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SCS/21 Netherlands

2nd November 1951

TEMPORARY COUNCIL COMMITTEE
SCREENING AND COSTING STAFF

SUGGESTED TOPICS AND QUESTIONS FOR USE OF
THE EXECUTIVE BUREAU IN REVIEW OF COUNTRY
REPLIES TO TCC-D(51)5 AND TCC-D(51)6

NETHERLANDS

The attached paper sets out the topics and questions which the Directorate of the Screening and Costing Staff recommends should be used by the Executive Bureau in the review of country replies to TCC-D(51)5 and TCC-D(51)6. It is divided into the following sections:

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|-------------|----|--|
| SECTION I | - | Objectives of T.C.C. |
| SECTION II | - | Definition of Terms used |
| SECTION III | -- | Military Summary. (A. Summary of Reports
(B. Costing Estimates) |
| SECTION IV | - | Force Analysis (A. Present position of Forces
(B. Evaluated Capabilities) |
| SECTION V | - | Questions for discussion |

(Sections I and II will be identical for each country.)

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SECTION I

OBJECTIVES OF TEMPORARY COUNCIL COMMITTEE

The central objective of the Temporary Council Committee is to achieve the most rapid practicable build-up of balanced effective combat forces. This objective will be most effectively achieved if, in response to the North Atlantic Council's Resolution, the TOC could:

- a. Appraise the present status of the defense position both individually and collectively, including the developments immediately in prospect as a result of actions already under way.
- b. Define the ultimate goal of a militarily effective and, after taking into account all possible economies, a politico-economically feasible programme, providing genuine security for the North Atlantic Community. This programme should outline the allocation of contributions in men, production and finance among member countries and Germany.
- c. Determine upon a systematic and balanced build-up from present levels which makes the most efficient use at all times of the resources that are now or can be made available. The process of build-up should be so planned as to provide at all times during the period the most effective possible defense.
- d. Reflect in the entire programme the basic NATO principle of balanced collective forces, in which the contributions of all member nations are mutually interdependent and each country's contribution is the most appropriate to its capabilities.
- e. Outline the concerted and co-operative action in both the military and economic fields required to achieve these objectives.
- f. Provide for regular and frequent stocktaking and periodic review of precise commitments, to be firmly determined for successive annual periods in the light of changing military and economic circumstances within a framework of broader long-term mutual obligations related to forward programming over a period of years.

These are the objectives. The main immediate task is to use this information so that our present, incomplete, plans can be made precise. For example, a definition of a D-Day division has yet to be agreed; and what is meant by "readiness". In some measure we all must accept the blame for the vagueness that has characterised past planning. But it is to be hoped, that, in the light of the information now submitted, a more precise statement can be made of what can be done and of what remains to be done.

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A parallel development should take place with regard to MDAP. In the past, though the programming of Military Aid has been related to the MTDP, the allocation and delivery of equipment has been determined bilaterally rather than by an accepted system of NATO priorities. The situation has been complicated by delays in production and the low priority given to NATO requirements. If in the future the allocation of MDAP can be determined within the concept of balanced collective NATO forces, and items, can be used more efficiently, and in accordance with accepted priorities to give NATO plans the material backing they need at the time they need it.

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Table A - Summary of Reports

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	1951	1952	1953	1954	REMARKS
<u>SG 20/37 Part III</u>					
<u>Recommended Contributions</u>					
Army - Divs	2	3	4	5	1 D-Day 4 D+15
Navy - Ships	57	69	106	136	1954 includes 9 ships GSP allocation
AF - Airplanes	63	187	280	326/374	
<u>SG 20/37 Part II</u>					
<u>Agreed Contributions</u>					
Army - Divs	-	-	-	5	D to D+3
Navy - Ships	-	-	-	114	D+180
AF - Airplanes	-	-	-	374	Dec. 1954
<u>TC(51)6 Stated Capability</u>					
Army - Divs	1/3 Active 1/3 Re- serve	2/3 Active 2 Reserve	1 Active 3 Re- serve	1 Active 4 Re- serve	D to D+3
Navy - Ships	46	56	79	91	
AF - Airplanes	86	187	277	376	
<u>TCC(51)5 Mx. Effort</u>					
Army - Divs	1/3 Active 1/3 Re- serve	2/3 Active Reserve	- -	- -	
Navy - ships	62	-	-	-	
AF - Airplanes	86	187	-	-	

MILITARY SUMMARY - SECTION III

Table B - Costing Estimates

Preliminary Comparison of M.T.D.P. and other Defence
Costs with Planned Defence Expenditure, 1 July 1950 -
30 June 1954

<u>Cost Category</u>	<u>Estimated Costs</u> <u>for M.T.D.P. and other</u> <u>Defence Forces</u>	<u>Planned</u> <u>Expenditure</u>	<u>Deficiency</u> <u>or</u> <u>Excess</u>
(i)	(ii)	(iii) <u>Million Guilders</u>	(iv)
Military Personnel -	1,300	1,308	negligible
Major Production and Procurement -	8,900	1,997	- 6,900 (see note 3)
Military and other Construction -	600	654	+ 50
All other operating costs -	3,400	1,449	See note 4
Other Defence Expenditure -	320	578	See note 5
	<u>14,520</u>	<u>5,986</u>	

Notes.

- (1) Column (ii) represents a rough estimate by the SCS of the cost, at current prices, of providing and equipping the force requirements for the Netherlands as given in SG 20/37 Part III, and other defence requirements.
- (2) Column (iii) is taken from tables I and II of the Netherlands response of 25 October, 1951, to TCC-D(51)6. The figures quoted are thus at approximately current prices for the expenditure for 1951 and 1952, but at September 1950 prices for the estimated expenditure of the next two years. The value of end-item aid is excluded from these figures.
- (3) A portion of this deficit on major production costs will be covered by M.T.D.P. already programmed or to be programmed.
- (4) Because of the method of compilation of the Netherlands submission, the figures shown are not directly comparable.
- (5) The planned expenditure of 578 million guilders contains approximately 300 million guilders expenditure on defence of non-NATO areas in 1951 and 1952, which should properly be allocated among the other cost categories.

SECTION III
IV

MILITARY SUMMARY: PRESENT POSITION OF NETHERLANDS FORCES

The readiness of Netherlands forces does not meet the necessary standard for two main reasons:-

- (a) Lack of equipment
- (b) Lack of Trained formations and, in some cases, of trained personnel.

Equipment

Information is not available to show whether present state of equipment is sufficient to meet the needs of the forces. A study of equipment needs and needs for particular units, as indicated in this recommendation is needed.

Trained Units

In the Army, lack of trained formations is affected by:-

- (a) Lack of regular cadres on which reserve formations can form;*
- (b) Lack of training formations at divisional level;
- (c) There is also a shortage of men to form the supporting units.

*SHAPE reports an overall shortage of regulars of 600 officers and 2,000 NCOs and technicians, if this is made up for all reserve divisions.

Fundamentally, the best cure for these troubles, while ensuring the long-term build-up, would be:-

- (a) Increasing Regimental establishment. This would probably need improved pay and conditions of regulars,
- (b) Increasing the percentage of conscripts called up per age group;
- (c) Increasing the length of national service. (Proposals for an increase to 20 months are now before Parliament).

Specifically the following actions, coupled with provision of equipment, could bring 1 1/2nd wire divisions to availability by December 1952:-

- (a) Drawing off regulars from elsewhere to form a cadre on which the 2nd reserve Infantry division could form. This might have serious repercussions on future training and build-up.
- (b) Calling up the 2nd reserve infantry division and 1st brigade group to at least one month's training at divisional level during 1952. This involves considerable political implications.

Even so, these formations would not be completely effective unless the supporting units behind them are also called up for training.

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In the Air Force. The main shortage is lack of trained pilots. There are not enough for the aircraft available. In technical men, the shortage is not so acute and not so noticeable because of the shortage of pilots. The most effective way of improving the position would be:-

- (a) long-term: improving conditions and so attracting more men;
- (b) for immediate effect: extending the length of service of pilots on two years engagements.
- (c) by switching to the Air Force pilots from Naval Aviation, whose role we do not consider is of such vital importance as that of the Air Force.

The immediate problem could also be eased:

- (d) by concentrating the Air Forces available, at present spread over many units, whose combat effectiveness is individually low, into a smaller number of more effective units. This would achieve a considerable short-term increase in efficiency though, by reducing the number of units on which to build in the future, it might adversely affect the long-term build-up.

There is also a serious shortage of Early Warnings, Group Controlled Approach and W/T equipment. These seriously reduce the efficiency of the Air Defence system and the ability of the Air Force to train to a proper standard.

It should be possible to ease this position if the Netherlands Electronic Industry began to produce this type of equipment at once.

The Navy presents no problem so far as existing ships are concerned. We note however that the defence programme falls short of SG.20/37 requirements by 6 destroyer escorts and 13 minesweepers. At the same time big destroyers and submarines are being built which do not seem to be immediately necessary.

We consider that building resources should be concentrated on making up the deficiency in Escorts and minesweepers.

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FORCE ANALYSIS - SECTION IV

Table B - Evaluated capabilities

	1951	1952	1953	1954	REMARKS
Evaluated Capability if SCS recommendations are fulfilled (from this assessment we believe that if the remedial action suggested is taken the following forces could be provided)					
Army - Divs	2/3 (from 3rd Div)	2 (3rd Inf Div) (2nd Inf Div)		5	Capabilities for 1953 and 1954 depend upon a reassessment based upon 1952 accomplishments.
Navy - Ships	46	-	-	-	
AF - Airplanes	86	187	-	-	

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SECTION V

QUESTIONS FOR DISCUSSION

From a managerial viewpoint, it is extremely important that units, personnel, and equipment be given relative priorities and time schedules so as to get the maximum defence end product in the most economical fashion. This will require inevitably an evaluated judgment on which unit or component of any nation's armed forces is the most important one to the balanced NATO collective force.

From the information which you provided in your answers to the questionnaire, it appears that the state of readiness of the units contributed by your country will fall short of meeting the military requirements.

QUESTION 1

Would you be willing to accept the recommendation of General Eisenhower and other NATO commanders on those forces and units of your nation which should be equipped in an order of priority? If so, would you assign equipment and supplies from all sources (including current stocks as well as new production by yourself and other nations) on the basis of phased activation rates to units of your country based on the recommendations of the Supreme Commander?

QUESTION 2

Could you find a regular cadre for the 2nd Reserve Infantry Division? If so, what would be the effect on plans for future build-up?

QUESTION 3

Assuming equipment was available, would you be prepared to call up in 1952 the 2nd Reserve Infantry Division and the 41st Brigade Group for divisional training for at least one month, as already planned?

QUESTION 4

To increase effectiveness of the Air Force in 1952 and meet its immediate deficiencies, would you be prepared to turn over your Naval air crews and technicians to the Air Force?

QUESTION 5

If for 1952 all the air resources are allocated to fewer squadrons, could you bring 3, 4 or 5 squadrons to military acceptable combat readiness by 30th June, 1952? by the end of 1952?

QUESTION 6

What steps could you undertake to increase your regular Army content? What political and economic consequences would follow? How long would it take to provide regular cadres for reserve formations?

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QUESTION 7

Can you undertake to increase the length of call-up and increase the proportion of men called up ?

QUESTION 8

The most important immediate goal is to build, within the general framework of the MTDP an effective force which will deter aggression and would be able, should war break out in 1952, to blunt and withstand an initial Soviet offensive. The mission of this covering force would be to cause the Soviet offensive to break down, to make the Soviet Armed Forces deploy, and finally to stop them as far to the East as the strength of the covering forces permits. The creation of units which can take effective military action on extremely short notice is thus of the highest priority.

With these considerations in mind do you have any military forces within your military establishment which have not yet been assigned to the North Atlantic Treaty Organisation, and which might be put into this front line of defence in the very near future?

QUESTION 9

Production

(i) The provision for major production and procurement included in the Netherlands Defence budget drops from 551.9 million guilders in 1953 to 481.8 million guilders in 1954. Can the reason for this be given ? Will the reduction in expenditure mean that there will be capacity idle which could be used for production of equipment for the Dutch or other NATO forces ?

(ii) There is a deficiency of destroyer escorts and minesweepers against the Netherlands naval contribution recommended in S.G. 20/37. At the same time the Netherlands are building cruisers and submarines and are understood to be planning to build large destroyers. Could the Netherlands new construction be so altered as to produce by 1954 the additional destroyer escorts and minesweepers needed to meet the full naval contribution recommended by the Standing Group ?

(iii) There is a general shortage of radio and electronic equipment for NATO forces, and the Netherlands forces themselves have large deficiencies. Can the radio and electronics industry in the Netherlands undertake more production of equipment which would help to reduce these deficiencies? If so, what is preventing it from going ahead?

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I CORRIGENDUM TO SCS/21 (Netherlands)

SECTION III

Table A - Summary of Reports

Under "T.C.C. (51)5 Mx. Effort, column 1952":
before "Reserve" insert "2".

II ADDENDUM TO SCS/21 (Netherlands)

SECTION V add:

"Question 10

"What preparation for NATO infrastructure is included in your defence budget of 6000 million guilders? Assuming that satisfactory arrangements for financing can be made, can you physically undertake that part of the new infrastructure programme proposed by SHAPE which will be located in your country? By when?"

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