

E&amp;F/FDP.61/401



NATO SECRET

22nd September, 1961

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NOTE TO THE SECRETARY GENERAL

Subject : International Staff comments on countries' replies to SACEUR's Plan of Action in the light of SHAPE document 188/61.

As requested, the Finance & Defence Planning Directorate of my Division, in concurrence with the Production & Logistics Division, have prepared for your personal information their comments on country replies to SACEUR's Plan of Action, in the light of SHAPE document 188/61 of September 15th, 1961. These comments are presented in two parts : (a) a summary, which you will find below of the main points arising from the study made by the International Staff.

(b) country by country comments which you will find annexed<sup>(1)</sup>.

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GENERAL COMMENTS OF THE INTERNATIONAL STAFF

2. SACEUR gives a fairly optimistic appreciation of countries' replies. However, in his first comments<sup>(2)</sup> made for the Interim Review 1961, which naturally also take into account countries' replies to this Plan of Action for Berlin, he seems to be much more critical of their present defence efforts. The Military Committee's judgment (see PO/61/747) seems also to be rather critical.

3. The general feeling of the International Staff is also inclined to criticism as regards the non-military implications of the countries' replies to SACEUR's Plan of Action, especially on the financial and production side :

(1) Most countries have not announced how they are going to finance, and thus to implement, the special effort they seem ready to make in face of the Berlin crisis.

(ii) Some countries state that they will not be able to meet SACEUR's equipment requirements in time unless they get prompt and increased external aid,

(1) SACLANT and CINCHAN comments are taken into account as appropriate.

(2) Received 21st September for United Kingdom, Norway, Denmark and Germany

and this certainly also applies to countries who have not so stated<sup>(1)</sup>. On the basis of present replies, SACEUR will thus have at his disposal more men and a larger number of units than before, many of which will have insufficient or obsolescent equipment<sup>(2)</sup>.

4. Nevertheless, the additional effort announced by the majority of European member countries is commendable and significant<sup>(3)</sup>. However, precisely because of the importance of this effort, it seems necessary to ensure that adverse non-military factors do not impede its successful implementation. It is in this sense that the following more specific comments are directed.

#### Manning

5. In accordance with SACEUR's request that the manning level of NATO forces should be reinforced, countries announce important decisions in this field, which will result in very significant increases in the number of men at the disposal of SACEUR, especially in land forces. Almost all countries are planning to take, or have already taken, the necessary steps, which range from shifting forces from national to NATO command (i.e. Canada, Belgium and in emergency, France and the United Kingdom) to the calling up of reservists (important numbers in Italy, Greece, Denmark, etc.) or to the extension or maintenance of the period of service (Netherlands, France and probably Germany). These decisions are, in general, only for a limited period of time.

#### Equipment

6. The measures taken or planned may not enable the full dividend to be drawn from the important increase in manning. The NATO military authorities have frequently stated during Annual Reviews that the existing logistics situation is jeopardizing the combat effectiveness of many countries's forces. The picture given by the replies to SACEUR's Plan of Action is no better : for example, almost all European countries fail to comment on the recommendation "increase balanced logistic support in phase with force improvements".

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- (1) as already pointed out in Note E2F/FDP.61/400.
  - (2) It is thus very difficult for the International Staff to understand how SACEUR is able to write that "Perhaps of even greater importance is the fact that, whereas the combat effectiveness of the presently available division is scarcely more than that of 16 fully ready divisions, most of those to be available on 1st January 1962 will have a high combat potential."
  - (3) As the Secretary General is aware, the military effort of the United States goes beyond SACEUR's requests, and it has thus seemed possible to limit the extent of this note to NATO Europe.

7. Some measures are announced to increase the level of stocks, but several countries (Germany, Italy, Greece and Norway) underline the fact that they will not be able by themselves to reach acceptable standards in time, and the situation is no doubt the same for others. The only possible solution is prompt and increased U.S. deliveries of materiel. (Since this point has been dealt with at length in note E&F/FPD.61/400, it seems unnecessary to develop it further here).

8. There is a particular field in which NATO as such may be able to offer solutions to these problems - the specialised agencies; and in particular the NMSSA, which is in theory the major channel of supplies of spare parts to NATO countries, but whose action (or lack of action) is almost unanimously criticized.<sup>(1)</sup> The NMSSA should perhaps be asked to review urgently the action of the Agency and to take extraordinary action to fulfil its responsibilities.<sup>(2)</sup>

9 Somewhat similar action could be taken as regards the activities of Sidewinder and F 104 G Agencies, as countries have to rely on NATO common production for this equipment, and on present plans this will not give results before 1963 at the earliest. The case of these Agencies is not exactly the same as the NMSSA; but SACEUR has requested the speeding up of the activation of F 104 G squadrons and of the supply of Sidewinder missiles, and further delays should surely be avoided. A similar problem may arise in the case of the Hawk missile.

#### Financing

10. Little information is provided by countries about the means of financial their additional effort. Norway and Denmark will allot additional funds for the purchase of new equipment (\$11 million by Denmark, \$3 million by Norway). Belgium is studying the possibility of increasing funds for equipment procurement by \$10 million. Other countries have already announced an increase of their defence expenditures for 1962 (i.e. Belgium, Netherlands, Italy, the United Kingdom, France, Portugal, etc.) of 4 - 7%, but not as a direct result of the Berlin crisis.

11. The special measures announced will mainly increase the operating and maintenance costs of forces, as the major effort made is to improve manning levels.

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(1) See point C. page 3 of note E&F/FDP.61.400.

(2) The meeting of the Board of Directors on 26th, 27th, 28th of this month offers an opportunity for this most urgent question to be raised by the Secretary-General's representative, if the Secretary-General so desires.

There will be also additional capital costs to be covered for improving the equipment and logistic situation or for reimbursing the special U.S. aid which it has been suggested should be made available. (1) The replies have not been sufficiently detailed to enable the International Staff to assess these costs.

12. If no additional funds are made available for financing the special measures, countries will have to re-allocate the funds now allotted to their 1961 and 1962 defence budgets. Priority would thus be given to the special measures, which would mean that operating expenditures would be increased to the prejudice capital expenditures.

#### IMPLEMENTATION OF THE MEASURES ANNOUNCED BY COUNTRIES

13. Some nations have already taken concrete measures. Most of the others are only prepared to take the required measures; they point out that they will act only in line with the other members of the Alliance and if the emergency so require. Such a political reservation is important, and understandable, since even after the rather dramatic request of SACEUR in his Plan of Action, emphasised by himself personally before the Council on August 23, the state of military vigilance according to document MC 65/1, has not been proclaimed by Supreme Commanders. It may be in order to find a solution to this apparent contradiction that SACEUR, in his cover letter of SHAPE 188/61 recommends, "that the Council consider, as a matter of urgency, further steps to meet the requirements of an all-out emergency, should such a situation appear imminent."

14. SACEUR also recommends that, "the NATO Council consider urgently what further steps might be taken by the nations to meet :

"a. The short-term requirements, i.e. by 1st January 1962 as stated in SHAPE document 167/61, and

"b. The longer-range actions, including possibly resorting to at least limited mobilisation to meet the longer-term requirements, i.e. throughout the year 1962, as indicated in SHAPE document 167/61."

The Military Committee, without making a formal recommendation of this type, endorses SACEUR's views. Next Tuesday's meeting of the Council will give an opportunity to draw the attention of the Council to one of the following lines of action:

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(1) As already pointed out in Note E&F/FDP.61/400.

- before the meeting of the Council, the Secretary General might send to Permanent Representative a P.O. document underlining the main points stressed both by SACEUR and the Military Committee, and by the International Staff in the present note.
- the Secretary General might raise the matter orally during the Council meeting.
- a draft resolution of the Council might be prepared, defining the position of the Alliance from the military point of view for Berlin. This resolution would ask countries to implement the measures they are prepared to take, and further, to make a comparable and parallel effort in order to meet as completely as possible the Supreme Commanders' requests.

F.D. Gregh.

BELGIUMGeneral

SACEUR has not yet commented on the list of specific actions proposed by the Belgian Government (see Annex 1 (15th September 1961) to PO/61/720). In the financial field, Belgium is prepared to increase her defence expenditures by \$ 30 million (B. frs. 1,500 million); however, this decision was taken before SACEUR made his specific requests to countries in connection with Berlin. The Government is also studying a possible increase of \$ 10 million (B. frs. 500 million) in commitment authority for reinforcing war reserves (particularly of tanks, electronic equipment and ammunition).

Army

The action taken for the manning of units in Germany comes close to SACEUR's recommendations, and does not entail any considerable rise in operating costs. Short-term results in the equipment field will be limited, in spite of the provision of the additional funds mentioned above.

Navy<sup>(1)</sup>

Of CINCHAN's objectives of 4 M/S groups, 2 could be formed at category A status during 1962, subject to the additional procurement from external sources of some equipment.

Air Force

Existing deficiencies could be overcome :

- for CF 100 A/C, by expediting overhaul
- for RF 84 F A/C by MAP
- for war reserves of 2",75 rocket, by early external aid deliveries U.S. or Canada.

Activation of 2nd Nike battalion depends on the timely delivery of equipment from MAP and completion of sites in Germany.

The existing military agreements on nuclear capability are awaiting ratification by the US Congress.

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(1) No forces under SACEUR's command.

CANADAGeneral

Canada plans to strengthen her forces in line with the major NATO Commanders' requests and will submit to Parliament in due course the supplementary estimates necessary to cover them.

Army

Action taken by Canada strengthens the Brigade in Europe more than requested. Further modernisation of it has to await delivery of the Bobcat armoured vehicles (around 1964; troop trials in 1962).

Navy (1)

It is understood that planned increase of personnel will be sufficient to make possible the phasing forward of 6 DDE/DE, without jeopardising the progress of the current building programme.

Air Force

Subject to the timely delivery of 18 CF 104 Strike aircraft from national production, emergency goals will entirely be covered.

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(1) No forces under SACEUR's command.

DENMARKGeneral

Additional expenditures of about \$ 11 million (about 7% of current defence expenditures, and nearly half the current equipment budget) have been announced. It is not stated exactly on what these funds will be spent - although they will generally be used on equipment - and the effect on each of the services cannot thus be assessed. The effect on a defence effort generally far from satisfactory will not be decisive, but in present political conditions - a minority government, and considerable parliamentary opposition to defence, - the increase is not negligible. Danish armed forces are nevertheless still well below the NATO level and this has political repercussions on other NATO countries. The political ban on atomic weapons continues to be a grave impediment to the effectiveness of Danish defence. SACEUR states that "the effectiveness of the Air Force would be greatly enhanced by the achievement of a nuclear capability".

Army

The preparatory measures for recall and mobilisation which are announced will not constitute a major improvement. Although it is not known how much of the new funds will be spent on Army equipment, in the short term, the shortfalls will remain very considerable.

Navy

Denmark is preparing to man its naval units to the extent required by SACEUR, as soon as a degree of emergency is declared. Adequate logistic support in equipment and war reserves, especially ammunition and mines, would call for additional funds; this should be possible, in view of the increases which have been announced. The acceleration of the new naval construction programme, however, desirable, would create technical as well as financial problems. The stock of mines and the readiness of coastal minelayers may not be adequate, and procurement from external sources should in this case be considered.

(Annex 3)

Air Force

The immediate outstanding requirements are : aircraft strength to be completed by expediting overhaul of F 86 D's; combat ready rate to be increased by expediting delivery of spares through NMSSA; the aircrew/aircraft ratio and flying hours to be increased; completion of 20 mm. ammunition war reserves by aid; about 800 more personnel. By end 1962 25 more F 100 aircraft are required (the only likely source is aid). The Air Force would then need increased expenditures of about 15% plus increased external aid.

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ANNEX 5.

GERMANYGeneral

Broadly, the German defence effort is considered by SACBUR very satisfactory. Germany is making every effort to overcome the deficiencies still remaining, but not in time to meet SACBUR's emergency requests: in particular, the construction programme of missile sites is seriously behind schedule.

Army

With the exception of the assignment in 1962 of the twelfth division, Germany will meet the recommendations of SACBUR, who considers that no more can be done without mobilisation measures. A sharp increase in operating costs is to be expected and a major effort in the equipment field - which can give results on the medium term only - will be necessary to bring TO&E and war reserves up to standards.

Navy

The German Navy is prepared to phase forward units to category A to the extent required, but with some delay for 3 LST converted into minelayers. War reserves, stockpiles of POL, ASW torpedoes and mines are to be increased as a matter of urgency, though the ASW torpedo shortage cannot be overcome in a short time. The building programme of tenders, repair ships and oilers, has to be accelerated, which implies specific administrative and production decisions. For all these measures, additional funds will be required.

Air Force

Action taken is significant, but there still remain important deficiencies to be corrected :

- accelerate delivery of aircraft refuelling units, drop-tanks, ammunition, already ordered.
- expedite combat training in several wings.
- complete SAM sites, even on a provisional basis.
- difficulties of manning which can probably not be solved without recourse to mobilisation measures.

These measures involve more rapid spending of funds already allocated, and in some cases additional funds.

GREECE

SACEUR's comments on the Greek reply have not yet been received.

General

The Greek Reply brings out the insurmountable difficulties which face the Greek authorities in solving their equipment problem; a very large part of their equipment can only come from MAP and deliveries are considerably delayed. Greece states that she is ready to provide for the operating costs of all new equipment supplied through aid, and having regard to the exigencies of the five-year economic development plan - the implementation of which is in the interest of the whole Alliance - it does not seem that any further effort can well be asked from the Greek government.

Army

The measures planned for the manning of units seem satisfactory, but Greece needs modern equipment on an extensive scale for which she depends entirely on external aid.

Navy

Same situation. Subject to the MAP delivery of 2 DD and 2 SS as well as of some reserves of depth charges, the Greek Navy will succeed in attaining emergency goals and in operating her units in category A, to the extent required.

Air Force

Some aircraft remain to be procured and war reserves are deficient in Sidovinder missiles and drop-tanks. The only likely source is aid. The aircraft combat ready rate should increase as soon as the delivery of spare parts by MISSA is accelerated. To rectify the shortage in personnel would necessitate some recourse to mobilisation measures.

ITALY

General

The Italian armed forces, and in particular the Army, have for some time been squeezed between an unavoidable increase in operating costs and a decrease in availabilities of equipment from aid. With the recently announced increase in manpower of 50,000 men, this situation is greatly aggravated; and although appropriations are already being increased, the increase is nothing like large enough to compensate. The Italian Government has just decided to put into operation a long-term plan for equipment procurement, under which 181 million lire of orders will be placed in the first slice of 1962/63, without awaiting the corresponding budgetary authority. The effect of this on the Italian forces will not of course be immediate, particularly in respect of heavy equipment. Increased external aid is indispensable if the manpower made available is to be adequately equipped.

Army

The measures decided on to improve manning standards will practically fulfil SACEUR's requirements, but the consequent increase in operating costs (about 15%) will have to be covered by new appropriations if a reduction in the already submarginal amount available for equipment is to be avoided. Logistic shortfalls are critical. The new Italian plan may bring about some improvement in the medium term, for light and medium equipment. For heavy equipment it is stated that Italy will need aid.

Navy

SACEUR's goals will quantitatively be attained end 1961 and 1962, subject only to the procurement from aid of the required number of LP/aircraft and HPS. An increase in operating costs is involved.

Air Force

Deficiencies in fighter-bomber aircraft, in aircraft combat ready rate and in the functioning of control and reporting units are due to the lack of spare parts (NISSA). An acceleration of national production is required for G.91 and F.104 G aircraft. The shortage of technical personnel is such that it cannot be covered without some mobilisation measures.

NETHERLANDSGeneral

The Netherlands has decided to take a number of the measures asked for by the major NATO commanders. Others, which she would be prepared to implement, would mean mobilisation measures, which she considers require consultation with her allies. No decision has yet been taken with regard to the financing of any measures accepted. In the meantime, in view of the expectation of a considerable reduction in external aid, the Government has decided to increase by 420 million guilders the ceiling placed last year on defence expenditures for the period 1961-63; this decision was accelerated by the present crisis but is not specifically connected with the measures in SHAPE/167/61.

Army

The measures taken by the Netherlands government will meet SACEUR's manning requirements with the exception of adding a third Brigade group to one M-day Division. If the corresponding increase in operating costs is covered by additional appropriations, it will be possible to speed up equipment modernisation with the part of the 420 m. guilders allotted to the Army. Even so, a major improvement will take about two years.

Navy<sup>(1)</sup>

Provided the manning measures already announced also apply to the Navy, SACLANT's goals could be reached by end 1961 and 1962, but not CINCHAN's, due to the lack of existing units.

Air Force

The requirements in technical personnel for the modernisation programme and the build up of a second NIKE unit and a HAWK unit in 1963 will result in smaller forces in 1962 than in 1961. Some mobilisation measures would therefore be necessary in order to meet SACEUR's emergency goals. (See "General" above). Delivery of Sidewinder missiles and production of F 104 G aircraft should be accelerated. Spare parts for F 86 K aircraft are lacking (NMSSA).

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(1) No forces under SACEUR's command.

NORWAYGeneral

The Norwegian government is re-allocating about \$ 3m. for increased preparedness and is making some improvement in manpower. The recent General Election, although it will probably have no major effect on the country's attitude towards defence questions and NATO, has certainly weakened the government's position as it no longer has an absolute majority in Parliament. There is also slight evidence of a leftist swing. In the circumstances, the small additional effort Norway is making, along lines agreed by SACEUR, is not wholly inconsiderable. Probably the gravest impediment to effective defence is the continued ban, for political reasons, on the use of atomic weapons. SACEUR "appreciates the efforts of Norway and urges the Norwegian Government to explore all avenues to achieve fully all of the recommendations".

Army

Considered as a response to SACEUR's plan of action, the short-term results of the measures announced for the Army are negligible. In 1962 an improvement in manning levels is announced which will be facilitated by the increased age-classes. Much remains to be done to improve the equipment situation which will need considerably more money and time.

Navy

Norway states that she is unable to phase forward to Category A the three destroyers plus 8 fast patrol boats requested, presumably because of the cost and the difficulties of finding technicians and of calling up reservists. The new construction programme should be expedited, and a loan of two or three destroyer-escorts might be considered until its completion. Production and procurement of the anti-submarine weapon TERNE, the build-up of war reserves and the completion of the signals infrastructure at Bodo should also be accelerated. Additional funds would be needed.

Air Force

There is a deficiency of reserve aircraft (40) of all types which, as stressed by SACEUR, can only be corrected by increased aid. Nike and aircraft spares supply should be improved through NISSA. The Norwegian government does not intend to increase the combat ready rate of crews at present - it would mean transfer of aircrews from non-combat units and civilian airlines.

General

Within the limit of available resource the United Kingdom appears to be giving the increased priority to NATO forces. Short-falls between national and NATO plans have recently been reduced, with regard to reinforcement of the Air Force in Germany (a radical reduction was previously planned) and the adaptation of the strategic reserve in the United Kingdom to the special needs of the BAOR. However, the increased requirements of the emergency programmes, together with the doubtful success of the recruiting programmes - particularly in the Army - make it likely that existing manpower shortfalls will be aggravated.

Army

The measures announced by the United Kingdom do not meet SACEUR's requirements. Owing to manpower difficulties, only mobilisation measures can strengthen the BAOR to the full three divisions with balanced support required. In the equipment field, further modernisation of the existing units in Germany is progressing. But the completion of mechanisation will take some years and equipping the additional brigades and supporting troops requested by SACEUR, would require a long period and high expenditures.

Navy

The major NATO commanders' requirements appear to compete with each other. The phasing forward of some units can thus only be implemented in part. Moreover, this would raise manning difficulties and the overall cost would be increased.

Air Force

Will meet SACEUR's requirements by end 1961 as a result of the recent decisions taken. No firm plans for the year 1962 are given in the United Kingdom reply.