STATE INSTR.

UNIVERS STATES-CANADA POLITICAL-MILITARY MEETING

November 19, 1958

Participants

United States

Honorable Christian Herter, Under Secretary of State
Honorable Robert Murphy, Deputy Under Secretary of State
General Nathan Twining, Chairman, Joint Chiefs of Staff
Honorable Livingston Merchant, Assistant Secretary of State for European Affairs
Honorable John N. Irwin, II, Assistant Secretary of Defense for International Security Affairs
Herbert N. Loper (Major General, retired), Assistant to the Secretary of Defense for Atomic Energy
Brigadier General James W. Whisenand, Special Assistant to Chairman, Joint Chiefs of Staff
Mr. Woodbury Willoughby, Director, Office of British Commonwealth and Northern European Affairs, Department of State
Mr. LaRue Lutkins, Deputy Director, Office of Chinese Affairs, Department of State
Mr. Raymond Courtney, Office of the Special Assistant to the Secretary of State for Disarmament and Atomic Energy
Colonel David R. Crocker, Canadian Branch, Western Hemisphere Region, Department of Defense
Mr. James Parker, Canadian Affairs, Department of State

Canada

Honorable Norman Robertson, Under Secretary of State for External Affairs
General Charles Poulke, Chairman, Chiefs of Staff Committee
Air Vice Marshal Max M. Hendrick, Chairman, Canadian Joint Staff
Honorable A. E. Ritchie, Charge d'Affaires, Canadian Embassy
Honorable Saul Rae, Canadian Minister
Mr. Philip E. Uren, First Secretary, Canadian Embassy

Place of Meeting: Morning session, Room 5104, New State Building
Afternoon session, Room 5106, New State Building

Meeting Opened: 10:30 a.m.

Luncheon given by Deputy Under Secretary of State, Robert Murphy, at President's Guest House: 1:00 p.m.

Meeting Resumed: 2:30 p.m.

Meeting Closed: 3:30 p.m.

1/ Prepared by American Secretary, James Parker. Conforms in substance with the Canadian Summary Record.
Under Secretary Herter opened the meeting by welcoming the Canadian group to another informal political-military meeting. He said that the main purpose of this meeting was to have a preliminary exchange of views on a number of joint defense problems which would be examined further by Cabinet Ministers at the first meeting of the Canada-United States Ministerial Committee on Joint Defense scheduled to be held in Paris, December 15. He expressed regret that due to other commitments he could remain only a few minutes but he was happy to be able to turn the chair over to Mr. Murphy who had been closely associated with many negotiations with Canada on joint defense matters.

1. Problems Connected with the Acquisition and Control of Defensive Nuclear Weapons in Canada.

General Foulkes referred to a recent approach which he had put to General Twining for consideration with regard to Canadian requirements for nuclear weapons.

Canadian requirements were as follows:
1. La Crosse weapons with nuclear warheads for Canadian NATO forces in Europe.
2. Nuclear warheads for BOMARC squadrons in Canada.
3. Air-to-air nuclear missiles for Canadian air defense forces in North America.
4. Nuclear depth charges for Canadian anti-submarine forces in the Atlantic.

General Foulkes said that the Canadian Government would like to see arrangements for equipping Canadian forces with these nuclear weapons to be in
consonance with the general principles and arrangements for equipping NATO forces in Europe with nuclear weapons. The Canadian Government felt that it would be better if no exceptions were made for Canadian air defense forces in North America. It would be easier for the Government to explain that arrangements with the U.S. for equipping Canadian forces with nuclear weapons were being carried out under the NATO framework. General Foulkes said that he had therefore asked the U.S. JCS to consider whether:

1. Direct negotiations could be carried out with SACEUR in his capacity as CINCEUR for equipping Canadian NATO forces in Europe with nuclear warheads under the NATO stockpile concept with SACEUR retaining custody.

2. CINCNORAD in his capacity as CINCONAD could retain custody of nuclear weapons for Canadian air defense forces in North America in the same way as SACEUR.

3. SACLANT in his capacity as CINCLANT could be custodian of nuclear anti-submarine devices required by Canadian Atlantic forces.

General Foulkes said that at a later date there might be a Canadian requirement for nuclear weapons on the West Coast but this was not urgent at the present time.

General Twining said that this approach was being studied by the JCS and that he didn't see any reason why satisfactory arrangements couldn't be worked out.

General Loper said that this approach did not appear to present any problem but that problems could arise with regard to the conditions under which nuclear warheads would be released. The problems in this connection might not be the same in Europe and North America and rules of release might be different.
General Foulkes said that Canada was anxious to have the nuclear warheads for Canadian air defense forces in North America under the custody of CINC NORAD who would be in the best position to say how they were to be controlled.

General Foulkes said that if the U. S. Joint Chiefs of Staff were agreeable to this approach the next step would be for both Governments to work out an Exchange of Notes on the general principles to govern the equipping of Canadian forces with defensive nuclear weapons. Such an agreement would provide:

1. U. S. custody of the nuclear warheads and their release as authorized by the President.

2. Storage facilities to be provided by Canada;

3. Canada to provide the necessary security and precautionary measures.

General Foulkes said that details on storage, salvage, etc. would be worked out in separate agreements with SACEUR, SACLANT and CINC NORAD. These separate agreements, particularly the one with CINC NORAD, would take time to work out. However, the question of equipping Canadian forces with nuclear weapons might be raised when Parliament reconvened in January and the Canadian Government would like to be able to announce that negotiations with the United States were in progress.

Mr. Murphy said he saw no objection to working out an exchange of notes on the basis outlined by General Foulkes.

Mr. Irwin said he wanted to point out one possible problem if arrangements between Canada and the U. S. were to be identified as part of the over-all NATO procedure. At a later date it might be desirable to handle arrangements with Canada differently than those in Europe, but once having set the pattern, it
might be politically difficult to set up a different one later on.

General Foulkes said that Canada recognized that individual arrangements would have to be worked out for each theatre but that his Government would like to reach agreement on general principles at this time.

Mr. Robertson suggested it would be desirable that any public announcement be a broad statement to the effect that arrangements are being negotiated with the U.S. for equipping Canadian forces with defensive nuclear weapons. This would avoid differentiating between problems faced with respect to the different weapons.

Mr. Herter said that he also felt that any statement should not be precise but should be limited to a general one.

General Foulkes agreed with this viewpoint and said that no announcement would be made until after the Ministerial Committee meeting in December.

Mr. Robertson said he would like to emphasize two points: (1) political problems with regard to air-to-air missiles for North American air defense are different from those in European countries, and (2) as stated by General Foulkes, it would be politically easier for Canada to make special arrangements with the United States within the general NATO context even though the arrangements might not be exactly the same as in NATO. The first could be met by concurrently working out detailed arrangement peculiar to North America directly with CINCNORAD and other commanders; the second by a general statement referring to arrangements substantially the same as those between the United States and other NATO countries.

General Foulkes said that one other problem he had discussed recently with General Loper was with regard to the salvage of damaged nuclear weapons.
He pointed out that there had been over 700 SAC flights over Canada in the last year and that the Canadian Government was concerned with the inadequacy of arrangements for dealing with the salvage of nuclear weapons in crashes. The original arrangements simply provided for USAF to send a team to conduct salvage operations at the scene of the crash but this would obviously be inadequate for a crash several hundred miles north of the United States. He said it would not be fair to put Canada in the position of not being able to take adequate measures to safeguard its citizens in the event of a crash of a U. S. plane carrying nuclear weapons. He said that satisfactory arrangements were now being worked out with USAF whereby USAF would train RCAF teams in salvage operations and release enough information to enable them to deal with crashes.

General Loper pointed out that while USAF was proceeding as far as it could with the training of RCAF teams, there were certain types of information relating to safety procedures which could not be released under the present bilateral agreement with Canada dealing with atomic energy cooperation for mutual defense purposes. He said that in order to give Canada sufficient information to deal with any conceivable type of accident it would be necessary to conclude a new bilateral agreement. He said that a new draft agreement was being prepared along parallel lines to the UK agreement except that it would not cover details of weapons designs.

General Twining raised the question of whether the U. S. could proceed with working out arrangements for storage of MB-1 rockets at Goose Bay for USAF interceptors.
General Foulkes said that storage of nuclear weapons in Canada for U.S. forces would have to await the settlement of the question of storage for Canadian forces. The Canadian Government did not want to announce storage for U.S. forces in Canada until arrangements had been worked out for storage of nuclear weapons for Canadian forces.

Mr. Merchant asked General Foulkes whether the Government-to-Government agreement and the subsequent technical agreements would have to be negotiated and signed concurrently and General Foulkes said that the general agreement should be concluded first and the technical agreements could be negotiated later.

Mr. Merchant then referred to the outstanding U.S. proposal to store nuclear weapons for SAC at Goose Bay and asked whether agreement by Canada on this proposal would depend on the technical agreement with CINCORAD on storage for Canadian forces. General Foulkes said that the Canadian Government would consider this proposal after the agreement on general principles had been concluded.

Mr. Irwin inquired as to whether the general agreement would cover other than the MB-1 rocket and General Foulkes said it would apply to all nuclear weapons since the Canadian Government considered such weapons to be defensive in nature. Mr. Robertson pointed out that Canada would have the most difficulty in the matter of components for strategic offensive weapons and thought that this aspect of the problem might be deferred pending satisfactory arrangements in the other categories.

Mr. Murphy asked for General Foulkes' comments on the so-called XYZ procedures governing SAC overflights. General Foulkes said that these
procedures had proved too cumbersome and that it would be easier for these requests to be submitted for governmental approval on a program basis covering three to six months with individual flight clearances to be accomplished at the Service-to-Service level. He said that such a change in procedures was acceptable to the Canadian Government. In answer to Mr. Murphy's question, General Foulkes said that the approach to change the XYZ procedures should come from the U.S.

Mr. Murphy referred to the MB-1 Overflight Agreement which expires July 1, 1959, and asked whether we could proceed with seeking certain modifications to this Agreement. General Foulkes said that this Agreement could be dealt with as a separate item and proposed modifications to the Agreement could be submitted to the Canadian Government before the Agreement expired next July. Mr. Irwin indicated that we would probably be seeking modifications to the Agreement in the near future.

2. Problems Connected with the Declaration by CINCNORAD of Increased States of Military Readiness.

General Foulkes said that as a result of the recent Suez and Middle East crises, the Canadian Government had become concerned with CINCNORAD's authority under paragraph 101 of his Terms of Reference to declare increased states of readiness of forces under his operational control. Under this authority he may increase the states of operational readiness of his forces under the following conditions:

1. For training purposes.

2. In the event of an unacceptably large number of unknowns within his warning system.
The Canadian Government agreed that he should retain this authority under conditions 1 and 2 above. There was, however, a third "grey area" in which he could conceivably increase the state of readiness of his forces on his own because of increased tensions in other areas of the world. With regard to this "grey area", General Foulkes said that Canadian authorities were concerned since they did not believe that CINC NORAD was in as good a position to assess tensions as the Joint Chiefs who were in a position to get political advice. He was not suggesting that CINC NORAD's Terms of Reference be changed but rather that both Joint Chiefs agree to inform CINC NORAD that under their interpretation of paragraph 101 of his Terms of Reference he may increase the operational states of readiness of his forces on his own only under conditions 1 and 2 above.

General Foulkes said that during times of tension political problems were great and it would be embarrassing if CINC NORAD increased the state of readiness of his forces in a situation which the Canadian Government didn't support. General Twining said that the JCS were studying this proposal and that he was sure a satisfactory arrangement could be worked out.

Mr. Irwin said that the question of placing a Commander in the field in too inflexible a position would also have to be considered in connection with this problem. A study of the whole matter, he said, was being made in the JCS and a report would be forwarded to General Twining in the near future.

General Foulkes said that another aspect which gave the Canadian Government concern was the possibility of SAC going into an increased readiness status which would include the deployment of tankers to refueling at bases
in Canada. Canadian authorities consider it essential that there should be consultation prior to such action during periods of tension since it could be interpreted by the Russians as an indication that a strike was planned.

General Twining said that the JCS would look into this matter also and he was confident satisfactory arrangements could be worked out.

Mr. Robertson observed that during periods of tension the Department of External Affairs and the Department of State should be in close touch. Mr. Murphy agreed.

3. Other Matters to be Considered by the Canada-United States Ministerial Committee on Joint Defense.

a. Relationship of the Permanent Joint Board on Defense to the Ministerial Committee on Joint Defense.

Mr. Robertson pointed out that the Permanent Joint Board on Defense had played an important role in the history of Canadian U. S. relations and he felt that it was important that it continue to have a significant function. He said that in the future some of the problems such as were included for discussion at this meeting could well be referred to the PJBD. This meeting could then return to its original role of looking at problem areas throughout the world.

Mr. Murphy agreed that the PJBD had performed a valuable function in the past and said we would also like to see more of these joint defense problems referred to the Board.

General Foulkes said that when the PJBD was formed there were no Joint Chiefs of Staff. Consequently, the military members on the Board only
represented their respective services. Today, however, most problems were
dealt with between the JCS's of both countries. If the PJBD were to consider
these problems, the Board would have to be reorganized to provide for JCS
representation. He said that he would not want to do anything to disturb
the close cooperation now existing between the respective JCS's at the top
level.

General Twining pointed out that the military members on the U. S.
Section of the PJBD were also representatives of the JCS.

General Foulkes said that this then appeared to be a purely internal
Canadian problem and that some Canadian reorganization might be needed.

Mr. Merchant suggested the desirability of inviting the Canadian
and U. S. Chairmen of the PJBD to attend the December 15 and future meetings
of the Ministerial Committee in an advisory capacity. He said that this
would serve as recognition of the Board's value.

Mr. Robertson said that this sounded like a good suggestion and
he would pass it on to authorities in Ottawa and inform us shortly of their
reaction.

General Foulkes commented that the presence of the U. S. and
Canadian Chairmen of the PJBD at Paris would offer a good way to assure our
NATO allies that the Ministerial Committee meeting was purely a North
American defense meeting.

b. Reactivation of the Combined Policy Committee.

Mr. Robertson said he regretted the long delay in answering the
U. S. proposal of last August to reactivate the Combined Policy Committee. The
arrangements which had been started last January were useful and valuable to the Defence Research Board and the reactivation of the CPC would provide a cover-all arrangement. He anticipated that the Canadian Government would agree to the U.S. proposal either before or at the Ministerial Committee meeting.

Mr. Robertson then said he personally wondered whether in view of recent efforts to reach a common program in NATO for development and production, it might be politically better to accept the security risks involved and expand the country membership of the CPC to include other NATO allies. He emphasized that this was a personal observation and did not reflect the thinking of his Government.

Mr. Irwin said that this was an interesting observation and although it might have some validity from the political point of view, serious problems would be encountered with respect to provisions in the Atomic Energy Act dealing with the exchange of information in Research and Development.

Mr. Murphy said that the U.S. realized there might be political objections in some quarters to the CPC being limited to Canadian-U.S.-U.K. membership, but we had to consider the practical aspects of trying to expand the country membership.

Mr. Rae said a point to keep in mind was that we were reactivating an existing Committee and not creating any new machinery.

Mr. Robertson concluded his remarks on this item by stating that Canada welcomed the invitation to reactivate the CPC and he anticipated a favorable response would be forthcoming shortly.
Integration of U. S.-Canadian Defense Production - Cost Sharing Arrangements

Mr. Robertson said Canadian representatives were interested in learning the latest developments on these items.

Mr. Irwin recalled that a Canadian-U. S. Committee, consisting on the U. S. side, of the Service Assistant Secretaries concerned with materiel, had been set up to consider the problem of production sharing in joint defense and cost sharing arrangements related thereto. This committee met for the first time in Ottawa on October 9 and as a result, a steering committee and three working groups were established to study the problems involved and to make recommendations to the main committee. A second meeting was held yesterday (November 18) in Washington and things seemed to be moving along the lines supported by both Governments.

Mr. Ritchie said that the atmosphere at yesterday's meeting was very good and that the Canadian representatives felt that real efforts were being made towards integration of Canadian-U. S. defense production. Many problems had been identified and things appeared to be moving ahead satisfactorily, although concrete results remained to be seen. Mr. Ritchie emphasized that it was the Canadian hope that some concrete results could be reported by the time of the Ministerial Meeting in December. He mentioned Canadian concern that the "Buy America" Act might cause difficulties with regard to Canadian prospects for sharing in defense production. He understood that this matter was being reviewed by U. S. authorities at a high level and hoped that serious problems would not develop because of this Act.
Mr. Murphy referred to the Canadian decision to limit production of the CF-105 and asked General Foulkes for his comments with respect to this decision. General Foulkes said that new weapons systems were getting so complicated and the costs so great that Canada was being priced out of this field. The development of the CF-105 simply highlighted this problem. He pointed out that the costs of developing and producing one aircraft in Canada were much higher than in the U.S., since Canadian requirements were much smaller. If Canada were to spend twice as much as the U.S. for one aircraft, its ability to share the burden of Joint Defense would in effect be reduced by one-half. The only solution appeared to be some type of pooling arrangement with regard to the production of weapons. Canada must, therefore, get into the production of components for joint defense weapons. Mr. Murphy said that the costs of modern weapons systems posed a serious problem for NATO as a whole. Mr. Robertson agreed but added that the problem at the moment was more acute between Canada and the United States. Mr. Irwin said it would probably be easier to work out something with respect to the Canadian-U.S. problems.

Mr. Robertson said Canada had a highly skilled staff in the aviation industry which it did not want to lose. It was urgent, therefore, that reciprocal arrangements be worked out with respect to defense production to permit specialization and the most effective utilization of resources.

Mr. Murphy made the observation that there was a great deal more wastage in the Western countries than in the Soviet bloc in the utilization of human and other resources.

General Foulkes then turned to the question of cost sharing in joint defense and said that this was a complex problem. The easiest solution,
he said, would be for Canada to provide the bricks and mortar and the U.S. to provide the equipment but this would run counter to the principle of production sharing.

Mr. Robertson said that a solution to the production sharing problem would pave the way for arriving at mutually satisfactory cost sharing arrangements. He said it would be a great help if the working groups on production sharing could make at least preliminary decisions or recommendations by the time of the Ministerial Committee meeting in Paris. Otherwise Canadian industry would face a very difficult situation during the coming winter.

Mr. Murphy said that we fully understood the Canadian problem and would impress on our people working on this problem the urgency of the situation.

General Foulkes and General Twining said they would see whether their respective JCS's could be of any assistance in this problem.

3 a. Administrative Arrangements for the December Meeting of The Canada-U.S. Ministerial Committee on Joint Defense.

Mr. Merchant said that a morning or afternoon meeting at the Canadian Embassy as proposed by the Canadians was agreeable. We had at this time no items to suggest in addition to those suggested by the Canadians. One point he wished to raise was with respect to potential difficulties in NATO if there were to be publicity in Paris about a bilateral Canada-U.S. Ministerial Committee meeting. We wished to avoid any feelings that inner circle groups were being formed in NATO. We would prefer, therefore, to have no press release in Paris either before or after the NATO meeting and wondered whether Canadian Ministers would be agreeable to holding up any announcement until after their
Mr. Robertson wondered how practical that would be in view of the
great number of correspondents who would be in Paris at that time but said he
would take up this question on his return to Ottawa.


This item was opened with a briefing by Colonel Russel Brock on
the military situation in the Far East, which included a review of the dis-
position and strength of forces in that area.

Following the briefing there was a general discussion of the CHICOM
attempt to knock out Quemoy by Artillery bombardment.

General Twining said that he had had a recent conversation with
General Peng, Chief of the Chinese Army, who informed him that morale on the
island was high and that damage had been slight. The CHICOMS evidently had
thought they could knock out Quemoy by shelling and that the shelling combined
with propaganda leaflets would bring about the capitulation of the CHINAT
forces. He said that the situation had been touch and go in the early days
as the CHINATS were not equipped or trained to handle the resupply operation.
The U. S. showed them how to load and unload and the CHINATS were now convinced
that there was no question but that the island could be supplied under con-
ditions of artillery bombardment. General Twining pointed out that the CHICOMS
were careful not to use their air force in strikes against the island which
probably meant they did not want to extend their operations at this time beyond
artillery bombardment.

Mr. Robertson inquired whether the CHICOMS had shown any change of
attitude at Warsaw. He wondered whether the question of reduction of CHINAT
forces on Quemoy would have any effect on their attitude. Mr. Murphy said that there had been no reflection of any change in the CHICOM attitude at the Warsaw talks. They maintained that the size of CHINAT forces was an internal Chinese matter in which foreigners were not involved.

Mr. Lutkins said that the U. S. put forward the question of reduction of the CHINAT forces to the CHICOMS in Warsaw but that our overtures were rebuffed. The CHICOMS said that the only matter for discussion was U. S. interference in Chinese internal affairs and the question of the withdrawal of U. S. forces from the Taiwan Straits area.

Mr. Murphy said it was clear that their all-out effort to reduce the island by artillery bombardment had failed and it was now a question of saving face. The U. S. had tried to help them save face in Warsaw but they didn't respond. He pointed out that the CHICOM failure had a salutary effect on the Japanese. If the U. S. had given way in the face of this threat, the Japanese would have been very unhappy.

Mr. Robertson thanked the U. S. representatives for their helpful comments on this and the other items on the agenda and for the courtesies extended to the Canadian delegation.

Mr. Murphy closed the meeting and expressed his thanks to the Canadian delegation for their helpful contribution to the discussions.