approved report was presented to the Council at its Eighth Session in Rome (C8-D/6 at 26th November 1951).

88. The Atlantic Community Committee met in Rome on the final day of the Eighth Session to consider further topics and to set its Working Group to prepare further studies. Its final meeting was held in Lisbon on 18th February 1952 when it considered and amended the draft report prepared by its Working Group (AC/10-D/6(Final)). The approved report to the Ninth Session of the Council is C9-D/8 of 19th February 1952.

89. The summary records of the three meetings held by the Atlantic Community Committee are on Roll 56 following the more extensive records of the Atlantic Community Committee Working Group (AC/10). They are listed in Appendix II E. (The records of AC/10 are listed in Appendix III I-10.)

B. The Civil Elements of NATO - 1949-1952

90. Organization of the civil side of NATO began at the First Session when

the Council directed a study be made of suitable structures to be responsible for economic and financial matters on the one hand and military production and supply on the other. At its Second Session the Council approved directives establishing two permanent committees: the Defence Financial and Economic Committee (DFEC) reporting directly to the Council and the Military Production and Supply Board (MPSB) reporting to the Defence Committee.(7) The two permanent committees were reorganized in 1951 into the Financial and Economic Board (FEB) and the Defence Production Board (DPB). These two Boards were subsequently absorbed, along with the Council Deputies, into the reconstituted permanent Council in April 1952.

91. The Council Deputies established working groups made up of Deputies or their alternates with terms of reference which typically provided their structure, composition, relationship to other elements of NATO, objectives, reporting requirements and deadlines. These working groups were supported by the Council Deputies' Secretariat, statistical services and the developing international staff. They often relied upon national delegations in London or Paris to provide assistance or brought in experts from their home governments to provide any technical assistance required.

92. Three of these working groups and two Ad Hoc Committees were intended either to bridge the gap between the two permanent committees or to stimulate action in areas where the Council felt the permanent committees needed further guidance. These working groups also served as program examiners and became the instigators and the drafters of the terms of reference of their successors. The three working groups were the Economic and Financial Working Group (GTEF), the Working Group on the High Priority Production Programme (WGHP), and the Working Group on Production and Finance (WGPF). The two other involved working groups were Ad Hoc Committee 3, the Special Working Group on the Establishment of the FEB (AC/3), and Ad Hoc Committee 8, the Working Group on Production, Finance and Military Requirements Problems (AC/8).

93. Ten other working groups were created as Ad Hoc Committees. Except for the first two, the tasks assigned normally were narrowly drawn and the groups were expected to accomplish their study and submit a report to the NACD in a short time (8). Ad Hoc Committee 1 concerned itself primarily with the first NATO information meeting held in London in April 1951, while Ad Hoc Committee 2, the Political Working Group, continued to support the Deputies in this field from March 1951 through March 1952.

94. The NACD also used a working group of experts to examine and prepare an agreement for signature by the member countries on the status of NATO military forces serving in other member countries and on the status of civilian and military personnel serving at the various NATO headquarters (Working Group on the Military Status of the Armed Forces of the North Atlantic Countries). Another working group was given the task of preparing proposals and drafting procedures for an international budget for NATO. Out of this effort came the Civil Budget Committee and the Military Budget Committee and the

first real budget for all elements of NATO.

95. Finally, the first permanent civil emergency planning agency in NATO was established during this period - the Permanent Board on Ocean Shipping (PBOS).

96. The civil elements of NATO established between November 1949 and April 1952 are described in this part only if they created NATO documents which have survived. (Other working groups were established as is evident from the documents of the NACD.) Some of the record series of these civil elements are complete, others show significant gaps and for some elements only a few documents were retained and included on the microfilm produced in Paris in the late 1950's. The paper copies of the NATO documents on the microfilm were moved to Brussels and now form the core of the carefully constructed subject files which have been created in the IS Registry by the NISCA Unit. Interfiled with the NATO documents are internal staff memoranda, notes, etc., acquired from various International Staff Division and office files and sub-registries.(9)

97. Only a few NATO documents located in the IS Registry are not on the microfilm. The consultants recommend they be included in a supplementary microfilm. They supplement the records of the Ad Hoc Committee 1, the NATO International Information Meeting, 1 document ; and Ad Hoc Committee 14, Legal Working Group on Reciprocal Engagements between Members of the EDC and Members of NATO, 8 documents.

98. The NAC recognized the importance of economic and financial factors as well as questions of military production and supply at its First Session and directed a working group to prepare a plan for establishing appropriate organizational structures (D-1/3 of 17.9.49). At its Second Session organizational proposals were submitted and decisions made which resulted in the establishment of a Defence Financial and Economic Committee (DFEC). The Council directive, D-1/4 of 18th November 1949, stipulated that the DFEC was to be composed generally of Finance Ministers of the 12 NATO member countries and to report directly to the Council. Its terms of reference included a provision for a Permanent Working Staff (PWS) in London to carry on the day-to-day work of the Committee.

99. The objectives of the DFEC were ambitious and broadly drawn.(10) The Committee was to determine the total amount of the budgetary resources available for the defence of the countries which had signed the Treaty and to determine the financial and economic resources which could be devoted to the production of war material. This would involve the Committee in estimating the member countries, production capacity and the possibility of transfers between them. It was to work out also the financial measures necessitated by the transfer of such war material. Further, it was to establish criteria for the distribution of the burden of defence expenditure taking into account each country's possibilities.

100. At the time of transfer of its responsibilities to the Financial and Economic Board, the DFEC had studied only the first two of these tasks in any

detail. It had provided to the Deputies statistical information on budgetary resources. It left unfinished the study of a payments system for armament producer countries to facilitate the transfer of material. Most of the results had been in the form of reports and had not led to any decisions.

101. The DFEC felt unable to proceed for lack of specific information from the defence authorities about the priorities and the cost of the newly minted Medium Term Defence Plan which clearly required a higher level of forces than countries actually were planning. The military authorities at the same time wanted information from DFEC on what resources would be made available to meet their plan's requirements.

102. This and other problems of coordination, and confusion among and between the civil agencies and military planners, convinced the Council to establish its permanent civilian body, the Council Deputies, to carry out the policies of the NAT governments in the intervals between meetings of the NAC. When establishing the Deputies, the Council directed they examine the problem of adequate military forces and the necessary funds as one issue and not as separate problems. (12)

103. The DFEC disappeared as a separate entity as a result of the modification of NATO's structure by the action of the Council Deputies on 3rd May 1951 (D-D(51)86(Final)). The functions, responsibilities and much of the staff of the PWS of DFEC were transferred to the Financial and Economic Board on its establishment by resolution of the Council Deputies on 1st May 1951 (D-D(51)121).

104. Just one record of the DFEC has survived - a verbatim record of its second meeting (13) held in London on 29th March 1950 under the chairmanship of W. Averell Harrman (U.S.). This item is described in Appendix III A-I. The discussion focused on the four high priority work projects undertaken by the Permanent Working Staff of the DFEC:

Project A - development of the total defence expenditures in the budgets of the member countries;

Project B - study of the availability of financial and economic resources for military production;

Project C - financial arrangements for transfer of military material and equipment; and

Project D - formulas and criteria for measuring the financial and economic burdens of defence.

105. At this March 1950 meeting the DFEC reviewed a PWS report on the production and procurement expenditures of the eight North Atlantic Treaty countries which were expected to request US assistance under the Mutual Defence Assistance Program. The Chairman also proposed a message from the

DFEC to the Defence Committee (meeting at The Hague a few days later) requesting the provision of a cost estimate for the entire programme. Several of the finance ministers or their representatives present were reluctant to allow defence ministers to set costs leaving the finance ministers to provide the funds. They wanted to see a better balance between the "possible" as they saw it and the military's view of the "necessary". The several annexes to the meeting record were not retained with the DFEC verbatim record. However, the amended and approved message to the Defence Committee is DC 18 of 1st April 1950. Enclosed with the message was a copy of FEC(50)1, "Report on Status of Project A", and a report on "Increase in Defence Production and Procurement Effort in the North Atlantic Treaty Countries that may request U.S. Assistance in 1950/51."(14)

106. The DFEC also submitted a progress report on its activities to the NAC meeting in London in May 1950 (D-4/9 of 15.5.50). The report was circulated also by the Defence Committee as DC 18/3 of 7th June 1950. Included in the report were the approved and adopted texts of the four high priority projects.

107. The PWS of the DFEC met 40 times before its dissolution in May 1951. Appendix III A-2 lists all of the surviving records of those meetings (FEC-STAFF/M)(15). Every meeting from the 15th in May 1950 through the 40th in May 1951 is represented in the microfilmed series by a draft or approved minutes or both. No records of the earlier meetings survived.

108. Most of the documents originated by the PWS of the DFEC have not survived. Just eight of at least 21 broad subjects are represented by documents on the film and in paper copies in the NISCA files. The documents (FEC-STAFF/D)(15) are listed in Appendix III A-3.

109. The DFEC verbatim record of its second meeting and the surviving documents and minutes of meetings of the PWS of the DFEC are on Roll 349. All were regraded unclassified by DN(74)8. Copies of DC 18/1 and DC 18/3 in the IMS Registry bear NATO CONFIDENTIAL markings. They are DFEC documents, however, and are regraded unclassified.

110. The outbreak of the Korean War in the summer of 1950 had a particularly adverse impact on the European countries of NATO. Prices rose alarmingly and inflation threatened every national economy. The rise in import prices and the large increases in the dollar cost of some basic raw materials added greatly to the international payments problems. The deteriorating economic situation was seriously affecting the rearmament programme. The Council Deputies set up an Economic and Financial Working Group (GTEF)(16) in London in October 1950 (D-D/162(Final) of 25.10.50) to make an analysis of the economic problems arising from the defence efforts of the NATO countries during the three year period, July 1951 through July 1954, to assess each country's capacity to devote economic resources to defence efforts, and to provide a general view on an equitable sharing of the defence burden.

111. The GTEF was to be responsible to the Deputies while the PWS of the DFEC was responsible to the financial ministers. In order to accomplish its assigned task, the GTEF needed additional information which could be obtained only through an additional questionnaire and analysis of country submissions. Much of the information required was being assembled already by the economic and financial experts of the Working Group on Production and Finance (WGPF) which was expected to report to the Council Deputies in a few months (interim report to Deputies, GTEF-D/1 of 4.11.50) and by the PWS of the DFEC (GTEF-D/2 of 9.11.50).

112. The GTEF undertook to synthesize the defence requirements drawn up by the military bodies, the estimates of production capacity produced by the MPSB and certain factors in the budget statistics collected by the PWS of the DFEC (GTEF-R/1, two meetings in a combined "session" during 2-3.11.50). The Group designed a request for information which would supplement the OEEC questionnaire. The GTEF needed more specific information in the form of tables and memoranda from the member countries which would focus on the impact of the total military programs on their abilities to carry the burden of an expanded NAT defence requirement. They sought information in three categories: the changing physical needs and resources of each country, the internal financial impact, and the problem of external balance of payments. The estimates requested for 1951 through 1954 were to include information on production, imports, exports, defence and other consumption, stocks of commodities, raw material shortages, and the impact on labor and immigration (GTEF-D/3 of 25.11.50 and GTEF-R/3-R/4).

113. The GTEF's proposed directive (GTEF-D/4) was approved at its fifth and final meeting in London on 5th December 1950 (GTEF-R/5) and forwarded to the NACD. The Council Deputies incorporated D-D(50)202 (submitted as GTEF-D/3) and a Working Group on Production and Finance document (WGPF-D/35) into one document with tables, annexes and a definition of "defence expenditures" and submitted it to the member countries as a directive (D-D(50)203 and D-D(50)214).

114. The 4 documents, 5 records of meetings and 4 notices of the GTEF are described in Appendix III B-1. The records are on Roll 43.

115. The GTEF moved to Paris in 1951 in order to work more closely with the OEEC to carry through on the assigned task. The Economic and Financial Working Group, Paris (FE(P)) held its 1st meeting in January 1951 and its 9th and final meeting on 21st May 1951. It organized itself to analyze the country submissions but had only begun the task when it was incorporated into the Financial and Economic Board. The 10 documents, 9 records of meetings and single notice are listed in Appendix III B-2. The documents are on Roll 43.

116. The Economic and Financial Working Group in Paris established a further subgroup, the Working Group of Twelve (FE(P)DT), to determine on the standards and forms for analysis of the national submissions. The Working Group of Twelve met four times in February and March 1951 and produced a

report, "The Analysis of the Country Submissions" (FE(P)-D(51)4 of 22.3.51) which was submitted to the Council Deputies for approval (D-D(51)84 of 28.3.51). A description of the 6 documents, 4 records of meetings and 4 notices of the Working Group of Twelve is in Appendix III B-3. These records also are on Roll 43.

117. The records of the Economic and Financial Working Group (GTEF), the Economic and Financial Working Group in Paris, and the Working Group of Twelve were regraded unclassified by DN(74)8.

118. The Council Deputies created a Working Group on the High Priority Production Programme (WGHP) made up of representatives of Belgium, Denmark, France, Italy, the UK and the US. The WGHP was established as a result of a Council resolution (D-D/58(Final) Section V(5)) recommending action on high priority programmes. In D-D/92 of 12th September 1950 the Council set out draft terms of reference for the Working Group, but at its first meeting on 7th September 1950 the WGHP decided to set out more specific terms of reference. The Group felt it could affect the co-ordination and speeding up of the high priority Production Programme by giving general guidance to individual countries. To do this would require reports on individual projects be submitted to the WGHP by member countries. A questionnaire was to be developed to obtain from each country the desired information on the nine high priority projects established by the Standing Group (SG). The individual projects would be subject to military acceptability of equipment types by the SG. The WGHP would be responsible for seeking solutions to difficulties raised in these reports. It would attempt to utilise to the full the potential production capacity of the member countries (WGHP-R/1).

119. Concern was voiced over the limitation of the information available to the Military Production and Supply Board's Permanent Working Staff (PWS) and whether the PWS was staffed adequately to examine the projects and reach conclusions. The WGHP determined that the PSW could not proceed as desired and that there were unresolved further issues concerning country transfers and financial difficulties. The WGHP decided that countries would proceed on types of equipment where it was producing equipment for its own national forces. Production of equipment for other member countries should wait, however, for the determination by the SG of the military acceptability of the types of equipment and the issuing of contracts for production. Estimates of unit costs and deficiencies were to be obtained immediately. The PWS of the Defence Financial and Economic Committee was to be tasked to solve problems involved in initiating production for transfer between member countries. The WGHP also agreed that there was a need for more information on equipment deficiencies in individual countries and on the co-ordinated production plans being developed by the United States through the Mutual Defence Assistance Act Programmes (MDAP).

120. At its fourth meeting on 18th November 1950, the WGHP accepted that screening of each country's proposed specific projects would have to be done by the MDAP group at the US Embassy. The WGHP recognised that the PWS of the MPSB could not perform this task as it was inadequately staffed for

this purpose. Further planning also required more information on the total value of US assistance which would be made available through MDAP to stimulate high priority production projects. Delays in placing contracts also were being caused by lack of SG approval of types of militarily acceptable equipment and inadequate knowledge of the real equipment and production deficiencies (WGHP-R/4).

121. The surviving records of the WGHP consist of just six documents, four records of meetings and a notice of a fifth meeting for which there is no record. These records are listed in Appendix III C and are on Roll 55. The final document (WGHP/6) is a draft progress report to the Council Deputies. It seems likely that the unrecorded final meeting of the WG amended and approved the progress report and considered its terms of reference complete. While not specifically identified, these records are considered by the IS Registry as regraded unclassified by DN(74)8.

122. The seven deputies of Canada, France, Italy, the Netherlands, Norway, the UK and the US organised themselves into a Working Group on Production and Finance (WGPF) early in September 1950. Their purpose was to examine into the adequacy of the existing arrangements for military production to meet the requirements of the Medium Term Defence Plan developed by the Standing Group. (18) The document creating the WGPF set out two objectives - the creation of a well-co-ordinated military production programme and the adoption of a financial system to ensure a fair distribution of the common financial burden (Resolution No. 2 in D-D/62(Final) of 2nd September 1950).

123. To assist them in their examination the WGPF created two expert groups as working parties to look closely into the organisational programmes in production and finance facing NATO. The WGPF was to coordinate the work of the two expert groups.

124. The production experts of the WGPF set out to study the terms of reference of the MPSB and its PWS and also examined the progress made in the high priority production programmes, the end item task forces and on standardisation. The production experts came to the conclusion that a new organisation should be created with enhanced authority and a broader mission. Its recommendations were in WGPF-D/5 which was referred to the Deputies (D-D/168 of 10.11.50) where it was discussed and amended (D-R/33). The Deputies requested the WGPF to prepare draft terms of reference of a Defence Production Board responsible to the Defence Committee but keeping the Deputies informed of the progress of work. This proposal (WGPF-D/33) formed the basis for D-D/205 (7.12.50) which was accepted by the Defence Committee (DC 31 of 18.12.50) and put into effect in January 1951.

125. Seven experts from the seven countries represented on the Working Group examined the provisions which should be made for staff work in NATO on financial and economic problems (other than raw materials) to meet the needs of the NACD for continuous advice and assistance in these fields. It reviewed the functions and work programmes of the Economic and Financial Working Group in

Paris and of the PWS of the DFEC. It identified the need for a body of experts competent to deal with additional financial and economic questions. It proposed the creation of an "Advisory Group on Financial and Economic Problems" (WGPF-D/41). The financial experts also recommended the reorganisation and reconstitution of the DFEC and its PWS (WGPF-D/38).

126. The WGPF was tasked also by the NACD to examine into the issue of control of raw material as set out in Council resolution C5-D/4 (Final) of 18th September 1950. The WGPF developed recommendations (WGPF-D/31) which were discussed at their 7th and final meeting on 29th November 1950. There was some disagreement on the desirability of creating an advisory group on raw material and some wanted the question deferred since the OEEC was to meet soon on the same topic. In the end a draft resolution was submitted by the WGPF to the NACD establishing an Advisory Group on Raw Material (D-D/197 of 29.11.50). No records of this Advisory Group have survived.

127. The records of the WGPF consist of 45 documents (27 of which are summary records of meetings of the financial and production experts), summary records of the seven meetings of the Working Group itself and 13 notices. The notices set dates and agenda for various meetings of the WG or its expert groups. All are listed in Appendix III D and appear on Roll 55. Although not specifically identified on any regrading proposal, the WGPF records are considered by the IS Registry as regraded unclassified by DN(74)8.

128. Two considerations led to the creation of the Financial and Economic Board (FEB) in Paris in May 1951. It would permit the effective use of the experienced and skilled personnel in OEEC; and the responsibility for certain economic and financial tasks previously spread over the Working Group of 12, the Economic and Financial Working Group in Paris, the Permanent Working Staff of the DFEC and the Advisory Group on Raw Material could be centered now in one body.(19) The FEB, responsible to the Council Deputies, was established by D-D(51)121 of 1st May 1951. (20)

129. During its first several months the FEB was engaged almost exclusively in analyzing the detailed memoranda and tables submitted by the member countries to the questionnaire which had been prepared by the GTEF (see paragraphs 112-116 of this part). All but a half dozen of the more than 40 documents created before the end of July 1951 reflect this focus of their work. It was the dominant topic of all meetings as the Board examined each submission in detail. At the end of July the FEB made its report to the NACD on the problems of the equitable distribution of the defence burden (FEB-D(51)45 of 31.7.51). The FEB then turned to such other matters as civil shipping requirements in time of war, deterioration of trade, raw material, steel, export controls, prefinancing of arms production and the financing of supplementary arms production in Europe. Particular attention was paid also to the collection of data on defence expenditures and the preparation of a questionnaire to collect such data (FEB-D(51)63, 69 and 71 and FEB-D(52)3 and 5) and to analyze the national reports received (FEB-D(52)9, 10, 11 and 13).

130. At the Ottawa Session the FEB presented an interim report (C7-D/1, part IV) containing the first systematic analysis of the financial and economic problems arising from the national defence programs. The question of the "equitable" sharing of the burden particularly was addressed. The FEB concluded that no simple and generally acceptable formula could be devised as the factors which determined each country's capacity to undertake defence could not be reduced to mathematical terms. As for funds available for defence expenditures, the FEB found that governments were unwilling to commit themselves to additional expenditures until they received from the military a plan which identified the total demand. Further, certain countries were already under some economic strain from meeting the old defence programme requirements. Finally, the FEB urged the Council to await a careful appraisal of the economic risks involved in undertaking increases against the military risk in not doing so. The Council saw this as an undertaking the FEB was neither empowered nor competent to do.(21) This report, together with the report of the DPB that there was considerable unused capacity for arms production and that the limiting factor was obtaining a commitment by member governments for the necessary funds, led the Council at Ottawa to establish the Temporary Council Committee. (22)

131. The 68 documents Issued by the FEB between May and December 1951 and the 13 issued between January and March 1952 (FEB-D) are listed in Appendix III E-1. The 1951 documents are on Roll 37 while the 1952 documents are on Roll 38. The FEB held 33 meetings during this period. The summary records of meetings (FEB-R) are listed in Appendix III E-2 and are on Roll 38. The 23 notices (FEB-N) issued in 1951, Appendix III E-3, Roll 38, announce meeting dates and often also the agenda topics.

132. Eight important working documents (documents de travail) of the FEB (FEB-DT) have survived also. Included is a study on inflation in Europe since the outbreak of the Korean War (prepared in March 1952), a comparison of the economic capacity and manpower in the Soviet Union and in NATO countries, and a study on foreign trade of the Soviet Union and satellite countries. All of the working documents are listed in Appendix III E-5 and are on Roll 43.

133. The FEB created six working groups (Groupe de travail) to study specific issues referred to the FEB and to prepare a report or paper for consideration by the Board. The groups and their records are:

<u>Number</u>	<u>Title</u>	<u>Documents</u>	<u>Meeting Records</u>	<u>Notice</u>
GT/1	Budget Working Party			1
GT/2	Working Group on Civil Seaborne Import Requirements in Time of War	25	6	1

GT/3	Statistical Coordination and Screening Group for the Study of the Periodic Collection of Data on Defence Expenditures	1	4	
GT/4	Working party on scarce materials	2	3	2
GT/5	Working Group on the Atlantic Community	2	2	1
GT/6	Working Group on European Steel Supplies for Rearmament	13	5	4

134. The 44 documents, 20 records of meetings and 9 notices of the six working groups are listed in Appendix III E-4. They are on Roll 42.

135. Sixteen "internal documents", a series of internal reports and tables drawn from a variety of sources (INT-D), have survived. They are listed in Appendix III E-6 and are on Roll 43. All of the records created by the FEB were regraded unclassified by DN(74)8.

136. The Military Production and Supply Board (MPSB) was composed of representatives at sub-ministerial level reporting directly to the Defence Committee (DC). The MPSB was to maintain close working relations with military bodies seeking information on military requirements, to ensure that production and procurement programmes effectively supported defence plans, and to promote standardisation of parts and end-products of military equipment. It established liaison relations on a working level with the Standing Group (SG) in Washington and worked closely with the finance and economic machinery (DFEC). Its day-to-day work was carried out by a Permanent Working Staff (PWS) based in London(23).

137. After the reorganisation at the Fourth Council Session in London and establishment of the Council Deputies in May 1950, the MPSB responded to the Deputies. The MPSB's principle reports to the Deputies on such topics as materials (0-0(50)14), production (D-D(50)2, 35, 154, 168, 172 and 175) and statistics (D-D(50)179) are further described and listed in Appendix II B-I. Progress reports of the Board's efforts appear as parts of the Deputies reports to the Council (C5-D/2 and C6-D/4).

138. The MPSB produced 53 documents before it was reorganised into the Defence Production Board in January 1951. They are listed in Appendix III F-1 and appear on Roll 347. The MPSB met just four times, (see Appendix III F-3 and Roll 347).

139. Among the surviving records are several series of documents evidencing the work performed by the MPSB's PWS and its Secretariat. The Secretariat circulated 198 formal memoranda (listed in Appendix III F-2) which

are important to understand the flow of information within the MPSB, and 23 circulars (listed in Appendix III F-4). The circulars usually concern internal administrative matters, but several deal with procedural matters of some importance. All are on Roll 347.

140. The PWS was composed of knowledgeable national production figures organised into an embryonic international staff tasked by the MPSB to study in detail a great variety of subjects such as production, mobilisation, deficiencies, capacities, disposition of surplus military equipment, standardisation, specifications, spare parts and establishment of liaison. The PWS also requested information and analysed national submissions. The PWS held 57 meetings. Only the record of the first meeting in 1949 is missing. The remaining PWS meeting records are listed in Appendix III F-5 and appear on Roll 347.

141. The PWS produced 154 documents between December 1949 and its transfer into the international staff of the Defence Production Board in January 1951. A detailed listing appears as Appendix III F-7. The documents are on Roll 347. Additionally, PWS staff notices were used to circulate notes from national delegations and also kept the growing staff abreast of other matters of interest. The 80 staff notices are listed in Appendix III F-6 and are on Roll 347.

142. The PWS used a "Working Party" (PWS(WP)) to study particular matters more closely and to prepare position papers for PWS and final MPSB approval. The Working Party of the PWS prepared almost 90 documents during 1950. They are described with notes identifying associated PWS documents in Appendix III F-8 and are on Roll 348. The records of the MPSB are considered by the IS Registry as unclassified by DN(74)8. However, the MPSB is not included in the listing in paragraph 3 of that DN.

143. The detailed work of the PWS(WP) on the question of surplus production capacity led to the establishment by the MPSB of nine Task Forces made up of production experts to study available information, to make visits to key national production facilities and to report their findings with recommendations.(24) Eight of the nine Task Force reports are in the IS Registry.(25) They were microfilmed with other non-MPSB records on Roll 55. They are listed in Appendix III F-9. These reports were completed in December 1950 and January 1951. It was left to the International Staff of the Defence Production Board to analyse and make use of the work of these Task Forces.

144. The Defence Production Board (DPB) was created by the NACD (see D-D/205, on 7.12.50) to replace the MPSB. Its objective was to achieve the maximum production of military equipment in the most efficient manner at the least cost and in the shortest time to meet the military material requirements of NATO. The Board sought to achieve this objective by selection of a well-qualified "Co-ordinator of Defence Production" (Mr. William R. Herod) with broadly drawn terms of reference and a strong permanent staff and secretariat (initially drawn from the MPSB's Permanent Working Staff and Secretariat). The DPB sought to co-ordinate national production programmes so that together they would fulfill

NATO-wide production objectives. The plan called for integrated programmes by which various member countries would produce some end items and components for other countries and accept end items and components produced by other countries. The DPB also sought to ensure the best possible distribution of surplus WWII-type US, British and German equipment in order to equip rapidly the national forces assigned to allied commands. The production of spare parts to maintain old and new type equipment and ammunition supplies were also priority projects of the DPB.

145. The DPB, like its predecessor the MPSB, was largely frustrated in its primary mission of developing measures designed to bring European production more nearly into line with military requirements because of adverse financial and economic positions. It was more successful when its activities were concentrated necessarily within the limits of approved national programmes for which money had been voted. This was accomplished often by expert groups facilitating and maximising production. The history, role, and records of the expert groups are described in paragraphs 155 through 161.

146. The records of the DPB were prepared for filming in the mid-1950s. Series were arranged and microfilmed to include records created by the immediate successors to the DPB - specifically early documents of the Defence Production Staff of the Production and Logistics Division of the International Staff of NATO. Some documents dated as late as 1954 are on the microfilm rolls primarily containing the records of the DPB. These documents of successor elements are identified and listed in the order in which they appear in series on the rolls and are included in order to complete the review for release of all of the images on Rolls 39, 40, 41, 44, 45, 46, and 47. Subsequent to the filming the paper records were rearranged into subject files in the IS Registry.

147. The DPB first met in January 1951 and constituted itself (a verbatim record as well as summary minutes of the first meeting has been preserved). The Board met 15 more times in 1951 and four times in 1952 before it was absorbed into the new permanent Council and became the Production and Logistics Division under an Assistant Secretary General. The Board meeting records are on microfilm Roll 41 and are listed in Appendix III G-2.

148. The Board completed action on 96 papers in 1951 and an additional 11 papers before its demise in March 1952. The 1951 Board Papers are on Roll 40 while the 1952 Board Papers are on Roll 41. They are listed in Appendix III G-I.

149. The responsibilities of the Permanent Working Staff (PWS) of the MPSB were assumed by an international staff organised into several divisions (described in paragraphs 151-153 below) with a co-ordinating Secretariat. An extensive series of DPB Secretariat Memoranda (285 issued between January 1951 and April 1952) ensured a circulation of information between the various elements of the DPB (in the form of reports, drafts, notes from delegations, communications with SG, MSA, NACD, etc.) and of decisions made by the Board and the Co-ordinator. A listing with titles and some explanatory notes appear in

Appendix III G-3. All are on Rolls 39 and 41. A small number of supplementary memoranda issued by the DPB Secretary are listed also in the same Appendix.

150. The Secretariat also issued nearly 60 circulars covering general administrative matters meant for internal use of the staff. They are not listed, but can be found on the same Roll 44 with the Secretary's memoranda. Appendix III G-4 lists the small number of Staff Memoranda and Notices issued by the DP staff Secretariat in May 1952. They are also on Roll 44.

151. The Defence Production Staff was initially organised into three divisions (DPB(51)6(Revised) approved by DPB at the 2nd meeting on 19.1.51.). The Analysis Division (DPB/AD)(26) was responsible for development of requirements for desired forms and the correlation of records and reports. Its task was to analyse selected records, reports and other pertinent information related to DPB activities and to present their status, draw conclusions and prepare recommendations based on these analyses. Appendix III G-5 lists the Records of Decisions taken at the first three meetings of the Analysis Division. The records are on Roll 44.

152. The second division of the DPB organised in January 1951 was the Production and Programmes Division (PPD) with six operating sections -aircraft, armaments, ammunition-explosives, electronics, shipbuilding and vehicles engineering equipment (DPB(51)6(Revised) of 20.1.51). A series of 28 documents of the PPD issued between January and May 1951 are on Roll 44 and are listed in Appendix III G-6. Included are records of decisions taken at Division level meetings, internal studies of the End-Item Task Force reports referred to the PPD and the report prepared for Board consideration (DPB(51)29) as well as some of the documents concerning the Division's oversight of numerous groups of experts.

153. There is no separate series of records created by the third Division - the General Activities Division. The nine sections of the Division covered such matters as raw materials, production equipment, standardisation, industrial mobilisation plans, surpluses, customs barriers and liaison with the Finance and Economic Committee. Documents on these topics are located among the DPB Board papers and Secretariat Memoranda and were topics of discussion at Board meetings. A few records of the activities of one of the General Activities Division's successor, the General Production Division, relating to spare parts production in Continental Europe are listed in Appendix III G-7/6. Records of these and other successor elements of the DPB's Defence Production Staff were filed with the various series of records of working groups of experts described in paragraphs 155 to 161 below and listed in Appendices III G-8 through 15.

154. Seven related series have been consolidated under the general heading of records of the Office of the Co-ordinator of Defence production. All are on Roll 44. Included are 40 memoranda from the Co-ordinator (DPB/CODP) touching on every matter of concern to the DPB. The Co-ordinator's Memoranda are listed in Appendix III G-7/4. Also included are records of meetings of the principal staff officers under the chairmanship of the Co-ordinator (called the

Operating Committee for the first four meetings and the Production Committee for the final seven meetings). These meeting records begin in November 1951 and end in March 1952 and are listed in Appendix III G-7/3. Smaller "series" of documents created by the Assistant to the Co-ordinator (3 documents), by the Liaison Representative of the DPB with the Standing Group (1 report) and by the Chief-of-Staff (5 documents) are listed in Appendices III G-7/1, 7/2 and 7/7. A further series of records was created in response to the Co-ordinator's concern to stimulate additional production programmes. These staff papers on supplementary production (DPB/SP) are listed in Appendix III G-7/5. The staff papers on spare parts production (originally the domain of the General Activities Division of the DP staff and later the General Production Division) extend through the period of re-organisation (January through May 1952) and are, therefore, designated variously DPB/GP, DPS/GP and DP/GP (Appendix III G-7/6).

155. Some of the most important accomplishments of the DPB - and the MPSB before it - were performed by groups of national production experts. These expert groups had their origin early in 1949 in the Western Union Military Supply Board (MSB) which reported to the WU Defence Committee (made up of Defence Ministers). The production activities of the MSB were centered in a Supply Executive Committee made up of non-technical representatives of the national delegations. To provide the technical knowledge for the work a two-tier organisation of part time working bodies was established. The first level consisted of sub-committees for different classes of equipment. The second level, consisting of working parties drawn from their members and from other outside experts, was to study more detailed problems. There were 10 sub-committees and 11 working parties. They began a general examination of the equipment requirements and especially focused on production, supply and standardisation. Their efforts were diverted to consideration of additional production programmes for the Western Union and nothing very concrete emerged during 1949. But they did discover effective methods and systems for conducting such work and built up a considerable measure of international co-operation.

156. The objective was not changed during 1950, but the methods were changed greatly. More detailed study of problems and additional production programmes were developed and explored and the experts began visits to manufacturing centres. Finally, in July 1950 the Western Union decided to conduct a physical examination in the various countries of the possibilities of meeting deficiencies in each of 9 main categories of military equipment identified by the Standing Group as of primary importance(27). Ad hoc teams of production experts, the "End-Item Task Forces", were appointed and proceeded to the different countries to survey industrial capacities and to make recommendations on how military production could be increased. The nine Task Forces began their work generally in August 1950 and submitted their reports during December 1950 and January 1951.

157. The Western Union decided (September 1950) in agreement with NATO, to hand over the organisations and results achieved to NATO. In November 1950 there were eight groups of national experts (in addition to the nine Task Forces):

- (1) Radio Components
- (2) Electronic Valves
- (3) Propellants
- (4) Explosives
- (5) Steel for Guns
- (6) Steel for Armour Plating
- (7) Anti-gas Equipment
- (8) Interchangeability of Vehicle Components

158. The Task Force reports and the associated work of the groups of experts provided the newly emerging DPB with a solid base for its work in the form of nationally agreed production capacities for defence equipment. A vast amount of work had been done also in such matters as agreeing on common lists of nomenclatures, defining and accepting common specifications, and in agreeing on methods of inspection testing. At the same time there developed a spirit of whole-hearted mutual assistance along with a common fund of information and experience.

159. In January 1951 the Co-ordinator of Defence Production was appointed for the DPB. Among his tasks was the responsibility for building up an integrated international Defence Production Staff. As this staff progressively expanded and divisions were established or re-organised, they gradually took over the control and direction of the eight groups of experts and added others. By the end of 1951 there were 14 groups of experts directed by four divisions:

<u>Division</u>	<u>Group of Experts</u>
Ammunition Division	Explosives Propellants Steel Cartridge Cases
Electronics Division	Component Production Electronic Spare Parts Ground Radio Equipment Priority Valves Heavy AA Fire Control Valve Production VHF/UHF Equipment

165. The Planning Board for Ocean Shipping (PBOS) was established by the Council in May 1950 when it approved (R-4/5 of 17.5.50) the International Working Group Report on Establishment of a Planning Board for Ocean Shipping in the North Atlantic Treaty Organisation (D-4/11 of 15.5.50)(30). The mission of PBOS was the planning of a suitable organisation to operate in war so as to ensure the most efficient use of all available shipping resources. The Planning Board soon agreed that in order to diminish the effect of a shortage of sea transport at the outbreak of war, all ocean-going merchant vessels under the flags of NATO countries would be pooled and, for allocation purposes, put at the disposal of an inter-allied body to be called the Defence Shipping Authority (DSA). This authority would be responsible to the overall central wartime authority and would function in accordance with overall strategy.

166. In its second report to the Council Deputies the PBOS pointed out that some NATO body, other than the DSA, should be responsible for the screening of wartime commodity requirements (PBOS/2/26). Details of the organisation and procedures of the DSA were determined and reported by the PBOS in its third report to the Council Deputies. The PBOS also approved a resolution approving the plan for the mobilisation and allocation of ocean-going shipping in time of war (PBOS/3/23 of 27.4.51).

167. PBOS was the first of the NATO emergency planning agencies to be set up and it was unaffected by the reorganisation of NATO following the Lisbon (Ninth) Session. The Shipping Board, made up of national representatives of the affected NATO countries, was to meet at least annually. It met three times between June 1950 and April 1951. Its permanent offices under the chairman were established in London where it was served by a small group of UK and US civil servants who prepared and circulated working papers, organised meetings of groups of experts and prepared papers for the Board's consideration.

168. The records of PBOS through February 1952 are described in Appendix III H. The documents, reports, records of meetings, communications and notes are in a single numerical order in a sequence leading up to the next meeting of the Shipping Board (e.g. PBOS/2/ numbered items are chronologically arranged documents of every sort created after the first meeting right through those relating to the second meeting of the Shipping Board). The records are on Roll 116. All of the listed documents were regraded unclassified by DN((82)3 except SPB-2-50, an undated memorandum from the UK Delegation setting out security procedures. This document is not on the microfilm and could not be found elsewhere in the IS Registry. The original records of the PBOS remain at its offices in London. The PBOS is responsible for making recommendations on the release of the documents listed in Appendix III H.

169. The Secretariat of the Council and Council Deputies determined to regularise its procedure for controlling the records of the temporary working groups drawn from national delegations, the evolving international staff and groups of experts established to address a particular issue and report its findings. Beginning in March 1951 most of the newly created organisations were entitled Ad Hoc Committees, "AC", and were given sequential numbers. All of the

surviving records of the Ad Hoc Committees created in 1951 through February 1952 except AC/4 were microfilmed on Rolls 56 and 57. The early records of AC/4, which deals with infrastructure and became a permanent committee, were filmed on Rolls 11, 13 and 14.

170. The files of Ad Hoc Committee 1 contain the records of the first NATO International Information Meeting (AC/1) held in London on 12th, 13th and 14th April 1951. A number of documents relating to "ideological warfare" and "the conflict of ideas" being developed at the Deputies' request by the International Staff (given the file designation NACD/64/1) precede the documents relating to the London Information Conference on Roll 56. The Archives Section of the IS Registry has assembled and described NACD/64/1 and AC/1 documents along with the related Deputies' documents. The content list of the dossier, Appendix III I-1, has been annotated to show the presence on Roll 56 of the listed documents in English and French. The 13 AC/1 documents and one record of meeting were regraded unclassified by DN(74)8. The 12 NACD/64/1 documents on Roll 56 also are considered by the IS Registry staff as regraded unclassified. A 104 page verbatim record of the London Information Conference was prepared. It is in the NISCA files in the IS Registry and should be included in the supplemental microfilming.

171. Ad Hoc Committee 2 is the designation for the surviving records of the Political Working Group (AC/2). Some of the key topics developed in documents and meetings by this group were the agreed minutes of exchanges of views by the Deputies on Eastern Germany, eastern Europe, Switzerland and the USSR; the relative strength and capabilities of NATO and the Soviet Bloc Forces; the world situation and the proposed reorganisation of the NAC and subordinate bodies. There are twenty documents dated between March 1951 and March 1952. Two of the ten notices call for meetings in March 1952 for which there are no summary records on the film. All of the records are listed in Appendix III I-2 and are on Roll 56. All were regraded unclassified by DN(74)8.

172. The files of Ad Hoc Committee 3 contain the summary records of five discussions by the Special Working Group on the Establishment of the Financial and Economic Board (AC/3). The Council Deputies asked the AC/3 Special Working Group to examine a proposal by the US Deputy (D-D(51)72 of 15.3.51) to establish a NATO financial and economic board regrouping the existing agencies in this field (the DFEC/PWS, the Economic and Financial Working Group in Paris on burden sharing and the Advisory Group on Raw Material) in the light of the French Deputy's earlier statement (D-D(51)56 of 27.2.51) which emphasised the problems of the economic and social impact of the common defence re-armament programme. In five meetings from the 10th to the 14th April 1951, the Ad Hoc Committee resolved the question and prepared a report to the Council Deputies (D-D(51)98 of 16.4.51) containing a draft resolution on the terms of reference of the Financial and Economic Board. The terms were modified during the NACD meetings later that month (D-R(51)30, 32 and 33) and finally resolved in D-D(51)121 of 1st May 1951. The five summary records (AC/3-R/1 through 5) are listed in Appendix III I-3 and are on Roll 56. They were regraded unclassified by DN(74)8.

173. Ad Hoc Committee 4 was the Special Committee on the Provision of Funds for Second Slice Infrastructure/Special Committee on Infrastructure (AC/4).(31) The AC/4 Committee was established to meet the rising problem of funding the priority infrastructure programme called for in Military Committee plans (D-D(51)119 of 30.4.51 and D-D(51)120 of 2.5.51). Various proposals were made by the UK, US and Belgian Delegations. The Special Committee was established to examine the issues and proposals and to develop an acceptable method for equitable division of costs and providing the required funds beginning with airfield construction, certain communications projects and air defence costs in 1951.

174. Summary records of the 38 AC/4 Committee meetings held between May 1951 and February 1952 are listed in Appendix III I-4/2 and appear on Roll 13. The 54 documents produced during this period are listed in Appendix III I-4/1 and are on Roll 11. The ongoing work of the Committee is well presented in progress reports made to the NACD. The first "interim" report (AC/4-D(51)5(Revise) of 31.5.51) appears as NACD document D-D(51)141 of 2.6.51 with a supplement as D-D(51)144 of 4.6.51. The second "interim" report (AC/4-D/18 of 13.8.51) appears as NACD document D-D(51)196 of 15.8.51. A further progress report was prepared later that month (AC/4-D/21 of 27.8.51; D-D(51)121 of 29.8.51). Another progress report was prepared in November 1951 (AC/4-D/37(Revise) of 21.11.51). In January 1952 the Committee submitted a report (AC/4-D/42 of 7.1.52) which was made into Annex B of an extended report on the physical progress of infrastructure presented by the Deputies to the Council at Lisbon (D-D(52)15(3rd Revise) as C9-D/3.

175. The urgent need for a solution to the problem of sharing the cost of the second slice infrastructure programme came to a head and was preliminarily resolved in the "Ottawa Agreement" reached by the Deputies during the Council's Seventh Session at Ottawa (D-D(51)248 of 19.9.51). The AC/4 Committee revised the agreement slightly (AC/4-D/27 of 5.10.51) and proposed the establishment of a sub-committee to give effect to the Ottawa Agreement on financing of the 2nd slice infrastructure programme (AC/4-D/29 through 34, of 18.10.51 through 10.11.51). The Council Deputies accepted the proposal (D-D(51)290 of 7.12.51) and the Payments and Progress Sub-Committee (AC/4(PP)) was established. The sub-committee met eight times between mid-December 1951 and the Lisbon Session in February (listed in Appendix III I-4/4) and produced 19 documents (Appendix III I-4/3). The sub-committee's records appear on Roll 14. All the listed AC/4 and AC/4(PP) records were regraded unclassified by DN(81)18.

176. Ad Hoc Committee 5, the Working Group on the Use of Export Control (AC/5), met twice (14th and 18th June 1951) and prepared a draft resolution for consideration by the NACD (D-D(51)158 of 19.6.51). It was accepted by all delegations except Denmark which took the position that NATO should avoid the extension of control of exports which is not based on the criteria of strategic importance (see discussions at NACD meetings DR(51)65 of 29.8.51 and D-D(51)234 of 7.9.51). After further consultation between the US and

Denmark and acceptance of a modifying proposal by Portugal (D-D(51)158(Revise) of 27.9.51 and D-D(51)158(2nd Revise) of 16.10.51) a final resolution was adopted (D-D(51)158(Final)).

177. The summary records of the two meetings of the Working Group on the use of Export Control (AC/5) are listed in Appendix III I-5 and are on Roll 56. They were regraded as unclassified by DN(74)8.

178. Ad Hoc Committee 6, the Working Group on the Revised NATO Security System (AC/6), was established to examine a report proposing a revision of the NATO Security System (D-R(51)46 of 11.6.51). Originally addressed to the Defence Committee, the report and proposal (DC 2/7 of 13.4.51) became the responsibility of the NACD as a result of the reorganisation uniting the Defence Committee with the Council. The AC/6 Working Group examined DC 2/7 at eight meetings between July and November 1951 and reported to the Council (D-D(51)274 of 6.11.51). The NACD referred the report to the Security Coordinating Committee (SCC) of the Standing Group (SG) for comments and also invited the AC/6 Working Group to consider the question of a possible European Security Committee (D-R(51)79 of 12.11.51).

179. The SG's comments were received and circulated on 7th March 1952 (AC/6-D/11). The interim proposal in a report by the Working Group to the Council (AC/6-R/9 of 6.2.52 and D-D(52)47 of 8.2.52) that all those amendments to DC 2/7 which were approved by both the Working Group and by the SCC of the SG be accepted provisionally was deferred until after the Ninth Session at Lisbon (D-R(52)21 of 5.3.52). The AC/6 Working Group examined the SG comments at a meeting on 11.3.52 (AC/6-R/10) and again reported to the NACD on the outstanding issues (D-D(52)65 of 12.3.52). The report was approved (DC 2/7(Final)) and the Working Group was requested further to report on a European Security Committee (D-R(52)23 of 19.3.52).

180. The AC/6 Working Group examined the issue at four meetings in May 1952 (AC/6-R/11 through 14) and prepared draft proposals and a final report to the Council (AC/6-D/12 through 15). The Group recommended the establishment of a NATO Security Committee (AC/35) and the establishment of a permanent security bureau within the International Staff.

181. The 15 documents, 13 summary records of meetings and 1 notice produced by the Working Group on the Revised NATO Security System (AC/6) are listed in Appendix III I-6 and are on Roll 56. These records are marked as NATO CONFIDENTIAL or NATO RESTRICTED and have not been reviewed for downgrading and declassification. The consultants recommend that these items be referred to the NATO Office of Security for concurrent review for declassification and release.

182. Ad Hoc Committee 7, the Working Group on Shipping Needs in Wartime (AC/7), was assembled to consider a cable from the Standing Group (STAND 96 of 13.6.51) concerning shipping requirements in time of war. The Deputies took no immediate action (D-R(51)53) but agreed to ask General

Lindsay (Liaison Officer from the SG to the NACD) to meet with representatives of SHAPE, of the FEB and of the Permanent Board on Ocean Shipping (PBOS) and with members of a working group made up of representatives of the Deputies concerned. A notice to that effect was circulated on 16th July 1951 (AC/7-N/1) and the Working Group assembled in London on 19th July 1951.

183. Representatives from Belgium, Canada, France, Italy, the Netherlands, Norway, the UK and the US met with General Lindsay (SG), Sir Gilmour Jenkins, Chairman of the PBOS, Colonel Rush Lincoln (SHAPE) and J.P. Pognan (FEB). They discussed the work in progress in the various bodies (particularly in a Working Group on Civil Seaborne Import Requirements in Time of War, GT/2 of the FEB). The concern of SHAPE communicated by the Standing Group in STAND 96 was explained as a reaction to an earlier resolution and not to the most recent position taken by the Deputies in D-D(51)135(Final) of 7.6.51. All agreed that the proposed Defence Shipping Authority was not the body responsible for fixing priorities as that would be a matter for higher authorities. General Lindsay was to discuss with the SG (when he returned to Washington a few days later) the matter of closer military liaison with the shipping authority. The chairman of the Working Group was to make an oral report to the Deputies while a summary record of the meeting was to be provided to the working group of the FEB (GT/2) as further guidance (AC/7-R/1). The oral report is in the summary record of the Deputies meeting held on 25th July 1951 (D-R(51)58) and concluded that inasmuch as the misunderstanding had been cleared up no further action by the Committee (AC.7) or the Council Deputies was needed.

184. The notice and summary record of the Working Group on Shipping Needs in Wartime (AC/7) are listed in Appendix III F-7 and are on Roll 56. They were regraded unclassified by DN(74)8.

185. Ad Hoc Committee 8, the Working Group on Production, Finance and Military Requirements Problems (AC/8), was established as a consequence of oral presentations by the Coordinator of the DPB (Mr. Herod) and the Chairman of the FEB (Mr. Leroy-Beaulieu) to the Council Deputies in June and July 1951 (D-R(51)51 and 59). In his presentation on 30th July Mr. Herod expressed regret at the lack of rapid decision by the FEB on reports forwarded by the DPB and suggested the convening of a meeting of representatives of Council Deputies, FEB, DPB and Standing Group. The AC/8 Working Group met, considered the problems raised by Mr. Herod and adopted a programme to address the need for broad statistical figures on certain types of expenditures. The statistics would be prepared jointly by experts from FEB, DPB and Central Staff showing the order of magnitude of the problems involved for presentation to the NAC meeting in Ottawa.

186. Two papers resulted from the August meetings of the Working Group, AC/8-D/3(Revised) issued as D-D(51)227, and D-D(51)228, "Programme for Co-ordinated Action of NATO Agencies". The Chairman of the Council Deputies circulated a report (C7-D/3) setting out his views on the differences between the present planning and the proposed action within various NATO

bodies to solve the pressing problems facing the Alliance. Specifically, he called for reconciling the external security requirements expressed in the Medium Term Defence Plan with the politico-military capabilities of NATO countries as seen in their production and financial plans and commitments. The Council adopted (C7-R/9, part III) a resolution (C7-D/20) on the various progress reports presented by the Deputies, FEB, DPB and SG and "requested Council Deputies to take appropriate measures to ensure close coordination between North Atlantic Treaty Agencies, both Civil and Military".

187. The AC/8 Working Group reconvened in October and considered two papers: AC/8-D/5, a memorandum to the newly established Temporary Council Committee (TCC) providing a broad picture of the problems involved in the reconciliation of external security requirements with politico-economic capabilities; and AC/8-D/6 suggesting the devising of a system to assure comparability among reports from countries or from NATO agencies on similar subjects. The Group decided to set up a Statistical Committee to co-ordinate the questionnaire dealing with statistics, but further action would be deferred awaiting the outcome of the TCC review of NATO operations.

188. The Central Staff was tasked to prepared a paper for consideration at the next AC/8 Working Group meeting concerning the actions taken pursuant to the Ottawa Council Resolution (C7-D/20) to improve co-ordination between NATO agencies. The note (AC/8-D/8 of 12.11.51) summarised the situation by reminding the Working Group that the Council Deputies had primary coordinating responsibilities, that the Working Group was set up specifically to assist the Chairman of the Council Deputies in this field, and that liaison between the various agencies had been established formally (between MPSB and SG in July 1950, between SG and Deputies in July 1951 and more recently between the permanent Working Staffs of the FEB and DPB). Further action was being taken to co-ordinate statistical questionnaires issued by NATO agencies (see AC/8-D/7 and AC/8-R/8, part II) and to more closely coordinate the progress reports to the Council submitted from the various agencies. The Working Group also agreed that the Central Staff should collect from each NATO agency reports summarising the result of their activities (AC/8-R/6, part V). Two such monthly status reports covering November and December 1951 are among these records (AC/8-D/9 and D/10).

189. The 10 documents and 8 summary records of meetings of the Working Group on Production, Finance and Military Requirements Problems (AC/8) are described and listed in Appendix III I-8. They are on Roll 56 and were regraded unclassified by DN(74)8.

190. The records of Ad Hoc Committee 9, the Working Group on the Protocol Additional to the North Atlantic Treaty on the Accession of Greece and Turkey (AC/9), are not on Roll 56 and have not been considered for regrading. This note is included to explain the absence in this report of an Appendix III I-9.

191. Establishment of Ad Hoc Committee 10, the Working Group of the Atlantic Community Committee (AC/10), was proposed in October 1951 by Mr.

Lester Pearson, Chairman of the Ministerial Committee on the North Atlantic Community, to the other members of the Committee. Its purpose was to carry out preparatory work for the Committee and to provide other assistance as might become necessary.(32)

192. The Working Group determined at its first meeting to put forward a report on ideas likely to promote the Atlantic Community for consideration by the Committee (AC/10-R/1 of 16.10.51). The report (AC/10-D/1 of 30.10.51) was considered by the Committee at its first meeting on 3rd November 1951 (NAC-R(51)1). The Committee requested some revisions (reflected in AC/10-D/1(Revise) of 8.11.51) and that certain paragraphs on economic and financial matters be referred to the FEB for comment and submission of additional suggestions. The Chairman of the FEB informed the Chairman of the Working Group that pressure of work precluded their examination and preparation of comments until after the Rome meeting of the Council (FEB-D(51)67 of 24.11.51). Consequently the Working Group prepared an interim report (AC/10-D/2) which the Committee accepted at its second (Rome) meeting (NAC-R(51)2 of 23.11.51 which became C8-D/6 and was presented orally at the 5th Meeting of the Eighth Council Session (C8-R5, part VI).

193. At the Session the Council invited the Atlantic Community Committee to expand its work to study the problem of the movement of labour between the member countries and also the organisation of methods of work in the functioning of NATO and its relations with other international organisations in light of the report and recommendations of the TCC in these areas.

194. Labour mobility problems were the subject of documents provided to the Working Group by the US and Italian Representatives (AC/10-D/3 and D/4) and resulted in draft paragraphs for inclusion in the next report to the Committee (AC/10-D/5 and D/6 of 21st and 22nd January 1952). A sub-committee report on cultural cooperation (AC/10-D/8) was considered at the Group's meeting on 25th January 1952. The Group agreed to recommend in their draft report that a working group of cultural experts be convened to study the projects outlined (AC/10-R/6). At the same meeting a programme for a NATO Information Service was presented (AC/10-D/7 of 22.1.52) but set aside as it was considered too comprehensive for recommendations to be made in the time available.

195. The FEB set up the Working Group on the Atlantic Community (GT/5) to make recommendations as requested on those matters falling within their competence. The report (GT/5-D(52))(Revise) of 18.1.52) was approved at the FEB's 31st meeting on 23rd January 1952 and forwarded to the AC/10 Working Group as FEB-D(52)2(Final).(33) The AC/10 Working Group agreed at a meeting on 29th January 1952 to refer to it in their report. The Group also considered a paper presented by the Norwegian Deputy on the Social work of the Council of Europe (AC/10-D/9) and agreed that it too should be mentioned in their draft report (AC/10-R/7).

196. A draft report was prepared by the Working Group (AC/10-D/6(Final)) and considered by the Atlantic Community Committee at its third meeting in

Lisbon (NAC-R(52)1) on 18th February 1952. Certain sections were referred back to the Working Group for amendment. The Committee agreed that the report be presented to Council as amended (AC/10-D/6(Revised Final) issued as C9-D/8). The Council adopted the recommendations made in the report of the Atlantic Community Committee including the resolution to end its existence and transfer functions and terms of reference to the Council in Permanent Session as soon as that body was formed (C9-R/3, part IV).

197. The documents, summary records of meetings and four notices of the AC/10 Working Group are described in Appendix III I-10. They are on Roll 56 preceding the records of the Atlantic Community Committee. All have been regraded unclassified by DN(74)8.

198. Ad Hoc Committee 11, the Working Group on the Sharing of the Costs of SACLANT Headquarters (AC/11), was established by a decision of the Council Deputies in August 1951 (D-R(51)63) to devise a cost sharing scheme covering SACLANT Headquarters. Several delegations wanted it to be comparable to the one formulated and agreed by the Deputies in D-D(51)217(Revise) of 1st October 1951, "Method of Sharing the Cost of SHAPE Headquarters". After five meetings between October 1951 and February 1952 (AC/II-R/1 to 5) and consideration of proposals submitted by the Netherlands (AC/II-D/2 of 3.11.51), Portugal (D-D(52)12 of 9.1.52) and the US (D-D(52)39 of 1.2.52), no agreement could be reached and the AC/11 Working Group decided to leave the matter until after the Council meeting in Lisbon when the Group would reconvene and the US delegate would be able to report the views of his government.

199. The Chairman of the Council Deputies on 15th March 1952 proposed a revision of the cost sharing formula and noted that the recent accession of Greece and Turkey to the Alliance raised the question of how these new members would participate in the International costs of the organisation (D-D(52)63). At the next meeting of the Council Deputies the issue was addressed and it was agreed generally that it was desirable, if possible, to find a general formula to apply to all cases. The Netherlands Deputy put forward a compromise formula (Annex A to D-R(52)23 of 19.3.52 circulated as D-N(52)20 of 18.3.52). There were divergent views expressed and the Netherlands proposal was referred to the Working Group with instructions to consider the matter urgently and report progress at the next meeting of the Council Deputies.

200. The AC/11 Working Group met on 24th March 1952 (AC/II-R/6), discussed the Netherlands proposal and also a counter proposal put forward by the French Representative (AC/II-D/4). The Deputies were informed that there was no agreement and the main obstacle remained the difference of opinion between the French and US Governments under the various semi-grouping, semi-capacity-to-pay formulas submitted. The UK Deputy proposed that the US and France discuss the question at once and agree on a formula acceptable to both, and the remaining twelve governments probably would have no great

difficulty in accepting it (D-R(52)24(Final) of 25.3.1952).

201. The AC/11 Working Group met for the final time on 4th April 1952 (AC/II-R/7). The Chairman presented to the Working Group the Netherlands proposal as revised and approved in discussion between the French and US Representatives. The other delegations undertook to forward the proposal to their governments for approval as a reasonable compromise solution. A report to that effect was agreed for presentation to the NACD (D-D(52)96 of 4.4.52, considered by Deputies at a meeting that same day, D-R(52)27, part III). The same formula was presented formally to the reorganized Council for a final decision on 30th April 1952 (C-M(52)5) and it was approved at the third meeting of the Council on 13th May 1952 (C-R(52)3 Revised).

202. The final AC/11 Working Group document (AC/II-D/5 of 6.6.52 was erroneously originally issued as C-M(52)28 - see corrigendum dated 12.6.52) is a note by the Director of Budget and Accounts pointing out that the approved cost-sharing formula for all 1952 budgets for NATO civilian and military agencies (C-M(52)5) could not be applied to 1951 expenditures for SACLANT on formal grounds and because Greece and Turkey should not be required to contribute to expenditures prior to their joining the Organization. The working group was reconvened and agreed to recommend that the approved 1952 formula be applied with the necessary adjustment to divide the Greek and Turkish share proportionately between the other twelve countries (C-M(52)38 of 20.6.52 approved at Council meeting C-R(52)11 of 25.6.52).

203. The records of the Working Group on the sharing of the Costs of SACLANT Headquarters (AC/11) are described in Appendix III I-11 and appear on Roll 56. The records of Ad Hoc Committee 11 were regraded by DN(86)17 of 8th October 1986.

204. Ad Hoc Committee 12, the Petroleum Planning Committee (AC/12), held two meetings in January 1952 and did not reconvene until April when it also issued its first document. The AC/12 Committee produced over 220 documents extending over many years. The consultants agreed to defer further action on these records at this time. This note is included to explain the absence of an Appendix III I-12.

205. Ad Hoc Committee 13, the Working Group on the Employment for Firms and Companies Involving Security (AC/13), developed a draft directive on the employment of firms and companies in NATO countries engaged in contracts involving the disclosure of classified information. This matter had been submitted to the DPB by the SG in January 1951 in the form of a paper developed by the Western Union Defence Organization (SGM-13-51 of 5.1.51). The DPB redrafted the WUDO paper and circulated it to countries for comment (DPB(51)49 of 27.3.51, Annex A). The country replies and views on questions to be circulated to Council were presented in a report to the DPB (DPB(51)7(Revise) of 1.8.51).

206. Countries were asked to report on their national legal provisions for

safeguarding information disclosed to manufacturers. Responses were received from the UK (DPB Sec.Memo N° 210 of 28.9.51), Belgium (DPB Sec.Memo N° 217 of 24.10.51), France (DPB Sec.Memo N° 219 of 26.10.51), the US (DPB Sec.Memo N° 8 in 1952) and the Netherlands (DPB Sec.Memo N° 35 in 1952), Canada (DPB Sec. Memo N° 39 of 26.3.52) and Denmark (DPB Sec.Memo N° 41 of 31.3.52).(34) In the meantime the DPB prepared a redraft of the WUDO Paper and presented it to the Council Deputies (D-D(51)257 of 13.10.51). The Council Deputies considered the paper and invited the International Staff to present a new proposal (D-D(51)250 of 22.10.51). The new proposal was considered at the Deputies' meeting on 29th October 1951 (D-R(51)75). The Deputies submitted the paper (D-D(51)251(Revised) of 30.10.51) to the countries and to the SG for comment.

207. The AC/13 Working Group examined the proposed directive and the country comments and proposed a draft directive (AC/13-D/1 of 12.1.52). The Working Group revised this draft upon receipt of proposed language submitted by the Standing Group (SG 92/2(Final) of 8.1.52) covering sub-contracting (AC/13-D/2 of 17.1.52) and submitted it to the Council. The final approved directive was circulated as D-D(52)28(Final) dated 9th February 1952.

208. The two versions of the directive prepared by the AC/13 Working Group are listed in Appendix III I-13 and are on Roll 57. They were regraded unclassified by DN(74)8.

209. Ad Hoc Committee 14, the Legal Working Group on Reciprocal Engagements between Members of the EDC and Members of NATO (AC/14), had the responsibility of preparing for the NACD a draft document correlating the obligations of the parties to the North Atlantic Treaty and those members which would be signatories of the treaty being developed by the Paris Conference on the European Defence Community. The AC/14 Legal Working Group met on 1st February 1952 with an obligation of preparing a suitable instrument for decision at the forthcoming meeting of the Council at its Ninth Session in Lisbon.

210. The AC/14 Legal Working Group had before it six documents (AC/14-D/1 and Addendum largely based on D-D(52)22 of 17.1.52) embodying three methods for correlating the obligations: a protocol amending the text of Articles 5 and 6 of the North Atlantic Treaty (the UK proposal), a protocol applying the North Atlantic Treaty to the new situation created by the establishment of the EDC (the French proposal), and a "Declaration" concerning the application of the Treaty in these circumstances (the US proposal). The Legal Working Group agreed to pursue the French proposal for an interpretative protocol but agreed it was unimportant whether it was called a "protocol" or a "declaration". They were agreed also that the instrument would have to be agreed formally by the parties and that the Council could not sign for them as it had no powers to amend or extend the Treaty (AC/14-R/1 of 1.2.52). The meeting resulted in two drafts (AC/14-D/2 and D/3) which were presented to the NACD and were incorporated into D-D(52)35(2nd Revise) of 2nd February 1952.

211. The Council Deputies elected to incorporate the drafts of the AC/14

Legal Working Group into a single resolution along with other reports and documents relating to the EDC for consideration of the Council at Lisbon. The Legal Working Group considered the amendments developed by the NACD at its meeting on 4th February (D-R(52)11) and at a second meeting on 5th February (AC/14-D/4 of 4.2.52). There is no record of that meeting in the IS Registry nor on the microfilm. The results, however, are in D-D(52)35(3rd Revise) of 5th February 1952. The Legal Working Group met again on 11th February to consider the versions which were before the Deputies at their meeting on 8th February (AC/14-D/5). No record of that meeting could be found.

212. Further consideration of the issues took place at Lisbon to develop a final report to the Council by the Deputies on "Relations between EDC and NATO", i.e. to finalize D-D(52)35(4th Revise) of 9th February 1952 (see D-R(52)16 and 17 of 18 and 19.2.52 and Working Draft 2 (WD/2 of 18.2.52) and a revision of it of (WD/2(Revise) of 19.2.52). The final form of the report to the Council is D-D(52)35(Final) of 20th February 1952. The Council considered this report (C9-R/3 of 22.2.52) and adopted a resolution (C9-D/19) on 22nd February in which, inter alia, they recommended that when Deputies have confirmed that the text of the EDC Treaty is in accordance with the resolution, and that it contains equivalent guarantees as those contained in Article 5 of the North Atlantic Treaty, members of the Alliance should sign a protocol on the line set out in the resolution.

213. The text of the proposed EDC Treaty prepared by the Conference of Paris on the Organization of the EDC was provided by the French Delegation and was presented to the AC/14 Legal Working Group on 29th April 1952 (AC/14-D/6). A meeting was scheduled for 30th April. No record of the meeting could be found in the IS Registry.

214. The six documents and single summary record of meeting of the AC/14 Legal Working Group are listed in Appendix III I-14. They are on Roll 57. The early versions of D-D(52)35 are in IS Registry NISCA File EDC 6/3. The consultants recommend they be copied on to the supplemental film. Understanding of the changes made by the AC/14 Legal Working Group and the Council Deputies requires an examination of these documents and also the Working Documents prepared at the Lisbon Session. They also are in NISCA File EDC 6/3 and should be included on the supplemental film.

215. A Working Group on the Status of the Armed Forces of the North Atlantic Member Countries (MS) was established to develop an agreement which would govern all the armed forces of the Alliance. Its mission soon was expanded to cover the status of civilians employed by NATO as well. The Working Group on Military Status began its work in late January 1951. Its early discussions were based on two documents, "The Status of the Armed Forces of the Brussels Treaty Powers" (Cmd. 7868) and a draft submitted by the US Delegation to the NACD, "Privileges and immunities of personnel of the North Atlantic Treaty nations subject to military law" (D-D(51)23 dated 23rd January 1951).

216. The Working Group quickly agreed to develop an agreement which would address the issues in time of war as well as in time of peace. The articles were grouped into those relating to such juridical issues as supervision of personnel and vehicles, immigration, the carrying of arms, etc.; and those of a financial and fiscal nature such as the distribution of financial burden arising out of claims, income tax exemption, entry duties, death duties, etc. Two sub-committees were created in February and promptly prepared draft language of the relevant articles for consideration by the Working Group. Summary records of nine meetings of the Juridical Sub-Committee (MS(J)) are listed in Appendix III J-6. Six summary records of meetings of the Financial Sub-Committee (MS(F)) are listed in Appendix III J-7.

217. The Working Group met 26 times during 1951 (listed in Appendix III J-2) and submitted two agreements for consideration by the Council.(35) The "Agreement between the Parties to the North Atlantic Treaty regarding the Status of Their Forces" determined the legal position of the officers and soldiers of one member country called to serve under NATO command in another member country. It was signed by the Council Deputies on 19th July 1951. The related document, "Agreement on the Status of the North Atlantic Treaty Organization, National Representatives and International Staff" covering the civilian side of NATO, was not signed until September 1951. The meetings of the Working Group are listed in Appendix III J-2 and the documents in Appendix III 0-1.

218/1 Implementation of the Agreement required national legislation. The Deputies reported on the status of the agreement to the Council meeting in Ottawa (C7-D/1, part II). Delegations were asked to report on those articles which could be implemented immediately (D-D(51)279 of 8.11.51). This information was provided to the Council at its Eighth Session at Rome (C8-D/9).

218/2 The Working Group resumed its consideration of outstanding issues in January 1952. Among these were Article VIII, claims and arbitration (MS-D(52)1 of 18.1.52 previously circulated as D-D(51)26 of 29.10.51); a protocol extending the agreement to cover certain Allied Headquarters (MS-D(52)3, 5 and 6, MS-N(52)2 and 3 and numerous MS-R(52) summary records of meetings (35 bis). The ten 1952 documents of the Working Group are described in Appendix III, J-3; the summary records of the nine meetings held between January and July 1952 are listed in Appendix III, 3-4 and the three notices of meetings are listed in Appendix III, J-5. All of the records of the Working Group on the Status of the Armed Forces of the North Atlantic Countries (MS) are on Roll 115. The Agreement has been published and all of the records were regraded unclassified by DN/67 dated 25th September 1959.

218/3 The question of the need for an international budget for the whole Organization first arose in the Council in November 1949 in connection with the Standing Group's proposed budget (SG 8 (16.11.49), MC 8 (19.11.49) and DC 9 (29.11.49)). The Council decided to defer the action until an International Working Group could report on whether or not there was a demonstrated need for an international budget (C3-R/1 of 6.2.50). The International Working Group

reported to the Council at its Fourth Session that at that time there was no need for an international budget (D-4/10 of 15.5.50). The Council agreed and so informed the Defence Committee (R-4/5 Of 17.5.50 and DC 9/2 of 24.5.50).

219. The Council Deputies at their first meeting on 25th July 1950 (D-R/1) set up a sub-committee to consider administrative and procedural questions. In its second report to the Council (at its Sixth Session in Brussels) the Council Deputies suggest the organization of the growing international staff and the establishment of an international budget. (A draft report, D-210, was discussed by the Deputies on 15.12.50 (D-R/44) and revised. The report is C6-D/4 of 17.12.50).

220. The Chairman of the Council Deputies formally proposed the organization of an international staff and the establishment of an international budget (D-D(51)30 of 29.1.51). It was considered by the Deputies on 12th February 1951 (D-R(51)9). The composition and terms of reference of a Working Group on the Establishment of an International Budget for NATO (IB) were fixed in D-D(51)45. 13th February 1951. A notice was circulated announcing that the first meeting of the Working Group on the Establishment of an International Budget for NATO (D-N(51)6 of 14.2.51) would be held on 19th February 1951. (The series of Deputies Notices are described in Appendix II B-3/1).

221. A description of the documents and records of meetings which led to the First Interim Report of the IB Working Group, D-D(51)59 of 2nd March 1951, can be found on page 6 of Appendix III K-I. This first report concerned the budget's scope, an estimate of probable expenditures, the creation of a working capital fund (WCF) and the sharing of costs.

222. The Second Interim Report of the IB Working Group proposed financial regulations, a draft resolution on the establishment of a Budget Committee (BC), a draft resolution on the establishment of a working capital fund and a proposed budget format. The IB records are described on page 7 of Appendix III K-I. The Second Interim Report is D-D(51)74 of 19th March 1951.

223. The Third Interim Report of the IB Working Group set out staff regulations and proposed salary scales and allowances based on comparability with OEEC salaries. The IB documents and records associated with this report, D-D(51)89 of 4th April 1951, are described on page 10 of Appendix III K-I. The Council Deputies approved the Third Interim Report, the staff regulations were circulated and the first NATO salary scales were approved on 1st June 1951 (D-D(51)143). For a description see page 10 of Appendix III K-I.

224. The Fifth Interim Report focused on the organization of the International Staff and specifically of an Administrative Office and a Central Secretariat. The Council Deputies had tasked the IB Working Group to examine into the advisability of establishing an integrated secretariat (D-R(51)11 of 19.2.51, see also D-D(51)47). The Fifth Interim Report, D-D(51)95 of 11th April 1951, convinced the Council Deputies to split the tentatively approved

Administrative Office into an "Administration" responsible for general services, personnel and Security and an "Office of Budgets and Accounts". The relevant IB documents are described on pages 4, 12 and 13 of Appendix III K-I.

225. The Sixth Interim Report of the IB Working Group reviewed the outstanding points of the First and Second Interim Reports and recommended that the Working Capital Fund be set at 400.000. The relevant records of the IB and of the Deputies are described on pages 8 and 9 of Appendix III K-I.

226. At its meeting on 2nd April 1951 (D-R(51)24) the Council Deputies approved the establishment of a Budget Committee (BC) as proposed in Annex B of the Second Interim Report of the IB Working Group (D-D(51)74). The Council Deputies also approved the Financial Regulations and Budget Format proposed in Annex A and D of the same report at the same time (D-R(51)24). The BC met to discuss the 1st July 1951 to 31st December 1951 budget estimates for the civilian agencies (BC-D(51)1) from 16th to 28th July (BC-R(51)1 to 14). The relevant BC documents and meetings, related materials and the budget estimates and appropriation resolutions submitted to the Council Deputies are listed on pages 1 and 2 of Appendix III K-2. See pages 3 and 4, Appendix III K-2 for the listings of records concerning the supplemental budget estimates for the civilian agencies, the expenditures of the TCC and the cost of services and supplies provided by governments to NATO civilian agencies prior to 1st July 1951. The documents of the BC and Council Deputies covering the 1952 budget estimates for the NATO International Staff and civilian agencies are listed on pages 5 and 6 of Appendix III K-2.

227. The establishment of an International Budget for SHAPE was the subject of the Fourth and Seventh Interim Reports of the IB Working Group. The meetings and documents of the IB Working Group leading to the acceptance of the SHAPE budget estimates and agreement on advances for SHAPE and subordinate commands (D-D(51)81 of 22.3.51 and D-D(51)124 of 2.5.51) are listed in Appendix III K-3. These same meetings established the principles governing the international financing of SHAPE and led to the presentation of the Fourth Interim Report (D-D(51)91 of 6.4.51). Included were the establishment of financial officers, interim and regular advances and contributions, the scope of the SHAPE budget and procedures governing the preparation of the budget and accounting. The same documents set out proposals for sharing the costs, a draft resolution on the SHAPE Budget Committee and a note on the financial requirements for the first fiscal period. The resolution establishing the SHAPE Budget Committee is D-D(51)117 (25.4.51).

228. The Seventh Interim Report (D-D(51)99 of 17.4.51), resulting from these same efforts by the IB Working Group, complemented the Fourth Report. It covered the sharing of the cost of subordinate headquarters and the sharing of current and capital costs. An undated NACD Secretariat miscellaneous document (MISC(51)12) transmitted to the SHAPE Budget Committee the rules for preparation of the SHAPE interim budget. The following miscellaneous

document (undated MISC(51)13) is a note from the Secretary covering the first report of the SHAPE Budget Committee, but the report itself is not with it. Both documents are in the series copied on Roll 55 (Appendix II B-6). The SG expressed its views on the SHAPE budget in STAND 73 of 5.7.51.

229. The Council Deputies considered all of these matters at meetings throughout April and May 1951 (D-R(51)24 through 43) and agreed or approved nearly all of the recommendations of the IB Working Group. The establishment of a cost-sharing formula to cover the operating and capital budget of SHAPE and its subordinate headquarters and the disposal of assets was not resolved for several more months (D-D(51)181(Final) of 29.8.51 and D-D(51)217(Revise) of 1.10.51). These were matters for the Council Deputies to resolve. The Working Group on the Establishment of an International Budget (IB) had held its 44th and final meeting on 2nd May after producing 35 documents. As indicated above, the documents and records of meetings of the IB Working Group are described in Appendix III K-1 (the Civil Budget) and K-3 (SHAPE budget). They are on Roll 48. The establishment of an agreed formula for sharing the cost of SACLANT Headquarters was referred to another working group especially constituted for that purpose - Ad Hoc Committee 11 (see paragraphs 198 to 203 of this part and Appendix III I-11).

230. The 1951 military budgets for SHAPE, and its subordinate headquarters, and of SACLANT were prepared, submitted, considered and approved piecemeal at various times between July and the end of October 1951. The Budget Committee (BC) and a Standing Military Budget Sub-committee (MBC) were responsible for the detailed work and presentation of estimates and recommendations for consideration by the Council Deputies. The records of all of the concerned groups as arranged by the NISCA staff are described in Appendix III K-4/1 and 4/2. The 1951 and 1952 documents and records of meetings of the BC are on Roll 48. The 1951 documents and records of meetings of the MBC are on Roll 53. The 1952 MBC documents are on Roll 49 while the 1952 MBC records of meetings are on Roll 50.

231. All of the documents and records of meetings of the IB Working Group were regraded unclassified by DN(86)17 of 8th October 1986 except IB-D(51)29 of 17.3.51 (on page 10 of Appendix III K-1). This omission from the listing - on page 4 of DN(86)17 - appears to be an oversight as the document is a note from the Secretary seeking comparability salary and benefit information from the national representatives on the IB Working Group. The NISCA staff considers this document as unclassified. All the documents and records of meetings of the Budget Committee (BC) were regraded unclassified by DN(79)6 of 28th February 1979. All the documents and records of meetings of the Military Budget Committee listed on Appendix III K-4 were regraded unclassified by DN(86)17. As the responsible authority, the NATO Budget Committee should review and make recommendations on release of the records of the IB Working Group and the BC described in Appendices III K-1 and K-2. The Military Budget Committee should examine and make recommendations for release of the BC and MBC records described in Appendices III K-3 and K-4.

C. The Military Elements of NATO - 1949-1952.

232. The first meeting of the First Session of the NAC on 17th September 1949 approved an organization plan for the military side of NATO subordinate to the Defence Committee (D-I/1). The Defence Committee (DC) was created by Article 9 of the Treaty. (The records of the DC are described in Part IIA above.) The approved organization plan called for the DC to establish a Military Committee (MC) to be composed of one military representative of each member state. Normally the representative would be a Chief-of-Staff. The MC was to provide policy guidance to its executive body, the Standing Group (SG). The terms of reference of the MC were laid down in the directive approved by the NAC at the First Session (D-I/2).(36)

233. The MC originated over 100 documents in 42 series between October 1949 and February 1952. Appendix IV A-1 lists all of the documents in this series found in numerical order in the IMS Registry. Only the English version has survived. Many of the documents in this series were regraded before they were transferred (together with the SG records) from Washington. The current security classification marking appearing on each document is indicated in the Appendix. Usually the downgrading action taken was to remove the document from the COSMIC category and to downgrade from Top Secret to Secret. A very few items were downgraded to Restricted or Unclassified.

234. The MC held its first meeting in Washington in October 1949 and its sixth meeting in Lisbon in February 1952. The meetings were devoted primarily to reviewing the MC documents as prepared for Committee action, proposing changes, directing further action (usually by the SG), and making final decisions. The MC meeting records, described in Appendix IV A-2, consist of verbatim records in both official languages with some summary records as well.

235. The MC communicated by formal memoranda which were assigned numbers in a single series. Those produced in 1949 were given the initials "MM" (e.g. MM-1-49), thereafter the initials "MCM" (MCM-1-50, MCM-1-51 and MCM-1-52). Only the English language versions have survived of most of the MC Memoranda in the IMS Registry. They are listed in Appendix IV A-3. Eight of the 71 memoranda issued by the MC between October 1949 and February 1952 were destroyed in the weeding processes the MC and SG records underwent in recent decades. The descriptions in Appendix IV A-3 of the destroyed items are based on card index entries prepared for each item by the MC Secretariat's Registry. These cards are in the custody of the IMS Registry.

236. The Documents, Records of Meetings and Memoranda of the MC are vital records of the military side of NATO and are of major historical value. Only a few of the documents have been regraded as unclassified. They all should be reviewed concurrently for declassification and release by the Military Committee. In order for these MC records to be reviewed simultaneously by national military delegations they will have to be microfilmed. An archival microfilming programme

covering these MC records (and other military records as recommended below) will ensure their long-term preservation while also making them immediately available for this review process.

237. At the Sixth Session of the NAC in Brussels in September 1950 (just one year after the First Session) a number of important decisions on defence matters were made. The Standing Group was thereafter to determine, on behalf of the Military Committee, the requirements of the projected NATO forces made up of contingents from the member countries. The Council also approved the Defence Committee's decision to establish a Military Representatives Committee (MRC).(37) Its terms of reference were approved by the NACD early in 1951 (D-D(51)4). The MRC, composed of representatives of each of the NATO countries, met in Washington alongside the SG.

238. The MRC met for the first time in late December 1950 under the chairmanship of the Chairman of the SG. The agenda and the papers examined at the meetings most frequently originated in the SG. All members had equal voices in the MRC, however, and it did not hesitate to question SG decisions, propose modifications and amendments to papers and initiate proposals. The records of the MRC meetings are in the IMS Registry in a decimal file created by the SG Secretariat (334/MRC/300.6). They are listed in Appendix IV B-I. Evidently there was also a verbatim report of MRC meetings. But the military representatives used the verbatim copies to propose so many changes of the summary minutes of the meetings as to make them not far short of the verbatim report. The UK Representative to the SG recommended that the verbatim records not be circulated and it was agreed that the summary minutes of the MRC meetings should contain only the principle points brought out at the meetings and points of policy which needed definite clarification (SG 66th Mtg. Record, 17.4.51, Item 9). Copies of verbatim reports of MRC meetings are not among the surviving records in IMS custody.

239. The MRC issued 44 formal memoranda (MRM) between January 1951 and February 1952. These 44 Memoranda are scattered among the SG decimal subject files in the IMS Registry. The listing in Appendix IV B-2 is based on the SG originated card indices to this series of documents. Nine of the 44 MRM were destroyed between 1959 and 1967 in the course of the weeding of these files. These Memoranda are clearly of historical value. The surviving MRM should be microfilmed and considered for declassification and release at this time. Copies of any of the destroyed MRM found in capitals should be forwarded to the IMS Registry for replacement in the historical files and for inclusion in supplemental review proposals.

240. The MRC Secretariat prepared copies of certain communications received addressed to the Committee in a numbered series, "MRC". Twenty-eight documents in 11 sub-series were circulated to the MRC between December 1950 and February 1952. Nine of the 28 were destroyed in the screening of the SG decimal subject files. These documents show not only how the MRC operated but were papers discussed at meetings of the MRC. The surviving "MRC" are listed in Appendix IV B-3. If any copies of the missing "MRC" are

found in capitals, they should be forwarded to the IMS for appropriate action.

241. All of the surviving records of the Military Representatives Committee in the custody of the IMS Registry should be microfilmed and reviewed for declassification and release in the same manner as the records of the Military Committee (see paragraph 236 of this Part).

242. The Standing Group (SG) was created by the same directive at the First Session of the NAC which established the Military Committee under the Treaty-provided Defence Committee (D-I/1, 17.9.49). The terms of reference of the SG were set out also in the same Council directive as were those of the MC (D-I/2, 17.9.49). The Standing Group was composed of one representative of each of the Chiefs-of-Staff of France, the United Kingdom and the United States. It was to function continuously in Washington(38). The SG established offices in the Pentagon with a Secretariat which also served the MC and the MRC. Its staff was drawn from the three members' military services.

243. The SG was provided policy guidance of a military nature by the MC. It exercised day-to-day executive authority over the Regional Planning Groups and the Allied Military Commands which succeeded them. It normally communicated to the Council through the MC and many of its papers were prepared for MC approval. With the establishment of the full-time Council Deputies and of the Military Representatives Committee in Washington, however, more direct contact between the military and civil side was required. Consequently a SG Liaison Office in London was established:

- (a) to present the approved position of the SG to the Council Deputies;
- (b) to keep the SG informed of those matters of interest to them which were under consideration by the Council Deputies; and (c) to present to the SG problems involving military considerations on which the Council Deputies desired guidance (SG 112/1).

244. The SG originated nearly 700 documents in more than 180 series between October 1949 and February 1952. They are listed in Appendix IV C-I. The current classification indicated for each document is based on the marking appearing on the document in the IMS Registry. The COSMIC designation has been removed and Top Secret documents have been downgraded. These actions were taken before the files were transferred from Washington. No systematic review for downgrading and declassification has been performed on these records since 1967.

245. The SG held 125 regular meetings and a dozen special meetings between October 1949 and February 1952. Summary records of these meetings usually were prepared. In a few instances there are verbatim transcripts of the session. Normally the meeting records were mimeographed and distributed. In the SG records in the IMS Registry, however, there are a few typescripts of summary records or minutes of "informal" meetings and other forms of records of meetings interfiled in chronological order into the numbered series. These meeting records are described in Appendix IV C-2.

246. The SG communicated with others by memoranda and by cable. The Memoranda, "SGM", were originally placed into the decimal file by subject. In the course of weeding since 1967, they have been removed and placed in numerical order. Many of the early SGM were typed and not duplicated. Those addressed to single parties were typed but increasingly they were addressed to several components and were mimeographed. The earliest SGM (SGM-1-49) is dated 11th October 1949. Twelve of the 19 typed that year can be found still in the newly established series in the IMS Registry. The remainder apparently were destroyed. In 1950, 637 Memoranda were originated. About 30% now can be found in the new series in the IMS Registry. In 1951 over 2,100 SGM were created. Commonly mimeographed, most have survived. Finally, in January and February 1952 over 440 SGM were produced. Most were mimeographed and have survived.

247. The surviving records of the SG are in the custody of the IMS Registry. The SG Records were maintained in the Pentagon by the combined SG/MC Secretariat in a single file using the US Army Decimal Filing Manual. A well-conceived records management programme was developed in 1956 for the growing quantity of paper records. Under this programme valueless documents were eliminated and the most significant decimal series were identified for permanent retention. It was these permanent files which were transferred to Brussels after the abolition of the SG in 1967. Subsequent space pressures and short-sighted administrative decisions have resulted in severe weeding of these files and the consequent loss of many documents of this most important component of the military arm of NATO.

248. Because the Standing Group organization was made up of military representatives of just three member countries (France, UK, US), the records should be reviewed initially by declassification and release authorities from those three countries. Any consultation with another member country concerning release of a particular document should be initiated by the three after joint consultation. Final determination on release, however, should rest with the appropriate authorities of these three countries.

249. Cable messages were sent by the SG directly to the NACD, Regional Planning Groups, MPSB, SACEUR, and others. SG cables to the DPB were sent through the Liaison Office in London and those to Ministers of Defence via US Military Attaches in capitals. The US Department of the Army Staff Message Center in the Pentagon handled all these outgoing messages which were assigned the designator STAND. There were 296 STAND messages sent between 22nd August 1950 (STAND 1) and 29th February 1952 (STAND 296). The surviving messages -- about half of those originated -- can be found in a separate message file created after 1967 to retain the segregated messages saved in the course of the weeding process.

250. The substantive memoranda and cables in the SGM and STAND series reflect the determination of the SG on issues raised in meetings and in formal SG papers. The declassification and release determinations made on these two series by the French-UK-US authorities could be used as guidance by

the NATO release authority without reproduction and further review by those governments. An authoritative listing of the SGM and STAND items determined to be released would have to be prepared and distributed as many of these will be found in national collections.

251. The Liaison Branch of the Standing Group (LBSG) was established in London in July 1951 to support the Liaison Officer assigned to the NACD (for description of responsibilities see paragraph 243). The LBSG Secretariat issued 86 memoranda in 1951 (LBSG/1/51 to LBSG/86/51) and an additional 29 (LBSG/29/52) before 26th March 1952 when the Branch moved to Paris following the Lisbon reorganization.(39) They are exclusively of an administrative nature and need not concern us here.

252. The Liaison Officer and the LBSG also sent numerous messages to the SG in Washington passing questions and comments, many of a procedural, administrative or facilitative nature. The 1951 cable messages were designated LOSTAN 1 to 109 (with "LOSTAN ONE" dated 11th July 1951 and LOSTAN 109 dated 7th April 1952 - the last message before moving from London to Paris). Decisions on the declassification and release of these messages can be based on the determinations made by the release authorities on the remaining SG records.(40)

253. The Liaison Officer also produced a small number of Memoranda (LOM) before removing to Paris. The 8 surviving LOM for the period when the liaison officer was located in London with the Council Deputies are listed in Appendix IV C-3. The listing includes the security classification presently marked on these documents (NATO SECRET). The series was microfilmed two years ago for the NISCA Unit of the IS Registry (NISCA Roll 19). The same roll contains records dated through 1959. We recommend that the 27 pages containing these documents be copied and microfilmed at the end of the SG supplementary film. These documents should be reviewed by the appropriate French-UK-US authorities.

Notes to Part II - Notes pour la Partie II

1) NATO, the First Five Years, 1949-1954 by Lord Ismay (the Netherlands, 1954) pp 23-25. Hereafter cited as "Ismay". This 280 page book remains the best published study of NATO's formative years. Every reviewer would benefit from a careful reading of this book before examining the records proposed for release.

2) An alphabetically arranged subject index to the records of the First Session through the Eighth Session of the North Atlantic Council and of the Council Deputies' documents and summary records of meetings through 1951 was compiled by the Council Secretariat and published in 1952. This unnumbered document, "Index to the Documents of the North Atlantic Council and Council Deputies, 1949-1950-1951", was produced in several hundred copies but its distribution and retention in capitals is uncertain. The consultants recommend that this Index and two similar indices covering the documents and summary records of meetings produced by the Deputies in January and February 1952 be reproduced on the supplementary microfilm (D-N(52)12 "Classified List of Documents issued in January 1952" dated 6th February 1952 and D-N(52)16 "Classified List of Documents, February 1952" dated 12th March 1952). Responsible reviewing authorities will find these indices useful in identifying specific documents and portions of records

of meetings relating to every subject examined by the top leadership of NATO.

3) Ismay, p. 25.

4) Ismay, p. 44. Establishment at Ministerial level and terms of reference laid down by resolution C7-D/19(Final), 19th September 1951.

5) The TCC resolutions are Cg-D/13, C9-0/20 and C9-D/23.

6) The records at the Working Group, AC/10, are described along with those of the other numbered ad hoc committees in Part IIB of this Report.

7) Ismay, pp. 26-27.

8) Ad Hoc Committee 4 began as the Special Committee on the Provision of Funds for Second Slice Infrastructure Programme and evolved into a permanent committee on infrastructure.

9) The NATO documents of Ad Hoc Committee 4, the Infrastructure Committee (AC/4), and those of PBOS have not been reorganized.

10) Ismay, pp. 25 and 27.

11) Ismay, p. 28 and FEB-R(51)1, Part II.

12) Ismay, p. 28.

13) The DFEC had held its first meeting in Paris on 19th December 1949. No record could be found in the IS Registry.

14) DC 18 series documents are listed in Appendix II C-I and are on Roll 620. The DC considered the DFEC message at its Third Meeting on 1.4.50 (listed in Appendix II C-2). DC 18 was forwarded to the Council for information (D-4/2) and it was considered at the Fourth Session (R-4/3 of 15.5.50). In response the Council and Defence Committee instructed the DFEC to examine immediately the financial and economic possibilities of the Treaty nations to support additional military expenditures (DC 18/2 of 25.5.50).

15) Not to be confused with documents of the WEU's Financial and Economic Committee which also used the acronym FEC.

16) The Group took its acronym, GTEF, from the French title - Groupe de Travail Economique et Financier.

17) Ismay, p. 40. D-D/162 was based on the report of the Financial Section of the Working Group on Production and Finance (WGPF-D/2 of 20.10.50).

18) Ismay, page 40.

19) Statement of NACD Chairman Spofford to FEB at its first meeting on 22.5.51 (FEBR(51)1). The terms of reference of the Advisory Group on Raw Material are in D-D(50)207 of 8.12.50. The Group's first report to the Council Deputies is D-D(50)215 of 20.12.50, but no separate series of records of this Advisory Group is in the IS Registry.

20) The terms of reference of the FEB were amended by D-D(51)168 of 28.6.51.

21) Ismay, pp. 43-44.

22) Ibid. The roll of the TCC and its records are described in Part II.A paragraphs 80 to 85, and Appendix II D.

23) Ismay, p. 27. The Council directive creating the MPSB is D-I/5 of 18.11.49. Some elaboration of the terms of reference are in MPSB 1 of 24.10.49 and MPSB 2 of 2.11.49.

24) See for example such documents created between July and September 1950 as PWS(WP)(50)34, 36, 42 and 46 and PWS(50)107, 118 and 119. See also MPSB(50)46(Final) of 19.11.50.

25) The report of the Combat Vehicles Task Force (TF(50)E) is missing in the surviving paper records in the IS Registry and is not on Roll 55. If a copy is found in a national collection, the finder is requested to inform promptly the IS Registry and provide a copy for inclusion in a future supplement.

26) Users are cautioned not to confuse the records of the Analysis Division with those of the later organised Armaments Division (q.v. Appendix III G-10/4) or those of the Air Defence Electronic Equipment Group of Experts (q.v. Appendix III G-13/8) both of which also used the acronym "DPB/AD".

27) The nine categories were: aircraft, artillery, combat vehicles, ammunition and explosives, electronics, small arms, engineering equipment, transport equipment and shipbuilding.

28) Subsequently assigned to the General Production Staff.

29) This account is based on a series of papers prepared in 1951 and 1952 by Lt.Gen. Sir E. Wood who had held key positions as Secretary and Chief-of-staff of the MPSB and DPB (NISCA File 7/12/0/1/1).

30) See part IX of R-4/7 (a document incorporating all resolutions of the Fourth Session) for a full text of the resolution and the terms of reference of the PBOS as approved. The resolution also was circulated by the Defence Committee in DC 20 of 8.6.50.

31) The name was changed in July 1951 after the Special Committee had held 13 meetings and issued 8 documents.

32) The establishment of the Atlantic Community Committee, its objectives, progress and records are described in paragraphs 177 through 180 of this report. Appendix II E lists the three summary records of meetings of the Committee.

33) The records of the GT/5 working group are described in Appendix III E-4 and are on Roll 42. The cited document and records of meetings of the FEB are described in Appendix III, E-I and E-2 and are on Roll 38.

34) Submissions from France (4.2.52) and Italy (20.5.52) are in NISCA files in the IS Registry.

35) The Working Group submitted drafts for consideration by the Council Deputies as the work progressed. The first draft submitted was MS-D(51)11 (2nd Revise) of 24.2.51. Later drafts were MS-D(51)28 of 27.4.51 and MS-D(51)29 (2nd Revise) of 15.6.51. See also the NACD documents D-D(51)57 of 28.2.51, D-D(51)127 of 7.5.51 and the draft version for signature - D-D(51)138. The draft resolution on implementation, MS-D(51)31 of 25.5.51, appears as D-D(51)140 of 31.5.51. The final draft of the agreement with the report of the Chairman of the Working Group is D-D(51)146 of 5.6.51.

35/bis) The Protocol to the Agreement, "Status of International Military Headquarters set up pursuant to the North Atlantic Treaty," was signed on 28th August 1952.

36) These terms of reference were subsequently modified by D-D(50)169.

37) Ismay, p.35. At the Sixth Session the NAC also established an integrated force under the supreme command of General Eisenhower. The new headquarters (SHAPE) was established in Europe in 1951 with authority "to train the national units assigned to his command and to organize them into an effective integrated force" ibid. Within a year all of the Regional Planning Groups, except Canada-United States Group, were abolished and their functions absorbed by new allied commands (C6-D/2 and DC 24/3).

38) Ismay, p.25.

39) The LBSG memoranda are on NISCA Roll 11.

40) The LOSTAN messages are on NISCA Roll 12.