

UNITED STATES NATIONAL SECURITY POLICY: ESTIMATES OF THREATS TO THE NATIONAL SECURITY; ORGANIZATION FOR NATIONAL SECURITY; MILITARY POSTURE AND FOREIGN POLICY; THE EXTENSION OF MILITARY ASSISTANCE TO FOREIGN NATIONS; EFFORTS TO ACQUIRE MILITARY BASES AND AIR TRANSIT RIGHTS IN FOREIGN AREAS; FOREIGN POLICY ASPECTS OF STRATEGIC STOCKPILING; FOREIGN INFORMATION POLICY¹

Editorial Note

A substantial portion of the documentation printed in the *Foreign Relations* series for 1948 concerns subjects of relevance to the national security. Documentation in the present compilation is related to the formulation of high level, general policy. This material should be considered in connection with papers on specific issues and areas found elsewhere in the *Foreign Relations* volumes for 1948. The compilations noted below are of special interest with respect to the more general material printed here.

For documentation on foreign policy aspects of United States development of atomic energy, see pages 677 ff. Regarding United States policy at the United Nations with respect to the regulation of armaments and collective security, see Part 1 of this volume, pages 311 ff. For documentation on the Berlin crisis, see volume II, pages 867 ff. Material on the origins of the North Atlantic Treaty Organization appears in volume III, pages 1 ff. Regarding the diplomacy of the European Recovery Program, see *ibid.*, pages 352 ff. For documentation on United States economic and military aid to Greece and Turkey, see volume IV, pages 1 ff. Additional documentation on the Soviet Union and United States national security policy is included in material on reports of developments of significance within the Soviet Union, in *ibid.*, pages 788 ff. Documentation on United States policy with respect to China is presented in volumes VII and VIII.

To locate documentation on United States policy regarding military assistance to individual nations or areas, see the indexes of volumes III, IV, V (Part 1), VI, VII, VIII, and IX. Material on United States policy with respect to the acquisition of bases and military air transit rights in specific areas of the world may be found by consulting the indexes of volumes III, V (Part 1), VI, and IX.

¹ Continued from *Foreign Relations*, 1947, vol. I, pp. 707-780.

Department of State Atomic Energy Files²

Memorandum of Conversation, by Mr. Edmund A. Gullion, Special Assistant to the Under Secretary of State (Lovett)

TOP SECRET

[WASHINGTON,] January 27, 1948.

Subject: Professor Niels Bohr's³ estimate of Russian prospects for atomic weapons.

Participants: Mr. McCloy,⁴ President, International Bank
Mr. Gullion

Mr. McCloy reported on a conversation which he had with Professor Niels Bohr at the latter's experiment station near Copenhagen in October last. Professor Bohr had wanted to talk to him because he knew of Mr. McCloy's membership in the Secretary's Atomic Energy Committee in 1945-1946.⁵

Professor Bohr expressed considerable concern over the rift between east and west which he saw becoming wider as time passed. He thought that this could only lead to catastrophe and he feared for the United States in the event of an atomic war because of the vulnerability of U.S. industrial concentrations and the relative slowness of democratic governments in action. The Russians had a peculiar psychological stimulus to develop the bomb. When the Germans were defeated the Red army seemed to the Kremlin to stand invincible and Soviet power incontestable. Now the coming of the bomb had dashed this prospect.

Professor Bohr thought that the Russians would succeed in developing atomic weapons within sixteen or eighteen months.

Russian nuclear scientists were as capable as any in the world and their numbers were adequate. He knew this by personal contact with them. As for Russian technology, he believed that we underestimated it, especially since we attempted to evaluate it by our own standards. We overlooked the enormous concentration of effort which the Russians could bring to bear under their system of government by disregarding waste of materials and manpower.

In the face of this prospect Professor Bohr thought that some plan ought to be offered to the Russians and that we could still "get through" to the Russian people with such an offer. He believed that scientists working together might produce some plan. He gave no details of what the plan should be.⁶

² Lot 57D688, the Department of State consolidated lot file on atomic energy policy, 1944-1962.

³ Danish theoretical physicist and pioneer in the development of nuclear physics; adviser, Manhattan Engineer District (United States atomic bomb development program), 1943-1945.

⁴ John J. McCloy, Assistant Secretary of War, April 1941-November 1945.

⁵ Regarding the work of the Secretary of State's Committee, see *Foreign Relations*, 1946, vol. 1, pp. 712 ff.

⁶ For information on the proposal Bohr subsequently submitted, see memorandum for the Secretary of State, August 20, 1948, Part 1 of this volume, p. 388.

Policy Planning Staff Files¹

*Memorandum by the Director of the Policy Planning Staff (Kennan)²
to the Secretary of State and the Under Secretary of State (Lovett)*

TOP SECRET

[WASHINGTON,] February 24, 1948.

When Mr. Acheson³ first spoke to me about the Planning Staff, he said that he thought its most important function would be to try to trace the lines of development of our foreign policy as they emerged from our actions in the past, and to project them into the future, so that we could see where we were going.

During the first months of the operation of the Staff, I hesitated to undertake any such effort, because I did not feel that any of us had a broad enough view of the problems involved to lend real value to our estimate.

I have now made an effort toward a general view of the main problems of our foreign policy, and I enclose it as a Staff paper. It is far from comprehensive and doubtless contains many defects; but it is a first step toward the unified concept of foreign policy which I hope this Staff can some day help to evolve.

The paper is submitted merely for information, and does not call for approval. I made no effort to clear it around the Department, since this would have changed its whole character. For this reason, I feel that if any of the views expressed should be made the basis for action in the Department, the views of the offices concerned should first be consulted.

This document should properly have included a chapter on Latin America. I have not included such a chapter because I am not familiar with the problems of the area, and the Staff has not yet studied them. Butler,⁴ who is taking over for me in my absence,⁵ has had long experience with these problems and I hope that while I am away he and the Staff will be able to work up some recommendations for basic policy objectives with regard to the Latin American countries.

GEORGE F. KENNAN

¹ Lot 64D563, files of the Policy Planning Staff of the Department of State, 1947-1953.

² The Policy Planning Staff of the Department of State was established on May 7, 1947, to consider the development of long range policy and to draw together the views of the geographic and functional offices of the Department. With the enactment of the National Security Act of 1947, the Policy Planning Staff undertook responsibility for the preparation of the position of the Department of State on matters before the National Security Council. For additional information on the activities of the Policy Planning Staff and its Director, see George F. Kennan, *Memoirs 1925-1950* (Boston: Little, Brown and Company, 1967), pp. 313-500.

³ Dean Acheson, Under Secretary of State, August 1945-June 1947.

⁴ George H. Butler, Deputy Director of the Policy Planning Staff.

⁵ On February 26, Kennan departed for Japan to consult with United States officials. Subsequent illness prevented him from returning to the Department of State until April 19.

[Annex]

*Report by the Policy Planning Staff*TOP SECRET
PPS/23

[WASHINGTON,] February 24, 1948.

REVIEW OF CURRENT TRENDS
U.S. FOREIGN POLICY

I. UNITED STATES, BRITAIN, AND EUROPE

On the assumption that Western Europe will be rescued from communist control, the relationships between Great Britain and the continental countries, on the one hand, and between Great Britain and the United States and Canada on the other, will become for us a long term policy problem of major significance. The scope of this problem is so immense and its complexities so numerous that there can be no simple and easy answer. The solutions will have to be evolved step by step over a long period of time. But it is not too early today for us to begin to think out the broad outlines of the pattern which would best suit our national interests.

In my opinion, the following facts are basic to a consideration of this problem.

1. Some form of political, military and economic union in Western Europe will be necessary if the free nations of Europe are to hold their own against the people of the east united under Moscow rule.

2. It is questionable whether this union could be strong enough to serve its designed purpose unless it had the participation and support of Great Britain.

3. Britain's long term economic problem, on the other hand, can scarcely be solved just by closer association with the other Western European countries, since these countries do not have, by and large, the food and raw material surpluses she needs; this problem could be far better met by closer association with Canada and the United States.

4. The only way in which a European union, embracing Britain but excluding eastern Europe, could become economically healthy would be to develop the closest sort of trading relationships either with this hemisphere or with Africa.

It will be seen from the above that we stand before something of a dilemma. If we were to take Britain into our own U.S.-Canadian orbit, according to some formula of "Union now", this would probably solve Britain's long term economic problem and create a natural political entity of great strength. But this would tend to cut Britain off from the close political association she is seeking with continental nations and might therefore have the ultimate effect of rendering the continental nations more vulnerable to Russian pressure. If, on the other hand, the British are encouraged to seek salvation only in closer association with

their continental neighbors, then there is no visible solution of the long term economic problem of either Britain or Germany, and we would be faced, at the termination of ERP, with another crises of demand on this country for European aid.⁶

To me, there seem only two lines of emergence from this dilemma. They are not mutually exclusive and might, in fact, supplement each other very well.

In the first place, Britain could be encouraged to proceed vigorously with her plans for participation in a European union, and we could try to bring that entire union, rather than just Britain alone, into a closer economic association with this country and Canada. We must remember, however, that if this is to be really effective, the economic association must be so intimate as to bring about a substantial degree of currency and customs union, plus relative freedom of migration of individuals as between Europe and this continent. Only in this way can the free movement of private capital and labor be achieved which will be necessary if we are to find a real cure for the abnormal dependence of these areas on governmental aid from this country. But we should also note carefully the possible implications of such a program from the standpoint of the ITO Charter.⁷ As I see it, the draft charter, as well as the whole theory behind our trade agreements program, would make it difficult for us to extend to the countries of western Europe special facilities which we did not extend in like measure to all other ITO members and trade agreement partners.

A second possible solution would lie in arrangements whereby a union of Western European nations would undertake jointly the economic development and exploitation of the colonial and dependent areas of the African Continent. The realization of such a program admittedly presents demands which are probably well above the vision and strengths and leadership capacity of present governments in Western Europe. It would take considerable prodding from outside and much patience. But the idea itself has much to recommend it. The African Continent, is relatively little exposed to communist pressures; and most of it is not today a subject of great power rivalries. It lies easily accessible to the maritime nations of Western Europe, and politically they control or influence most of it. Its resources are still relatively undeveloped. It could absorb great numbers of people and a great deal of Europe's surplus technical and administrative energy. Finally, it would lend to the idea of Western European union that tangible objective for which everyone has been rather unsuccessfully groping in recent months.

⁶ For documentation on United States policy with respect to the economic situation in Europe, see vol. III, pp. 352.

⁷ For documentation on United States policy with respect to the proposed International Trade Organization, see pp. 802 ff.

However this may be, one thing is clear: if we wish to carry through with the main purpose of the ERP we must cordially and loyally support the British effort toward a Western European union. And this support should consist not only of occasional public expressions of approval. The matter should be carefully and sympathetically discussed with the British themselves and with the other governments of Western Europe. Much could be accomplished in such discussions, both from the standpoint of the clarification of our own policy and in the way of the exertion of a healthy and helpful influence on the Europeans themselves. In particular, we will have accomplished an immense amount if we can help to persuade the Western Europeans of the necessity of treating the Germans as citizens of Europe.

With this in mind, I think it might be well to ask each of our missions in Western Europe to make a special study of the problem of Western European union, both in general and with particular reference to the particular country concerned, and to take occasion, in the course of preparation of this study, to consult the views of the wisest and most experienced people they know in their respective capitals. These studies should be accompanied by their own recommendations as to how the basic problem could best be approached. A digest of such studies in this Department should yield a pretty sound cross-section of informed and balanced opinion on the problem in question.

II. EUROPEAN RECOVERY PROGRAM

The course of the debates in Congress now makes it possible for us to distinguish with some degree of probability the outlines of the action toward which this Government is moving in the question of aid to Europe.

1. *The administration of the program.*

The most significant feature of the emerging recovery program is that it is to be conducted by this Government as a technical business operation and not as a political matter. We must face realistically the fact that this will reduce drastically the program's potential political effect and open up the road to a considerable degree of confusion, contradiction and ineffectiveness in this Government's policies toward Europe. The conduct of relations with the European governments by a separate agency of this Government on matters of such great importance, over so long a period of time, cannot fail to cut deeply into the operations of the Department of State in European affairs and to reduce the prestige, the competence, and the effectiveness of its Missions in Europe.

In these circumstances, the possibilities for the exertion of influence by this Department over the course of our relations with European

countries will become predominantly a matter of the extent to which it can influence national policy through the White House. This means that greatly increased importance must be attached to the means of liaison between the Department and the White House, and particularly to the National Security Council.

But we should not deceive ourselves into hoping that national policy conducted through channels as round about as this, and involving the use of a new and separate organization such as the ERP administration, can be as clear cut or as efficacious as that which could be conducted if policy-making functions continued to rest clearly with the regular agencies of government. No policy can become really effective unless it commands the understanding of those who carry it out. The understanding of governmental policies in the field of foreign affairs cannot be readily acquired by people who are new to that field, even when they are animated by the best will in the world. This is not a matter of briefing, or instructing, which could be done in a short time. It is a matter of educating and training, for which years are required.

Our experience with *ad hoc* wartime and post-hostilities agencies operating in the foreign field has demonstrated that not only are new agencies of little value in executing policies which go beyond the vision and the educational horizon of their own personnel, but that they actually develop a momentum of their own which, in the final analysis, tends to shape—rather than to serve—the national policy.

I do not think that the manner in which this aid program is to be undertaken is necessarily going to mean that its basic purpose will not be served. While we will hardly be able to use U.S. aid tactically, as a flexible political instrument, the funds and goods will nevertheless themselves constitute an important factor on the European scene. The mere availability of this amount of economic assistance will create, so to speak, a new topographic feature against which the peoples of Western Europe will be able to brace themselves in their own struggle to preserve political independence.

But we must recognize that, once the bill has been passed, the matter will be largely out of our hands. The operation of the ERP administration will make it difficult for this Department itself to conduct any incisive and vigorous policy with relation to Europe during the period in question. This does not relieve us, of course, of the duty of continuing to study carefully the development of the European scene and of contributing as best we can to the formulation of national policy relating to the European area. But it thrusts this Department back—with respect to one great area of the world's surface—into the position it occupied in many instances during the recent war:—the position of an advisory, rather than an executive, agency.

2. *The time factor and the question of amount.*

The dilatoriness of the Congress in acting on this matter presents a definite danger to the success of the program. A gap between the date on which the aid becomes available and the point to which European reserves can hold out could nullify a great part of the effect of the program.

There is probably not much that we can do, by pleading or urging, to expedite Congressional action. But I think we should state very plainly to Congress the time limits involved (which our own economic analysts must determine) and the possible consequences of delay. Furthermore, we should make clear that aid granted subsequent to the specified time limits cannot be considered as a response to the recommendations of the Executive branch of the Government, and that the latter cannot take responsibility for the desirability or effectiveness of the program in these circumstances.

The same principle applies in case the program is cut in amount below what we consider to be the minimum necessary for the recovery purpose.

In either case, there will be charges we are trying to "dictate" to the Congress. But there is a serious question of responsibility involved here; and the Executive branch of the Government will find itself embarrassed in its future position if it allows itself to be forced now into accepting a share of responsibility for a program of aid which it knows will be too little, too late, or both.

3. *The question of European Union.*

The original reaction to the Harvard speech,⁸ both in Europe and here, demonstrated how vitally important to the success of an aid program is the concept of European unity. Unless the program actually operates to bring closer together the countries participating in it, it will certainly fail in its major purpose, and it will not take on, in the eyes of the world public, the dignity and significance which would set it apart from the previous efforts at foreign economy aid.

There is real danger that this basic fact be lost sight of at this stage in the deliberations, not only in the Congress, but also in the Department.

We should therefore make it a point to lose no opportunity to stress this element in the concept of the aid program, and to insist that the principle of collaboration and joint responsibility among the 16 nations be emphasized throughout in our handling of the operation.

⁸ For text of Secretary Marshall's address at commencement exercises at Harvard University, June 5, 1947, see *Foreign Relations*, 1947, vol. III, p. 237, or Department of State *Bulletin*, June 15, 1947, p. 1159.

III. GERMANY⁹

The coming changes with respect to the responsibility for military government in Germany provide a suitable occasion for us to evolve new long-term concepts of our objectives with respect to that country. We cannot rely on the concepts of the existing policy directives. Not only were these designed to meet another situation, but it is questionable, in many instances, whether they were sound in themselves.

The planning to be done in this connection will necessarily have to be many-sided and voluminous. But it is possible to see today the main outlines of the problem we will face and, I think, of the solutions we must seek.

In the long run there can be only three possibilities for the future of western and central Europe. One is German domination. Another is Russian domination. The third is a federated Europe, into which the parts of Germany are absorbed but in which the influence of the other countries is sufficient to hold Germany in her place.

If there is no real European federation and if Germany is restored as a strong and independent country, we must expect another attempt at German domination. If there is no real European federation and if Germany is *not* restored as a strong and independent country, we invite Russian domination, for an unorganized Western Europe cannot indefinitely oppose an organized Eastern Europe. The only reasonably hopeful possibility for avoiding one of these two evils is some form of federation in western and central Europe.

Our dilemma today lies in the fact that whereas a European federation would be by all odds the best solution from the standpoint of U.S. interests, the Germans are poorly prepared for it. To achieve such a federation would be much easier if Germany were partitioned, or drastically decentralized, and if the component parts could be brought separately into the European union. To bring a unified Germany, or even a unified western Germany, into such a union would be much more difficult; for it would still over-weigh the other components, in many respects.

Now a partition of the Reich might have been possible if it had been carried out resolutely and promptly in the immediate aftermath of defeat. But that moment is now past, and we have today another situation to deal with. As things stand today, the Germans are psychologically not only unprepared for any breakup of the Reich but in a frame of mind which is distinctly unfavorable thereto.

In any planning we now do for the future of Germany we will have to take account of the unpleasant fact that our occupation up to this

⁹ For documentation on United States policy with respect to the occupation and control of Germany, see vol. II, pp. 1285 ff.

time has been unfortunate from the standpoint of the psychology of the German people. They are emerging from this phase of the post-hostilities period in a state of mind which can only be described as sullen, bitter, unregenerate, and pathologically attached to the old chimera of German unity. Our moral and political influence over them has not made headway since the surrender. They have been impressed neither by our precepts nor by our example. They are not going to look to us for leadership. Their political life is probably going to proceed along the lines of a polarization into extreme right and extreme left, both of which elements will be, from our standpoint, unfriendly, ugly to deal with, and contemptuous of the things we value.

We cannot rely on any such Germany to fit constructively into a pattern of European union of its own volition. Yet without the Germans, no real European federation is thinkable. And without federation, the other countries of Europe can have no protection against a new attempt at foreign domination.

If we did not have the Russians and the German communists prepared to take advantage politically of any movement on our part toward partition we could proceed to partition Germany regardless of the will of the inhabitants, and to force the respective segments to take their place in a federated Europe. But in the circumstances prevailing today, we cannot do this without throwing the German people politically into the arms of the communists. And if that happens, the fruits of our victory in Europe will have been substantially destroyed.

Our possibilities are therefore reduced, by the process of exclusion, to a policy which, without pressing the question of partition in Germany, would attempt to bring Germany, or western Germany, into a European federation, but do it in such a way as not to permit her to dominate that federation or jeopardize the security interests of the other western European countries. And this would have to be accomplished in the face of the fact that we cannot rely on the German people to exercise any self-restraint of their own volition, to feel any adequate sense of responsibility vis-à-vis the other western nations, or to concern themselves for the preservation of western values in their own country and elsewhere in Europe.

I have no confidence in any of the old-fashioned concepts of collective security as a means of meeting this problem. European history has shown only too clearly the weakness of multilateral defensive alliances between complete sovereign nations as a means of opposing desperate and determined bids for domination of the European scene. Some mutual defense arrangements will no doubt be necessary as a concession to the prejudices of the other Western European peoples, whose thinking is still old fashioned and unrealistic on this subject.

But we can place no reliance on them as a deterrent to renewed trouble-making on the part of the Germans.

This being the case, it is evident that the relationship of Germany to the other countries of western Europe must be so arranged as to provide mechanical and automatic safeguards against any unscrupulous exploitation of Germany's preeminence in population and in military-industrial potential.

The first task of our planning will be to find such safeguards.

In this connection, primary consideration must be given to the problem of the Ruhr. Some form of international ownership or control of the Ruhr industries would indeed be one of the best means of automatic protection against the future misuse of Germany's industrial resources for aggressive purposes. There may be other devices which would also be worth exploring.

A second line of our planning will have to be in the direction of the maximum interweaving of German economy with that of the remainder of Europe. This may mean that we will have to reverse our present policies, in certain respects. One of the most grievous mistakes, in my opinion, of our post-hostilities policy was the renewed extreme segregation of the Germans and their compression into an even smaller territory than before, in virtual isolation from the remaining peoples of Europe. This sort of segregation and compression invariably arouses precisely the worst reactions in the German character. What the Germans need is not to be thrust violently in upon themselves, which only heightens their congenital irrealism and self-pity and defiant nationalism, but to be led out of their collective egocentrism and encouraged to see things in larger terms, to have interests elsewhere in Europe and elsewhere in the world, and to learn to think of themselves as world citizens and not just as Germans.

Next, we must recognize the bankruptcy of our moral influence on the Germans, and we must make plans for the earliest possible termination of those actions and policies on our part which have been psychologically unfortunate. First of all, we must reduce as far as possible our establishment in Germany; for the residence of large numbers of representatives of a victor nation in a devastated conquered area is never a helpful factor, particularly when their living habits and standards are as conspicuously different as are those of Americans in Germany. Secondly, we must terminate as rapidly as possible those forms of activity (denazification, re-education, and above all the Nuremberg Trials) which tend to set up as mentors and judges over internal German problems. Thirdly, we must have the courage to dispense with military government as soon as possible and to force the Germans to accept responsibility once more for their own affairs. They will never begin to do this as long as we will accept that responsibility for them.

The military *occupation* of western Germany may have to go on for a long time. We may even have to be prepared to see it become a quasi-permanent feature of the European scene. But military *government* is a different thing. Until it is removed, we cannot really make progress in the direction of a more stable Europe.

Finally, we must do everything possible from now on to coordinate our policy toward Germany with the views of Germany's immediate western neighbors. This applies particularly to the Benelux countries, who could probably easily be induced to render valuable collaboration in the implementation of our own views. It is these neighboring countries who in the long run must live with any solutions we may evolve; and it is absolutely essential to any successful ordering of western Europe that they make their full contribution and bear their full measure of responsibility. It would be better for us in many instances to temper our own policies in order to win their support than to try to act unilaterally in defiance of their feelings.

With these tasks and problems before us it is important that we should do nothing in this intervening period which would prejudice our later policies. The appropriate offices of the Department of State should be instructed to bear this in mind in their own work. We should also see to it that it is borne in mind by our military authorities in the prosecution of their policies in Germany. These considerations should be observed in any discussions we hold with representatives of other governments. This applies particularly to the forthcoming discussions with the French and the British.

IV. MEDITERRANEAN

As the situation has developed in the past year, the Soviet chances for disrupting the unity of western Europe and forcing a political entry into that area have been *deteriorating in northern Europe*, where the greater political maturity of the peoples is gradually asserting itself, but *holding their own*, if not actually increasing, *in the south* along the shores of the Mediterranean. Here the Russians have as assets not only the violent chauvinism of their Balkan satellites but also the desperate weakness and weariness of the Greek and Italian peoples.¹⁰ Conditions in Greece and Italy today are peculiarly favorable to the use of fear as a weapon for political action, and hence to the tactics which are basic and familiar to the communist movement.

It cannot be too often reiterated that this Government does not possess the weapons which would be needed to enable it to meet head-on the threat to national independence presented by the communist ele-

¹⁰ For documentation on United States efforts in support of democratic forces in Italy, see vol. III, pp. 816 ff. Regarding United States economic and military support for Greece, see vol. IV, pp. 1 ff.

ments in foreign countries. This poses an extremely difficult problem as to the measures which our Government can take to prevent the communists from achieving success in the countries where resistance is lowest.

The Planning Staff has given more attention to this than to any single problem which has come under its examination. Its conclusions may be summed up as follows:

(1) The use of U.S. regular armed force to oppose the efforts of indigenous communist elements within foreign countries must generally be considered as a risky and profitless undertaking, apt to do more harm than good.

(2) If, however, it can be shown that the continuation of communist activities has a tendency to attract U.S. armed power to the vicinity of the affected areas, and if these areas are ones from which the Kremlin would definitely wish U.S. power excluded, there is a possibility that this may bring into play the defensive security interests of the Soviet Union and cause the Russians to exert a restraining influence on local communist forces.

The Staff has therefore felt that the wisest policy for us to follow would be to make it evident to the Russians by our actions that the further the communists go in Greece and Italy the more surely will this Government be forced to extend the deployment of its peacetime military establishment in the Mediterranean area.

There is no doubt in our minds but that if the Russians knew that the establishment of a communist government in Greece would mean the establishment of U.S. air bases in Libya and Crete, or that a communist uprising in northern Italy would lead to the renewed occupation by this country of the Foggia field, a conflict would be produced in the Kremlin councils between the interests of the Third Internationale, on the one hand, and those of the sheer military security of the Soviet Union, on the other. In conflicts of this sort, the interests of narrow Soviet nationalism usually win. If they were to win in this instance, a restraining hand would certainly be placed on the Greek and Italian communists.

This has already been, to some extent, the case. I think there is little doubt that the activity of our naval forces in the Mediterranean (including the stationing of further Marines with those forces), plus the talk of the possibility of our sending U.S. forces to Greece, has had something to do with the failure of the satellites, up to this time, to recognize the Markos Government, and possibly also with the Kremlin's reprimand to Dimitrov. Similarly, I think the statement we made at the time of the final departure of our troops from Italy was probably the decisive factor in bringing about the abandonment of the plans which evidently existed for a communist uprising in Italy prior to the spring elections.

For this reason, I think that our policy with respect to Greece and Italy, and the Mediterranean area in general, should be based upon the objective of demonstration to the Russians that:

(a) the reduction of the communist threat will lead to our military withdrawal from the area; but that

(b) further communist pressure will only have the effect of involving us more deeply in a military sense.

V. PALESTINE AND THE MIDDLE EAST

The Staff views on Palestine have been made known in a separate paper.¹¹ I do not intend to recapitulate them here. But there are two background considerations of determining importance, both for the Palestine question and for our whole position in the Middle East, which I should like to emphasize at this time.

1. *The British strategic position in the Middle East.*

We have decided in this Government that the security of the Middle East is vital to our own security. We have also decided that it would not be desirable or advantageous for us to attempt to duplicate or to take over the strategic facilities now held by the British in that area. We have recognized that these facilities would be at our effective disposal anyway, in the event of war, and that to attempt to get them transferred, in the formal sense, from the British to ourselves would only raise a host of new and unnecessary problems, and would probably be generally unsuccessful.

This means that we must do what we can to support the maintenance of the British of their strategic position in that area. This does *not mean* that we must support them in every individual instance. It does *not mean* that we must back them up in cases where they have got themselves into a false position or where we would thereby be undertaking extravagant political commitments. It *does mean* that any policy on our part which tends to strain British relations with the Arab world and to whittle down the British position in the Arab countries is only a policy directed against ourselves and against the immediate strategic interests of our country.

2. *The direction of our own policy.*

The pressures to which this Government is now subjected are ones which impel us toward a position where we would shoulder major responsibility for the maintenance, and even the expansion, of a Jewish state in Palestine. To the extent that we move in this direction, we will be operating directly counter to our major security interests

¹¹ For the views of the Policy Planning Staff on this subject, see PPS 19, January 20, 1948, and PPS 21, February 11, 1948, in vol. v, Part 2, pp. 545 and 619, respectively.

in that area. For this reason, our policy in the Palestine issue should be dominated by the determination to avoid being impelled along this path.

We are now heavily and unfortunately involved in this Palestine question. We will apparently have to make certain further concessions to our past commitments and to domestic pressures.

These concessions will be dangerous ones; but they will not necessarily be catastrophic if we are thoroughly conscious of what we are doing, and if we lay our general course toward the avoidance of the possibility of the responsibility I have referred to. If we do not lay our course in that direction but drift along the lines of least resistance in the existing vortex of cross currents, our entire policy in the Middle Eastern area will unquestionably be carried in the direction of confusion, ineffectiveness, and grievous involvement in a situation to which there cannot be—from our standpoint—any happy ending.

I think it should be stated that if this Government is carried to a point in the Palestine controversy where it is required to send U.S. forces to Palestine in any manner whatsoever, or to agree either to the international recruitment of volunteers or the sending of small nation forces which would include those of Soviet satellites, then in my opinion, the whole structure of strategic and political planning which we have been building up for the Mediterranean and Middle Eastern areas would have to be re-examined and probably modified or replaced by something else. For this would then mean that we had consented to be guided, in a highly important question affecting those areas, not by national interest but by other considerations. If we tried, in the face of this fact, to continue with policy in adjacent areas motivated solely by national interest, we would be faced with a duality of purpose which would surely lead in the end to a dissipation and confusion of effort. We cannot operate with one objective in one area, and with a conflicting one next door.

If, therefore, we decide that we are obliged by past commitments or UN decision or any other consideration to take a leading part in the enforcement in Palestine of any arrangement opposed by the great majority of the inhabitants of the Middle Eastern area, we must be prepared to face the implications of this act by revising our general policy in that part of the world. And since the Middle East is vital to the present security concepts on which this Government is basing itself in its worldwide military and political planning, this would further mean a review of our entire military and political policy.

VI. U.S.S.R.

If the Russians have further success in the coming months in their efforts at penetration and seizure of political control of the key coun-

tries outside the iron curtain (Germany, France, Italy, and Greece), they will continue, in my opinion, to be impossible to deal with at the council table. For they will see no reason to settle with us at this time over Germany when they hope that their bargaining position will soon be improved.

If, on the other hand, their situation outside the iron curtain does not improve—if the ERP aid arrives in time and in a form to do some good and if there is a general revival of confidence in western Europe, then a new situation will arise and the Russians will be prepared, for the first time since the surrender, to do business seriously with us about Germany and about Europe in general. They are conscious of this and are making allowance for this possibility in their plans. I think, in fact, that they regard it as the more probable of the two contingencies.

When that day comes, i.e. when the Russians will be prepared to talk realistically with us, we will be faced with a great test of American statesmanship, and it will not be easy to find the right solution. For what the Russians will want us to do will be to conclude with them a sphere-of-influence agreement similar to the one they concluded with the Germans in 1939. It will be our job to explain to them that we cannot do this and why. But we must also be able to demonstrate to them that it will still be worth their while:

(a) to reduce communist pressures elsewhere in Europe and the Middle East to a point where we can afford to withdraw all our armed forces from the continent and the Mediterranean; and

(b) to acquiesce thereafter in a prolonged period of stability in Europe.

I doubt that this task will be successfully accomplished if we try to tackle it head-on in the CFM or at any other public meeting. Our public dealings with the Russians can hardly lead to any clear and satisfactory results unless they are preceded by preparatory discussions of the most secret and delicate nature with Stalin.¹² I think that those discussions can be successfully conducted only by someone who:

(a) has absolutely no personal axe to grind in the discussions, even along the lines of getting public credit for their success, and is prepared to observe strictest silence about the whole proceeding; and

(b) is thoroughly acquainted not only with the background of our policies but with Soviet philosophy and strategy and with the dialectics used by Soviet statesmen in such discussions.

(It would be highly desirable that this person be able to conduct conversations in the Russians' language. In my opinion, this is important with Stalin.)

These discussions should not be directed toward arriving at any sort of secret protocol or any other written understanding. They should be

¹² Joseph Vissarionovich Stalin, Chairman of the Council of Ministers of the Soviet Union.

designed to clarify the background of any written understanding that we may hope to reach at the CFM table or elsewhere. For we know now that the words of international agreements mean different things to the Russians than they do to us; and it is desirable that in this instance we should thresh out some common understanding of what would really be meant by any further written agreements we might arrive at.

The Russians will probably not be prepared to "talk turkey" with us until after the elections. But it would be much easier to talk to them at that time if the discussions did not have to be inaugurated too abruptly and if the ground had been prepared beforehand.

The Russians recently made an interesting approach to Murphy in Berlin, obviously with a view to drawing us out and to testing our interest in talking with them frankly and realistically on the informal plane. I do not think Berlin a desirable place for the pursuit of further discussions of this sort. On the other hand, I do not think that we should give them a complete cold shoulder. We must always be careful not to give discouragement to people in the Kremlin who may urge the desirability of better understanding with us.

I think, in the light of the above, we should give careful attention to the personnel arrangements which we make with relation to the Russian field in the next few months, and that we should play our cards throughout with a view to the possibility of arriving eventually at some sort of a background understanding with the Kremlin. But we must bear in mind that this understanding would necessarily have to be limited and coldly realistic, could not be reduced to paper, and could not be expected to outlast the general international situation which had given rise to it.

I may add that I think such an understanding would have to be restricted pretty much to the European and western Mediterranean areas. I doubt that it could be extended to apply to the Middle East and Far East. The situation in these latter areas is too unsettled, the prospects for the future too confusing, the possibilities of one sort or another too vast and unforeseeable, to admit of such discussions. The only exception to this might be with respect to Japan. It might conceivably be possible for us to achieve some arrangement whereby the economic exchanges between Japan and Manchuria might be revived in a guarded and modified form, by some sort of barter arrangement. This is an objective well worth holding in mind, from our standpoint. But we should meanwhile have to frame our policies in Japan with a view to creating better bargaining power for such discussions than we now possess.

VII. FAR EAST

My main impression with regard to the position of this Government with regard to the Far East is that we are greatly over-extended

in our whole thinking about what we can accomplish, and should try to accomplish, in that area. This applies, unfortunately, to the public in our country as well as to the Government.

It is urgently necessary that we recognize our own limitations as a moral and ideological force among the Asiatic peoples.

Our political philosophy and our patterns for living have very little applicability to masses of people in Asia. They may be all right for us, with our highly developed political traditions running back into the centuries and with our peculiarly favorable geographic position; but they are simply not practical or helpful, today, for most of the people in Asia.

This being the case, we must be very careful when we speak of exercising "leadership" in Asia. We are deceiving ourselves and others when we pretend to have the answers to the problems which agitate many of these Asiatic peoples.

Furthermore, we have about 50% of the world's wealth but only 6.3% of its population. This disparity is particularly great as between ourselves and the peoples of Asia. In this situation, we cannot fail to be the object of envy and resentment. Our real task in the coming period is to devise a pattern of relationships which will permit us to maintain this position of disparity without positive detriment to our national security. To do so, we will have to dispense with all sentimentality and day-dreaming; and our attention will have to be concentrated everywhere on our immediate national objectives. We need not deceive ourselves that we can afford today the luxury of altruism and world-benefaction.

For these reasons, we must observe great restraint in our attitude toward the Far Eastern areas. The peoples of Asia and of the Pacific area are going to go ahead, whatever we do, with the development of their political forms and mutual interrelationships in their own way. This process cannot be a liberal or peaceful one. The greatest of the Asiatic peoples—the Chinese and the Indians—have not yet even made a beginning at the solution of the basic demographic problem involved in the relationship between their food supply and their birth rate. Until they find some solution to this problem, further hunger, distress and violence are inevitable. All of the Asiatic peoples are faced with the necessity for evolving new forms of life to conform to the impact of modern technology. This process of adaptation will also be long and violent. It is not only possible, but probable, that in the course of this process many peoples will fall, for varying periods, under the influence of Moscow, whose ideology has a greater lure for such peoples, and probably greater reality, than anything we could oppose to it. All this, too, is probably unavoidable; and we could not hope to combat it without the diversion of a far greater portion of

our national effort than our people would ever willingly concede to such a purpose.

In the face of this situation we would be better off to dispense now with a number of the concepts which have underlined our thinking with regard to the Far East. We should dispense with the aspiration to "be liked" or to be regarded as the repository of a high-minded international altruism. We should stop putting ourselves in the position of being our brothers' keeper and refrain from offering moral and ideological advice. We should cease to talk about vague and—for the Far East—unreal objectives such as human rights, the raising of the living standards, and democratization. The day is not far off when we are going to have to deal in straight power concepts. The less we are then hampered by idealistic slogans, the better.

We should recognize that our influence in the Far Eastern area in the coming period is going to be primarily military and economic. We should make a careful study to see what parts of the Pacific and Far Eastern world are absolutely vital to our security, and we should concentrate our policy on seeing to it that those areas remain in hands which we can control or rely on. It is my own guess, on the basis of such study as we have given the problem so far, that Japan and the Philippines will be found to be the corner-stones of such a Pacific security system and that if we can contrive to retain effective control over these areas there can be no serious threat to our security from the East within our time.

Only when we have assured this first objective, can we allow ourselves the luxury of going farther afield in our thinking and our planning.

If these basic concepts are accepted, then our objectives for the immediate coming period should be:

(a) to liquidate as rapidly as possible our unsound commitments in China and to recover, vis-à-vis that country, a position of detachment and freedom of action;

(b) to devise policies with respect to Japan which assure the security of those islands from communist penetration and domination as well as from Soviet military attack, and which will permit the economic potential of that country to become again an important force in the Far East, responsive to the interests of peace and stability in the Pacific area; and

(c) to shape our relationship to the Philippines in such a way as to permit to the Philippine Government a continued independence in all internal affairs but to preserve the archipelago as a bulwark of U.S. security in that area.

Of these three objectives, the one relating to Japan is the one where there is the greatest need for immediate attention on the part of our Government and the greatest possibility for immediate action. It

should therefore be made the focal point of our policy for the Far East in the coming period.

VIII. INTERNATIONAL ORGANIZATION

A broad conflict runs through U.S. policy today between what may be called the universalistic and the particularized approaches to the solution of international problems.

The *universalistic* approach looks to the solution of international problems by providing a universalistic pattern of rules and procedures which would be applicable to all countries, or at least all countries prepared to join, in an identical way. This approach has the tendency to rule out *political* solutions (that is, solutions related to the peculiarities in the positions and attitudes of the individual peoples). It favors legalistic and mechanical solutions, applicable to all countries alike. It has already been embodied in the United Nations, in the proposed ITO Charter, in UNESCO, in the PICAQ, and in similar efforts at universal world collaboration in given spheres of foreign policy.

This universalistic approach has a strong appeal to U.S. public opinion; for it appears to obviate the necessity of dealing with the national peculiarities and diverging political philosophies of foreign peoples; which many of our people find confusing and irritating. In this sense, it contains a strong vein of escapism. To the extent that it could be made to apply, it would relieve us of the necessity of dealing with the world as it is. It assumes that if all countries could be induced to subscribe to certain standard rules of behavior, the ugly realities—the power aspirations, the national prejudices, the irrational hatreds and jealousies—would be forced to recede behind the protecting curtain of accepted legal restraint, and that the problems of our foreign policy could thus be reduced to the familiar terms of parliamentary procedure and majority decision. The outward form established for international dealings would then cover and conceal the inner content. And instead of being compelled to make the sordid and involved political choices inherent in traditional diplomacy, we could make decisions on the lofty but simple plane of moral principle and under the protecting cover of majority decision.

The *particularized* approach is one which is skeptical of any scheme for compressing international affairs into legalistic concepts. It holds that the content is more important than the form, and will force its way through any formal structure which is placed upon it. It considers that the thirst for power is still dominant among so many peoples that it cannot be assuaged or controlled by anything but counter-force. It does not reject entirely the idea of alliance as a suitable

form of counter-force; but it considers that if alliance is to be effective it must be based upon real community of interest and outlook, which is to be found only among limited groups of governments, and not upon the abstract formalism of universal international law or international organization. It places no credence in the readiness of most peoples to wage war or to make national sacrifices in the interests of an abstraction called "peace". On the contrary, it sees in universal undertakings a series of obligations which might, in view of the shortsightedness and timidity of other governments, prevent this country from taking vigorous and incisive measures for its own defense and for the defense of concepts of international relations which might be of vital importance to world stability as a whole. It sees effective and determined U.S. policy being caught, at decisive moments, in the meshes of a sterile and cumbersome international parliamentarianism, if the universalistic concepts are applied.

Finally, the particularized approach to foreign policy problems distrusts the theory of national sovereignty as it expresses itself today in international organization. The modern techniques of aggressive expansion lend themselves too well to the pouring of new wine into old vessels—to the infusion of a foreign political will into the personality of an ostensibly independent nation. In these circumstances, the parliamentary principle in world affairs can easily become distorted and abused as it has been in the case of White Russia, the Ukraine and the Russian satellites. This is not to mention the problem of the distinction between large and small states, and the voice that they should have, respectively, in world affairs.

This Government is now conducting a dual policy, which combines elements of both of these approaches. This finds its reflection in the Department of State, where the functional (or universalistic) concept vies with the geographic (or particularized) in the framing and conduct of policy, as well as in the principles of Departmental organization.

This duality is something to which we are now deeply committed. I do not mean to recommend that we should make any sudden changes. We cannot today abruptly renounce aspirations which have become for many people here and abroad a symbol of our belief in the possibility of a peaceful world.

But it is my own belief that in our pursuance of a workable world order we have started from the wrong end. Instead of beginning at the center, which is our own immediate neighborhood—the area of our own political and economic tradition—and working outward, we have started on the periphery of the entire circle, i.e., on the universalistic principle of the UN, and have attempted to work inward. This has

meant a great dispersal of our effort, and has brought perilously close to discredit those very concepts of a universal world order to which we were so attached. If we wish to preserve those concepts for the future we must hasten to remove some of the strain we have placed upon them and to build a solid structure, proceeding from a central foundation, which can be thrust up to meet them before they collapse of their own weight.

This is the significance of the ERP, the idea of European union, and the cultivation of a closer association with the U.K. and Canada. For a truly stable world order can proceed, within our lifetime, only from the older, mellower and more advanced nations of the world—nations for which the concept of order, as opposed to power, has value and meaning. If these nations do not have the strength to seize and hold real leadership in world affairs today, through that combination of political greatness and wise restraint which goes only with a ripe and settled civilization, then, as Plato once remarked: “. . . cities will never have rest from their evils,—no, nor the human race, as I believe.” [Here follows Part IX, “Department and Foreign Service.”]

X. CONCLUSIONS

An attempt to survey the whole panorama of U.S. policy and to sketch the lines of direction along which this country is moving in its relations with the rest of the world yields little cause for complacency.

We are still faced with an extremely serious threat to our whole security, in the form of the men in the Kremlin. These men are an able, shrewd and utterly ruthless group, absolutely devoid of respect for us or our institutions. They wish for nothing more than the destruction of our national strength. They operate through a political organization of unparalleled flexibility, discipline, cynicism and toughness. They command the resources of one of the world's greatest industrial and agricultural nations. Natural force, independent of our policies, may go far to absorb and eventually defeat the efforts of this group. But we cannot depend upon this. Our own diplomacy has a decisive part to play in this connection. The problems involved are new to us, and we are only beginning to adjust ourselves to them. We have made some progress; but we are not yet nearly far enough advanced. Our operations in foreign affairs must attain a far higher degree of purposefulness, of economy of effort, and of disciplined coordination if we are to be sure of accomplishing our purposes.

In the western European area communism has suffered a momentary check; but the issue is still in the balance. This Government has as yet evolved no firm plans for helping Britain meet her basic long-term economic problem, or for fitting Germany into western Europe in a

way that gives permanence of assuring the continued independence and prosperity of the other nations of western Europe.

In the Mediterranean and Middle East, we have a situation where a vigorous and collective national effort, utilizing both our political and military resources, could probably prevent the area from falling under Soviet influence and preserve it as a highly important factor in our world strategic position. But we are deeply involved, in that same area, in a situation which has no direct relation to our national security, and where the motives of our involvement lie solely in past commitments of dubious wisdom and in our attachment to the UN itself. If we do not effect a fairly radical reversal of the trend of our policy to date, we will end up either in the position of being ourselves militarily responsible for the protection of the Jewish population in Palestine against the declared hostility of the Arab world, or of sharing that responsibility with the Russians and thus assisting at their installation as one of the military powers of the area. In either case, the clarity and efficiency of a sound national policy for that area will be shattered.

In the Far East, our position is not bad; and we still have a reasonably firm grip on most of what is strategically essential to us. But our present controls are temporary ones which cannot long endure, and we have not yet worked out realistic plans for replacing them with a permanent structure. Meanwhile, our own public has been grievously misled by the sentimentalists on the significance of the area to ourselves; and we are only beginning with the long and contentious process of re-education which will be necessary before a realistic Far Eastern policy can receive the popular understanding it deserves.

In all areas of the world, we still find ourselves the victims of many of the romantic and universalistic concepts with which we emerged from the recent war. The initial build-up of the UN in U.S. public opinion was so tremendous that it is possibly true, as is frequently alleged, that we have no choice but to make it the cornerstone of our policy in this post-hostilities period. Occasionally, it has served a useful purpose. But by and large it has created more problems than it has solved, and has led to a considerable dispersal of our diplomatic effort. And in our efforts to use the UN majority for major political purposes we are playing with a dangerous weapon which may some day turn against us. This is a situation which warrants most careful study and foresight on our part.

Policy Planning Staff Files

*Memorandum by the Acting Director of the Policy Planning Staff
(Butler) to the Secretary of State*

SECRET

[WASHINGTON,] March 12, 1948.

MR. SECRETARY: In response to your request, there are set forth below the Policy Planning Staff's views on the UMT statement you are to make before the Senate Armed Services Committee.¹

The Planning Staff is concerned about the effect that your statement as drafted may have.² The reasons for this concern are:

(a) The best information available to the Planning Staff is that the prospects are poor for enactment of the UMT legislation this year, even with the weight of your prestige behind it. This being the case, failure to enact the legislation after your strong testimony in its favor would have a very bad psychological effect abroad, both in discouraging our friends and encouraging further aggressive moves by the USSR;

(b) The accelerated march of events makes necessary an immediate strengthening of our military effectiveness to back our foreign policy. It is the informal opinion of members of the National Security Council Staff that the best way to attain this immediate strengthening of our military position is through measures such as Selective Service;

(c) Your proposed statement might be interpreted to mean that you believe universal military training is adequate to supply the immediate need for a military force strong enough to support our foreign policy;

(d) While your quoted views as Chief of Staff still are valid in support of UMT, the situation they were designed to meet is radically different from the situation that exists today. It seems preferable to refer to or summarize those views and place greater emphasis on other measures which you consider would provide the necessary immediate military backing for our foreign policy.

In light of the above expressed views the Policy Planning Staff submits a suggested redraft of your statement.

GEORGE H. BUTLER

¹ For extracts from Marshall's statement before the Senate Armed Services Committee, March 17, and information regarding the foreign policy aspects of the question of procurement of manpower for the armed forces, see editorial note, p. 538.

² Neither the draft statement considered by the Policy Planning Staff nor the revision prepared by the PPS has been found in the files of the Department of State.

711.90/3-1448

The Director of the Policy Planning Staff (Kennan) to the Secretary of State

TOP SECRET

MANILA, March 14, 1948.

DEAR MR. SECRETARY: Because time may be short between my return and your departure for Bogotá,¹ and because I have a Sunday to spare here in Manila, I am taking the liberty of setting forth in this letter some thoughts I have had in the course of this trip about our over-all problem in the western Pacific area.² Details of this presentation might be changed by further conferences I am scheduled to have here in Manila—but hardly the general picture.

I. THE SITUATION TODAY

Our most immediate and important problem in the western Pacific area is strategic.

Today, as far as I can learn, we are operating without any over-all strategic concept for the entire western Pacific area.

The situation in the various component areas seems to be as follows: *Japan.*³

In Japan, the terms of surrender have been substantially enforced. We are remaining in Japan principally because we have no international mandate to leave. Meanwhile we are occupying ourselves there with

- (a) combatting disease and unrest;
- (b) guiding the Japanese through an elaborate reform program which it will take years to complete and the effects of which on Japanese society are now incalculable;
- (c) running the Japanese economy and trying to bring about recovery—against formidable odds, some of which are of our own making; and
- (d) building up and operating the top-heavy logistical structure (including housing and care of the dependent population) required, under our present procedures, to perform the above functions and to maintain in Japan a combat force of almost negligible proportions.

None of these activities has any particular relationship to our long-term strategic problems. We have formulated no definite objectives with respect to the military security of Japan in the post-treaty period.

¹ Secretary Marshall would attend the Ninth International Conference of American States which met at Bogotá, Colombia, from March 30 to May 2, 1948; for documentation on United States policy with respect to that conference, see vol. ix, pp. 1 ff.

² Kennan visited the Philippines before returning to the United States from Japan.

³ For documentation on United States policy with respect to the occupation and control of Japan, see vol. vi, pp. 647 ff.

Our present establishment could neither conduct ground operations in Japan on any considerable scale nor could it be rapidly withdrawn in an emergency. The problem of its future has not, as far as I can learn, been integrated with the base development in the Marianas and elsewhere, or with the problem of the Ryukyus.

*Korea.*⁴

The presence of our forces in Korea is pursuant to an international mandate which has proved unrealistic and is soon to be swept away by the march of events in that area.

The forthcoming elections in Korea may create in short order a situation which will not only compel us to get out but may also require us to use force to protect our withdrawal. At the present time, our combat strength in Korea, as in Japan, is minimal in comparison with its own logistical structure, and our forces are encumbered with a large body of dependents, whose care and protection absorbs much of their attention.

The Ryukyus.

Our forces find themselves in the Ryukyus by virtue of conquest and of a curious international hiatus concerning the future of those islands. Our people everywhere are agreed that Okinawa has great strategic importance, and that we have a serious responsibility to the natives of the islands, whose lives were terribly shattered by the war and who look to us with peculiar confidence and attachment to protect and help them in the future.

Because of the uncertainty, however, concerning the future of the islands, we have been able neither to develop the islands adequately as a U.S. base nor to enter on any serious program of rehabilitation of the civilian economy and social structure. (The communists are beginning to exploit this fact in order to influence local opinion against us.) Our authorities find themselves frustrated at every turn by the complete uncertainty surrounding the political future. Meanwhile neither our presence on the islands nor our plans for the future seem to rest on any firm concept of strategic objectives for the area as a whole.

*The Philippines.*⁵

In the Philippines, we are following a line of conduct which seems to give us the worst of all possible worlds. We maintain bases just large enough to cause anxiety to the Filipinos, who think they would again serve as lightning-rods to attract military operations to the area in

⁴ For documentation on United States policy with respect to Korea, see vol. vi, pp. 1079 ff.

⁵ For documentation on cooperation between the United States and the Republic of the Philippines, see *ibid.*, pp. 625 ff.

time of war, but not strong enough to give them a real sense of security from renewed invasion. We have a military assistance agreement; but it is being only half-heartedly implemented; and the Filipinos are disgusted and discouraged with its operation.

As far as I can learn we have not made up our minds whether the islands constitute for us

(a) territory which, by virtue of our past commitments, we are morally obligated to defend from invasion as we would our own; or

(b) territory which is important as the location for advance or staging bases useful to U.S. security but which is otherwise of no great military interest to us; or

(c) territory which is of little or no strategic importance to us and where our interests do not warrant the maintenance of base facilities, but where we see ourselves committed by past political engagements and moral considerations to maintain some show of military power.

If any decisions have been taken on these choices, they seem not to be known to the people on the spot.

II. LIMITATIONS ON OUR FUTURE EFFORT

In charting a unified strategic concept for the area, we must try to see ourselves realistically and to take account of some of our own congenital limitations in overseas operations in peace time.

To my mind, the most important of these limitations are:

(a) The unstable nature of any U.S. policies requiring recurring grants of money from the Congress for purposes which are not firmly anchored in American public opinion;

(b) The lack of any civilian agency at home properly set up to conduct overseas administration, and the general reluctance of competent American civilians to serve the Government patiently and modestly in remote areas in time of peace; and

(c) The inordinate logistical burden now borne by U.S. force overseas, particularly in areas where dependents are permitted, with the consequent disproportion between combat units and others.

These considerations lead me to feel that extensive garrisoning and civil affairs commitments should be kept to a minimum.

III. A SUGGESTED STRATEGIC-POLITICAL CONCEPT

(I apologize for being so bold, as a civilian, to offer suggestions on matters which are largely military; but it is essential that *some* overall pattern including military as well as the political factors be evolved. The suggestions stem from the best advice I could get from a number of competent officers of the armed forces. I put them forward only tentatively, as something to be shot at by the experts when the proper time comes.)

In my opinion the most desirable political-strategic concept for the western Pacific area would be as follows:

1. While we would endeavor to influence events on the mainland of Asia in ways favorable to our security, we would not regard any mainland areas as vital to us.⁶ Korea would accordingly be evacuated as soon as possible.

2. Okinawa would be made the center of our offensive striking power in the western Pacific area. It would constitute the central and most advanced point of a U-shaped U.S. security zone embracing the Aleutians, the Ryukyus, the former Japanese mandated islands, and of course Guam. We would then rely on Okinawa-based air power, plus our advance naval power, to prevent the assembling and launching any amphibious force from any mainland port in the east-central or northeast Asia.

3. Japan and the Philippines would remain outside this security area, and we would not attempt to keep bases or forces on their territory, *provided* that they remained entirely demilitarized and that no other power made any effort to obtain strategic facilities on them. They would thus remain neutralized areas, enjoying complete political independence, situated on the immediate flank of our security zone.

The first of these points needs no elaboration. I believe that it coincides with strategic thinking both in Washington and in Tokyo.

As for the second, I know that this coincides with the thinking of General MacArthur,⁷ and I think it would have substantially unanimous concurrence of the other senior officers in this area.

As for point 3: again I can say that this meets General MacArthur's views, as far as Japan is concerned. He points out that we cannot expect to maintain strategic facilities in Japan in the post-treaty period unless we wish to open the road to similar demands by others of the Allies. This applies, in his opinion, not only to the Russians: the Chinese and Australians would probably both want bases in Japan if we were to have them. General MacArthur does not consider bases on Japanese territory essential to our defense, as long as Japan itself remains demilitarized and neutralized. I consider that this solution is by far the simplest and most practical from the political standpoint.

As for the Philippines, things are not so simple; and I am sure we will encounter a wide variety of views with respect to this proposal. There does seem, however, to be a pretty unanimous feeling here that we must either do one thing or another with regard to the Philippines: i.e., either we must go in with all four feet on a full-fledged program of military assistance and base development, designed to provide the

⁶ For documentation on United States policy with respect to China, see volumes VII and VIII.

⁷ General of the Army Douglas MacArthur, Commanding General, United States Army Forces in the Pacific; Supreme Commander, Allied Powers in Japan.

Philippines with a genuine sense of security in the face of the prospect of future invasion, or we must remove our bases entirely from the islands and reduce our military assistance program to something which would be realistic in the light of local conditions. I personally feel that the latter course would be preferable because of the limitations cited above on any large-scale U.S. overseas action in peace time, and because I fail to see what possible motive any potential military opponent of our country could have for invading the Philippines today if we ourselves did not have any military facilities on the islands. I believe that both General Jones, Chief of the Joint U.S. Military Advisory Group, and General Moore, Commanding General of the Philippines-Ryukyus Command, would have some sympathy for this view, although they might not put it just the way I have. Here too, of course, as in the case of Japan, the absence of U.S. bases on the islands would be conditional on the assumption that no other power had military facilities here or showed any intention of seeking any.

The Navy will feel, I am sure, that its needs would not be adequately met by this concept. It will argue that this precludes it from obtaining permanently the facilities it is now enjoying at Yokosuka, in Tokyo Bay, and that there is no other suitable base in the area I am discussing. It rejects the idea of installing itself at Okinawa, remembering the 180 vessels which it lost there in the 1945 typhoon.

I have much sympathy for the Navy's feelings in this matter. Eventually, I suppose, the JCS will have to evaluate its needs from the straight military standpoint. I should be surprised, however, if these needs were to prove great enough to over-ride all the other considerations, political and otherwise, which argue for the concept I have advanced.

If not, then the role of the Navy under this concept, would be as follows:

(a) It would continue to show the flag actively in the entire western Pacific area, making frequent visits to Japanese and Philippine ports along the lines of present policy in the Mediterranean.

(b) We would endeavor to make arrangements whereby we could continue to use the repair and other facilities at Yokosuka on a nominally commercial basis, but actually much as we have been doing since the surrender.

(c) The Navy would install itself as best it can at Okinawa, for shelter and refueling purposes, with due typhoon precautions.

IV. IMPLEMENTATION

1. *Japan.*

The recommendations which I am submitting with respect to Japan would serve the concept outlined above.

2. *Korea.*

As I have wired to Butterworth,⁸ we should not delay any longer in beginning the gradual removal of our dependents from Korea. Furthermore, I believe that General Hodge⁹ should be given authority to go as far as he likes in the immediately forthcoming period along the lines of raising, training and equipping a Korean constabulary. Together with that, our policy should be directed towards the earliest possible withdrawal, with the smallest possible loss of prestige.

3. *Okinawa and the Ryukyus.*

Our first task with regard to Okinawa and the Ryukyus is to terminate the uncertainty surrounding their future. I believe that we should make up our minds right now (preferably in the form of a National Security Council paper) that we intend to hold on to Okinawa and to such other strategic facilities as we require in the archipelago, south of the 29th parallel as long as the present international situation endures. The question of how to make this decision public would then be one of technique, on which Dean Rusk¹⁰ might have some views. Presumably, the question should first be aired and cleared in the UN; but we should accept no solution short of a trusteeship for the islands as a whole and a strategic trusteeship for such of them as we require for our military purposes. If this cannot be obtained in the UN we should not hesitate to make a public announcement to the effect that the circumstances of the war have left us with the *de facto* custody of the Ryukyu people; that they are incapable of looking after their own protection; that in the absence of international agreement as to their future security it would be an act of irresponsibility to leave them defenseless; that on the other hand we cannot proceed with an orderly and progressive rehabilitation and development of life in the islands unless there can be some certainty about the future and unless we can lay plans for some time in advance; and that we have therefore decided that the present status will be continued for a minimum of ten years and as long thereafter as world conditions may necessitate. Having done that, we should then make permanent arrangements for the handling of civilian affairs on the islands and proceed with a vigorous program of base development and of economic rehabilitation. The Okinawans themselves, who constitute the bulk of the population, would be only too pleased with this solution.

It would be further possible, and I think desirable, for us to recruit and train an Okinawan auxiliary force, along the lines of the Philip-

⁸ W. Walton Butterworth, Director of the Office of Far Eastern Affairs.

⁹ Maj. Gen. John R. Hodge, Commanding General, United States Army Forces in Korea.

¹⁰ Dean Rusk, Director of the Office of United Nations Affairs.

pine Scouts, for various sorts of guard duty, etc., on the islands. This should reduce the logistical burden on our own forces stationed there.

The Army planners are thinking about a scheme, I believe, under which our units would not be permanently stationed at Okinawa but would be rotated fairly frequently; and no dependents would be permitted. I think this would be highly desirable.

4. *The Philippines.*

The implementation of this program with respect to the Philippines would undoubtedly raise delicate political questions on which I am reluctant to comment, in view of my own unfamiliarity with the subject. It is my understanding, however, that the Filipinos are torn on their own thinking on this subject, and that some of them are now toying with the idea that a Philippine Republic having no foreign bases or forces on its territory and relying formally on the United Nations for its security might be no less secure than one which is partially, but inadequately, garrisoned by a great military power, for reasons which must always remain here an object of conjecture and suspicion. I may be wrong on this; but I think that much could be accomplished in bringing them around to our way of thinking if we were first to make up our own minds and if then someone with full authority to speak for our Government in these matters were to talk the matter out with Roxas¹¹ and explain to him something of our thinking as well as some of the strategic facts governing their own position. In any case, by offering to withdraw our bases we would force the Filipinos to ask specifically for their retention if they still wanted them. This would enable us to name our terms and would place responsibility squarely on the Philippine Government for retention of the facilities in whatever form we might arrange.

In my view, any military withdrawal from the Philippines should be accompanied by a continuation, and even accentuation, of all our non-military activities here, and with loyal and generous assistance to the Philippine Government in any training programs of a semi-military nature, such as constabulary or guerrilla organization, which might be feasible. We are seriously committed by our past statements to aid these people where we can. I am persuaded that it is useless for them to try to maintain—and therefore useless for us to help them to maintain—a regular modern armed force. The standards of public health throughout the country are still not adequate to the maintenance of effective reserve strength. And the finances will not permit, within the foreseeable future, the maintenance of a standing force on a scale that could play any serious part in the *prevention* of invasion against major attack. Guerrilla forces are another matter. These re-

¹¹ Manuel Roxas, President of the Republic of the Philippines.

quire no higher central organization and no elaborate technical equipment or training. They lie close to the instincts of the people and to the geographic character of the country. They could play a serious part in frustrating the long-term objectives of a possible invader.

The above is only a rough outline, and would stand a lot of polishing.

I have talked mostly about military matters; but my interest in this concept stems directly from the fact that it would provide us with the basis of a political program for this area. If we knew that these proposals, or something like them, constituted our long-term strategic concept, we would have firm points of orientation for our short-term policies in this area. We could then approach the immediate questions of the Jap peace treaty, the Ryukyus, and our base difficulties in the Philippines, in a confident and consistent manner; and I think we could avoid most of the pitfalls which now seem to me to loom across our path. But without some such concept, we cannot move at all. In drafting my own recommendations on Japan, I was obliged to assume *some* over-all concept; and the one I assumed was the one outlined above.

I need hardly stress the desirability of an early clarification of our policy in this area in view of the trend of world events and the necessity of having all our hatches battened down for the coming period.

I expect to be home about March 24. Presumably, we will then be able to proceed to the working out of a firm government position on these questions. Meanwhile, I hope the considerations set forth above may be of some interest and value to you.

Very respectfully yours,

GEORGE F. KENNAN

Editorial Note

In a special message to Congress on March 17, 1948, President Truman, expressing grave concern regarding the situation in Europe, requested the reenactment of selective service to supply the authorized strength of the armed forces and the enactment of a universal military training program to provide for long term security. For text of the President's address, see *Public Papers of the Presidents of the United States: Harry S. Truman*, 1948 (Washington, Government Printing Office, 1964), page 182, or Department of State *Bulletin*, March 28, 1948, page 418.

Means for fulfilling the manpower requirements of the armed forces in view of threatening international conditions had been under advisement since the expiration of selective service legislation on March 31, 1947. On June 4, 1947, President Truman transmitted to Congress "A Program for National Security, May 29, 1947, Report of the Presi-

dent's Advisory Committee on Universal Training," and urged early consideration of the subject; for text of the President's letter of transmittal, see *Public Papers of the Presidents of the United States: Harry S. Truman*, 1947 (Washington, Government Printing Office, 1963), page 263. The House Armed Services Committee held hearings on UMT, but Congress took no action on the question in 1947.

The President's budget message, January 12, 1948, included a request for funds for UMT; for text, see *Presidential Papers*, 1948, page 19. Secretary of Defense James Forrestal recorded in his diary that at the Cabinet meeting of January 30, the Secretary of State "spoke with great vigor as to the necessity of the UMT Program. . . . Just as in the case of ERP, he pointed out that the money spent on the UMT program would convince the world that we were ready to follow through on our policy at all times and thereby would in the long run result in the saving of very large sums. Once the world was convinced of that fact, it would then be possible to begin the re-establishment of some kind of political balance and stability throughout the world." (Walter Millis (ed.), *The Forrestal Diaries* (New York, Viking Press, 1951), page 369) At the meeting of the National Security Council on February 12, Marshall, speaking in support of UMT, commented that the United States position in international affairs was that of playing with fire while having nothing with which to put it out (*ibid.*, page 373).

In early February, the retiring Army Chief of Staff, General Dwight D. Eisenhower, in a memorandum to the Secretary of Defense, asserted that unless means were found to maintain the strength of the Army, Germany and the Far East "would have to be abandoned to chaos and Communism." (*Ibid.*, pages 369-370.) On February 18, at the White House, Major General Alfred M. Gruenther, Director of the Joint Staff of the Joint Chiefs of Staff, made a presentation demonstrating the disparity between military strength and international commitments. The President, the Secretaries of State, Defense, and Army and the Joint Chiefs of Staff attended the briefing. (*Ibid.*, pages 374-377.)

In a memorandum to the Joint Chiefs of Staff, March 11, the new Army Chief of Staff, General Omar N. Bradley, stated the following:

"1. For some time the international situation has been deteriorating. Recent events in Czechoslovakia,¹ Finland² and Italy give every indi-

¹ For documentation on the attitude of the United States with respect to the Czechoslovak governmental crisis of February and its aftermath, see vol. IV, pp. 733 ff.

² For documentation on United States interest in Finland's relations with the Soviet Union and the threatened Communist seizure of power, see *ibid.*, pp. 759 ff.

cation that the situation will further deteriorate. There is no indication that the U.S.S.R. will modify its aggressive efforts in the near future.

2. Under present unsettled world conditions United States forces may be called upon for service in areas considered vital to her security. In addition to obligations which this government may be required to meet on behalf of the United Nations, a future crisis may force the deployment of U.S. troops in Italy, Greece, Trieste³ or the Middle East. The present explosive world situation, with international frictions increasing, the possibility that the U.S. may increase on short notice the commitments which the National Military Establishment must fulfill, makes it mandatory that we retain always a mobile striking force to preclude enemy action. If U.S. troops are committed in those areas, it is essential that they be deployed in a strength and composition commensurate with their missions. Since such missions might well be of prolonged duration, it is possible that a large portion or all of the strategic reserve would be committed for a considerable period of time.

3. Although the European Recovery Program may have a beneficial effect on the U.S. efforts to counter the spread of Communist forces, there is no assurance that ERP alone will attain that end.

4. Dependent as it is upon the volunteer system of recruitment, the Army is short today 121,000 men of its present authorized strength of 669,000. By 31 December it is estimated that this shortage will increase to 167,000 despite all the intensive efforts in behalf of recruiting exerted by the Army. In the meantime, commitments and missions of the Army have remained heavy, resulting in a steady decline in the strength and efficiency of the occupation forces and the Army General Reserve, and the consequent inability of the Army to back up our country's policies." (811.2222/3-1148)

On March 2, Secretary Marshall, Lovett, Secretary Forrestal, and others conferred to consider means for expediting Congressional action on UMT (Millis, *Forrestal Diaries*, pages 384-385). Forrestal, on March 8, met with Senate Armed Services Committee, which voted unanimously to start hearings (*ibid.*, pages 388-389). On March 12, the Joint Chiefs of Staff and Forrestal, meeting at Key West, Florida, concluded that UMT alone was not sufficient since it could not furnish necessary manpower fast enough. The conference decided to support immediate restoration of selective service. (*Ibid.*, pages 390-393.)

On March 17, following the President's message, the Senate Armed Services Committee began hearings on the overall military manpower problem. The statement that day by the Secretary of State included the following:

"The accelerating march of events in European areas has now made it clear that reliance for the future of those areas cannot be placed alone on the slow processes of reconstruction financed with our help. There is something more for the United States to do. We must show,

³ For documentation on United States policy toward the Free Territory of Trieste, see vol. III, pp. 502 ff.

conclusively, by decisive legislative action, to all the nations of the world that the United States intends to be strong and to hold that strength ready to keep the European world both at peace and free.

Diplomatic action, without the backing of military strength, in the present world can lead only to appeasement We desire a state of affairs which would make repetitions of the fate of Hungary⁴ and Czechoslovakia, the intimidation of Finland, the subversive operations in Italy and France,⁵ and the cold-blooded efforts to destroy the Greek Government unlikely, because they would definitely be fraught with real danger to those who would attempt such action."

Marshall stated that he saw no possible way financially to maintain a reasonable military posture except on the basis of universal military training. Necessary also, he said, in view of the rapid dwindling in the strength of the armed forces, was temporary application of selective service. For the full text of Marshall's remarks, see the Department of State *Bulletin*, March 28, 1948, page 421, or U.S. Congress, Senate Committee on Armed Services, *Hearings on Universal Military Training*, March-April, 1948, 80th Cong., 2nd sess., page 3.

⁴ For documentation on United States concern regarding events in Bulgaria, Hungary, and Romania, see vol. iv, pp. 279 ff.

⁵ For documentation on United States relations with France, see vol. iii, pp. 592 ff.

711.61/3-2348

Memorandum by the Secretary of State to the Secretary of Defense
(Forrestal)

CONFIDENTIAL

WASHINGTON, March 23, 1948.

I have only had an opportunity hastily to scan this draft of statement¹ that Cutler sent us for your appearance before the Armed Services Committee on Thursday.² I questioned the wisdom at this time of a stark comparison of this nature between the forces disposed of by the Soviet Union and those of the free world. I am not questioning the accuracy, although I assume the figures on the Soviet Union are at best nothing but guesses. The political effect of this comparison would be very serious in Europe, especially the statement as to

¹ Not found in the files of the Department of State.

² On Thursday, March 25, Forrestal, supported by the Service Secretaries and the Joint Chiefs of Staff, presented the administration's program for Universal Military Training and Selective Service to the Senate Armed Services Committee. The Secretary of Defense called for an increase of authorized strength of the armed forces by approximately 350,000 men, the drafting of 220,000 men for two years service, "universal military training" for about 850,000 18 and 19 year olds for one year, and the appropriation of an additional \$3 billion for defense. For text of his statement, see U.S. Congress, Senate Committee on Armed Services, *Hearings on Universal Military Training*, March-April, 1948, 80th Cong., 2nd sess., p. 3.

the number of weeks it would take for Russia to reach the Atlantic and the Pyrenees. In France, particularly, such a statement would be very disheartening. It would, I am afraid, undo much of the good abroad of the President's address.

While we cannot afford to bluff in this matter, the struggle is still in its political phase and anything which tends to reduce the will to resist in the Western democracies is a loss to us and a gain to the Soviets. The picture which this presents is one of such hopelessness from a military point of view that it will not only dishearten free Europe, but will have a direct effect on ERP. There is no note of confidence in the ability of free Europe backed by us to give pause to the Russians.

Furthermore, we are not at all certain that the Russians are convinced that the military advantage lies so heavily on their side. They sometimes have a tendency to be caught in their own propaganda which, as you know, is to the effect that imperialist America is rushing around to take over the world.

I have the further reaction that the statement is drafted in such a form that it is more a preliminary to war than a proposal for preparation to avoid war.

In a letter to me a few days ago, Mr. Stimson³ made this comment:

"I have been thinking hard on the Russian problem, and would give anything for a chance to talk it over with you sometime, if it would help you at all. But among the people I see oftenest down here, the main necessity is to urge caution lest we go too far in aggressiveness;—that is, however, in all respects except military training—the most important military task."

I feel in looking over the various speeches I have made recently, particularly those on the West Coast,⁴ those of the President, and what you and I have said to Committees of the Congress, that we can overdo the statement of the case to the extent which would leave us open to the charge that we had provoked a war, deliberately or otherwise.

G. C. MARSHALL

³ Henry L. Stimson, Secretary of War, January 1940–September 1945.

⁴ For text of Marshall's address at the University of California, Berkeley, March 19, 1948, see Department of State *Bulletin*, March 28, 1948, p. 422.

501, BD-Human Rights/3-2448

*Memorandum by the Director of the Office of United Nations Affairs
(Rusk) to the Secretary of State*

[WASHINGTON,] March 26, 1948.

Mr. John Foster Dulles¹ will call on the Secretary at 2:00 p. m. on Friday, March 26. He wishes to discuss the ideas contained in the attached note. It has to do with organizing further efforts within the United Nations to deal with the indirect type of aggression being perpetrated by the Soviet Union.

The Secretary may wish to keep the following points in mind in discussing the matter with Mr. Dulles:

1. The problem which Mr. Dulles wishes to discuss is being studied in the most intensive manner in the Department. We recognize that war may not be an effective way of dealing with this particular kind of aggression and that new and bold political techniques will be required.

2. We would greatly appreciate any further development of thoughts on specific machinery and specific proposals which Mr. Dulles might make.

3. We have called together a number of senior officers in the Department to discuss this with Mr. Dulles after he leaves the Secretary's office.²

[Annex]

*Mr. John Foster Dulles to the Director of the Office of United Nations
Affairs (Rusk)*

CONFIDENTIAL

NEW YORK, March 24, 1948.

DEAR DEAN: I enclose herewith two copies of a memorandum on which I hope to speak to you on the telephone later this evening.

Sincerely yours,

JOHN FOSTER DULLES

¹ Lawyer; acknowledged as a Republican Party expert on foreign relations; frequent member of United States Delegations to the United Nations General Assembly and the Council of Foreign Ministers since 1945.

² The following notation by the Secretary of State appears on the source text: "I told him to talk to Mr. Rusk, who is authorized to discuss the proposition."

[Subannex]

Memorandum by Mr. John Foster Dulles

[NEW YORK,] March 24, 1948.

It is difficult to define Soviet aggression in terms of our old international conceptions. It does not involve the marching of hostile troops across a boundary line. The aggression is primarily against individual rights and freedoms and the use of terror to stifle opposition.

Today there is hardly anyone in Europe or Asia who does not feel that if he asserts himself in a manner displeasing to the Soviet Communist Party, he will be, or shortly may be, liquidated. That terror is having a tremendous effect upon the willingness of people to oppose Soviet penetration and upon their ability to plan and work creatively. That is not a tolerable state of affairs.

The United Nations was designed to prevent such a condition. The Preamble to the Charter expresses the faith of the peoples of the United Nations in fundamental human rights and in the dignity and worth of the human person and their determination to practice tolerance. The United Nations was designed to develop such ideals into international law and to establish a police force to protect them. It was recognized that to do this on a universal basis would be slow, but it was assumed that victory in World War II would provide a period of time in which to develop protection against another World War before such a war would be a substantial risk. Now it seems that that assumption was unfounded. It may, therefore, be necessary in the first instance to establish law and order on a less than universal basis for fear is spreading and the ideals of the United Nations already are being undermined.

The Charter does not prevent progress on a less than universal basis. It expressly recognizes the inherent right of individual or collective self-defense. We believe that those nations which can agree on what are human rights and fundamental freedoms and who can agree on what constitutes an attack upon those rights and freedoms, should at once do so. Also, we believe that they should establish a joint force to protect those who would exercise those rights. It would be purely defensive and not aggressive against any nation. It would stop the growing reign of terror and would liberate effort for what is creative.

S/S-NSC Files : Lot 63D351 :¹ NSC 7 Series

*Report to the National Security Council² by the Executive Secretary
(Souers)*

TOP SECRET
NSC 7

[WASHINGTON,] March 30, 1948.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON THE POSITION OF THE UNITED STATES WITH RESPECT TO SOVIET-DIRECTED WORLD COMMUNISM

The enclosed report on the above subject has been prepared by the National Security Council Staff on its own initiative, with the advice and assistance of representatives of the Departments of State, the Army, the Navy, and the Air Force, and of the National Security Resources Board and the Central Intelligence Agency.

The enclosed report is submitted for consideration by the National Security Council and, as adopted, for submission to the President with the recommendation that he approve the conclusions contained therein and direct that they be implemented by all appropriate Executive Departments and Agencies of the US Government under the coordination of the Secretary of State.³

SIDNEY W. SOUERS

¹ Serial master file of National Security Council documentation and related Department of State material for the years 1947-1961, retired by the Executive Secretariat of the Department of State.

² The National Security Council (NSC) was established by the National Security Act of July 26, 1947 (PL 253, 80th Congress; 61 Stat. (pt. 1) 495). Its membership included the President, the Secretaries of State, Defense, the Army, the Navy, and the Air Force, and the Chairman of the National Security Resources Board. The duties of the NSC as specified by the National Security Act were:

(1) to assess and appraise the objectives, commitments, and risks of the United States in relation to our actual and potential military power, in the interest of national security, for the purpose of making recommendations to the President in connection therewith; and

(2) to consider policies on matters of common interest to the departments and agencies of the Government concerned with the national security, and to make recommendations to the President in connection therewith.

For extensive additional information on the functions and administrative structure of the Council, see *Organizing for National Security: an Inquiry of the Subcommittee on National Policy Machinery*, Senator Henry M. Jackson, Chairman, for the Committee on Government Operations, United States Senate, 3 vols. (Washington: Government Printing Office, 1961), particularly volume II, Studies and Background Materials.

³ This report was cancelled at the 27th Meeting of the National Security Council, November 23, 1948, in view of NSC action on the NSC 20 series. For the text of NSC 20/4, approved at that meeting, see p. 662.

[Enclosure]

REPORT BY THE NATIONAL SECURITY COUNCIL ON THE POSITION OF THE UNITED STATES WITH RESPECT TO SOVIET-DIRECTED WORLD COMMUNISM

THE PROBLEM

1. To assess and appraise the position of the United States with respect to Soviet-directed world communism, taking into account the security interests of the United States.

ANALYSIS

2. The ultimate objective of Soviet-directed world communism is the domination of the world. To this end, Soviet-directed world communism employs against its victims in opportunistic coordination the complementary instruments of Soviet aggressive pressure from without and militant revolutionary subversion from within. Both instruments are supported by the formidable material power of the USSR and their use is facilitated by the chaotic aftermath of the war.

3. The defeat of the Axis left the world with only two great centers of national power, the United States and the USSR. The Soviet Union is the source of power from which international communism chiefly derives its capability to threaten the existence of free nations. The United States is the only source of power capable of mobilizing successful opposition to the communist goal of world conquest. Between the United States and the USSR there are in Europe and Asia areas of great potential power which if added to the existing strength of the Soviet world would enable the latter to become so superior in manpower, resources and territory that the prospect for the survival of the United States as a free nation would be slight. In these circumstances the USSR has engaged the United States in a struggle for power, or "cold war", in which our national security is at stake and from which we cannot withdraw short of eventual national suicide.

4. Already Soviet-directed world communism has achieved alarming success in its drive toward world conquest. It has established satellite police states in Poland, Yugoslavia, Albania, Hungary, Bulgaria, Rumania, and Czechoslovakia; it poses an immediate threat to Italy, Greece, Finland, Korea, the Scandinavian countries, and others. The USSR has prevented the conclusion of peace treaties with Germany, Austria,⁴ and Japan; and has made impossible the international control of atomic energy and the effective functioning of the United Nations. Today Stalin has come close to achieving what Hitler attempted in vain. The Soviet world extends from the Elbe River and

⁴ Documentation on efforts to secure peace settlements for Germany and Austria is included in volume II.

the Adriatic Sea on the west to Manchuria on the east, and embraces one-fifth of the land surface of the world.

5. In addition, Soviet-directed world communism has faced the non-Soviet world with something new in history. This is the world-wide Fifth Column directed at frustrating foreign policy, dividing and confusing the people of a country, planting the seeds of disruption in time of war, and subverting the freedom of democratic states. Under a multitude of disguises, it is capable of fomenting disorders, including armed conflicts, within its victim's territory without involving the direct responsibility of any communist state. The democracies have been deterred in effectively meeting this threat, in part because communism has been allowed to operate as a legitimate political activity under the protection of civil liberties.

6. In its relations with other nations the USSR is guided by the communist dogma that the peaceful co-existence of communist and capitalist states is in the long run impossible. On the basis of this postulate of ultimate inevitable conflict, the USSR is attempting to gain world domination by subversion, and by legal and illegal political and economic measures, but might ultimately resort to war if necessary to gain its ends. Such a war might be waged openly by the USSR with her satellites, or might be waged by one or a combination of the satellites with the avowed neutrality or disapproval of the USSR, though with her covert support. However, the Soviet Union so far has sought to avoid overt conflict, since time is required to build up its strength and concurrently to weaken and divide its opponents. In such a postponement, time is on the side of the Soviet Union so long as it can continue to increase its relative power by the present process of indirect aggression and internal subversion.

7. In view of the nature of Soviet-directed world communism, the successes which it has already achieved, and the threat of further advances in the immediate future, a defensive policy cannot be considered an effectual means of checking the momentum of communist expansion and inducing the Kremlin to relinquish its aggressive designs. A defensive policy by attempting to be strong everywhere runs the risk of being weak everywhere. It leaves the initiative to the Kremlin, enabling it to strike at the time and place most suitable to its purpose and to effect tactical withdrawals and diversions. It permits the Kremlin to hold what it has already gained and leaves its power potential intact.

8. As an alternative to a defensive policy the United States has open to it the organization of a world-wide counter-offensive against Soviet-directed world communism. Such a policy would involve first of all strengthening the military potential of the United States, and secondly, mobilizing and strengthening the potential of the non-Soviet

world. A counter-offensive policy would gain the initiative and permit concentration of strength on vital objectives. It would strengthen the will to resist of anti-communist forces throughout the world and furnish convincing evidence of US determination to thwart the communist design of world conquest. It should enlist the support of the American people and of the peoples of the non-Soviet world. It would be consistent with the national objectives of the United States. This policy, in fact, would be the most effective way of deterring the USSR from further aggression. Such aggression might ultimately require the United States, in order to sustain itself, to mobilize all of its resources against the continued threat of war, resulting in the creation of a vast armed camp within its borders. In the latter eventuality, rigid economies, regimentation and a fear psychosis might easily promote the very conditions in the United States that we are determined to eliminate elsewhere in the world. The measures adopted under a counter-offensive policy need not be inconsistent with the purposes and principles of the United Nations. We would continue to support the United Nations within the limits of its capabilities, and seek to strengthen it.

CONCLUSIONS

9. The defeat of the forces of Soviet-directed world communism is vital to the security of the United States.

10. This objective cannot be achieved by a defensive policy.

11. The United States should therefore take the lead in organizing a world-wide counter-offensive aimed at mobilizing and strengthening our own and anti-communist forces in the non-Soviet world, and at undermining the strength of the communist forces in the Soviet world.

12. As immediate steps in the counter-offensive, the United States should take the following measures:

a. Domestic

(1) Strengthen promptly the military establishment of the United States by:

- (a) Initiation of some form of compulsory military service.
- (b) Reconstitution of the armaments industry.

(2) Maintain overwhelming US superiority in atomic weapons. (In the event of international agreement on the control of atomic weapons this conclusion should be reconsidered.)

(3) Urgently develop and execute a firm and coordinated program (to include legislation if necessary) designed to suppress the communist menace in the United States in order to safeguard the United States against the disruptive and dangerous subversive activities of communism.

(4) To the extent necessary to implement (1) above, initiate civilian and industrial mobilization.

(5) Vigorously prosecute a domestic information program, designed to insure public understanding and non-partisan support of our foreign policy.

b. Foreign

(1) In our counter-offensive efforts, give first priority to Western Europe. This should not preclude appropriate efforts in the case of other countries of Europe and the Middle East, which are immediately threatened by world communism and where loss of freedom would most seriously threaten our national security.

(2) Urgently adopt and implement the European Recovery Program.

(3) Strongly endorse the Western Union and actively encourage its development and expansion as an anti-communist association of states.

(4) Work out an appropriate formula which will provide for:

(a) Military action by the United States in the event of unprovoked armed attack against the nations in the Western Union or against other selected non-Communist nations.

(b) Initiation of political and military conversations with such nations with a view to coordination of anti-Communist efforts.

(5) Assist in building up the military potential of selected non-communist nations by the provision of machine tools to rehabilitate their arms industries, technical information to facilitate standardization of arms, and by furnishing to the extent practicable military equipment and technical advice.

(6) When we have developed a program for suppressing the communist menace in the United States (12-a-(3) above), cooperate closely with governments which have already taken such action and encourage other governments to take like action.

(7) Encourage and assist private United States citizens and organizations in fostering non-communist trade union movements in those countries where that would contribute to our national security. Measures of assistance should include consideration of individual income tax deductions for that purpose.

(8) Intensify the present anti-communist foreign information program.

(9) Develop a vigorous and effective ideological campaign.

(10) Develop, and at the appropriate time carry out, a coordinated program to support underground resistance movements in countries behind the iron curtain, including the USSR.

(11) Establish a substantial emergency fund to be used in combatting Soviet-directed world communism.

(12) Make unmistakably clear to the Kremlin at an opportune time, and in an appropriate manner, United States determination to resist Soviet and Soviet-directed communist aggression so as to avoid the possibility of an "accidental" war through Soviet miscalculation of how far the Western Powers might be pushed.

13. Effectuation of the above policies requires bi-partisan support.

761.00/4-148

The Ambassador in the Soviet Union (Smith) to the Secretary of State

[Extract]

TOP SECRET

Moscow, April 1, 1948.

No. 315

SIR: I have the honor to enclose a report entitled "Soviet Intentions" which has been prepared by the Joint Intelligence Committee with the assistance of specialists in the various sections of the Embassy, including consultation with the Military, Naval and Air Attachés, who concur in its findings.

As will be noted, the question which the Committee set out to answer was whether, from the Kremlin's point of view and taking into consideration all the factors affecting the present international situation, the Soviet Union would resort to military action in the immediate future in support of its objectives of Communist expansion. The conclusions of the report attempt not only to answer this question, but also to stipulate those conditions under which the Soviet Government might undertake military action and those under which it might defer such action to pursue another course.

It is recognized that the data available to the Embassy are limited and that in Washington it may be possible to supplement the material which is presented here, particularly with regard to those political, economic and military resources outside the Soviet Union which would be available to it for the furtherance of its objectives.¹

Respectfully yours,

W. B. SMITH

¹The views and materials contained in this despatch were considered in the preparation by the Policy Planning Staff of its report no. 33 dated June 23, 1948, entitled "Factors Affecting the Nature of the U.S. Defense Arrangements in the Light of Soviet Policies." This report is printed as NSC document 20/2, August 25, 1948, p. 615. The Embassy in the Soviet Union at the end of the year reflected upon some of the events and factors which had transpired after the preparation of despatch 315, and made a review of its original estimates in telegram 3008 from Moscow on December 23, 1948; see vol. iv, p. 943.

[Enclosure—Extracts]

Report on "Soviet Intentions" Prepared by the Joint Intelligence Committee, American Embassy, Moscow, U.S.S.R., April 1, 1948

I. THE PROBLEM

Taking into consideration all the factors affecting the present international situation, will the Soviet Union resort to military action in the immediate future in support of its objectives of Communist expansion or will it continue to attempt to secure its objectives by other means?

II. FACTS BEARING ON THE PROBLEM

(See Appendix A)²

III. DISCUSSION

(See Appendix B)

IV. CONCLUSIONS

1. The Soviet Union will not deliberately resort to military action in the immediate future but will continue to attempt to secure its objectives by other means.

2. The decision whether or not to resort to military action is under constant review and will be made at that moment when the Soviet Government is convinced that measures short of war will fail to secure its objectives and that the economic and military strength of the United States and Western Europe is being successfully developed. It is conceivable that conditions impelling this decision might arise this year but they are far more likely to develop between one and two years from now.

3. The decision for or against war will be based on the following factors:

a. The Soviet Union will resort to military action if convinced that the immediate military strength of the United States and Western Europe, while inferior to that of the Soviet Union in probable areas of operations, is likely to increase in the future to Soviet disadvantage, and that immediate war offers the best chance of successfully advancing toward ultimate Soviet objectives.

b. The Soviet Union will defer military action if confronted by such a rapid and positive growth of United States and Western Europe strength, particularly during 1948, as to convince the Soviet Government that the outcome of war would be doubtful. In such case Soviet policy would be directed to the consolidation of Communist control

² This 47-page Appendix is not printed. In it, the facts bearing on the problem are treated under these four main headings: 1. Analysis of Military Factors; 2. Analysis of Economic Factors; 3. Analysis of Propaganda and Morale Factors; and 4. Analysis of Political Factors.

behind the iron curtain and to increased pressure in colonial and dependent areas, Middle and Far East, in the belief that the natural weakening of the capitalist system would produce more favorable conditions in the future for the inevitable world conflict.

Appendix B

DISCUSSION

Military

The Red Army and Soviet air forces are capable of taking continental Europe and key areas of Asia within a few months. It is improbable that the British Isles could be subjected to air attacks to the extent that their use as bases by the United States and British air forces would be impossible. Occupation of Europe would make Mediterranean Sea routes difficult, but it is improbable that the use of air bases in northern Africa would be denied thereby to the United States and its allies.

Soviet forces could hold European territory for at least two years before the United States and her allies could assemble and supply a force sufficiently strong to attempt a continental invasion. At least during the early months of this period, in spite of long ranged Western air attacks, the Soviet Union would be able to improve its air defenses in preparation for the greatly increased air attacks that would be expected later. In the race for air supremacy which would occur during this period, the U.S.S.R. would profit by the acquisition of factories and skilled workmen in Europe, but the resources, experience, ability and capacity of the United States in production of aircraft would be expected to outdistance the accomplishments of the U.S.S.R.

The atomic bomb is a factor which would of course be given due consideration in any decision by the Kremlin to initiate military action. Its effectiveness, however, depends upon the ability of the United States to use the bomb against cities and industrial areas of the Soviet Union to disrupt or paralyze its war effort. At present the United States has only limited means for employing the atomic bomb against the U.S.S.R. and it is possible that in addition to its natural geographic advantages, the Soviet Union may develop defensive measures that would minimize the effect of the atomic bomb. Other weapons of mass destruction are similar to the atomic bomb in that their use is limited by other capabilities. Development of long-range rocket missiles is still in an elementary stage. The Soviet Union may possess the atomic bomb within the next three to four years and can possibly develop and produce currently a means for its delivery, but the United States will retain its initial superiority in this respect for a number of years.

While from a military viewpoint the Soviet Union could immediately secure control of Europe, it would be in a better position to maintain permanently such control given a further period of peacetime development of war potential. Inability of the Soviet Union to defeat the United States within a period of a few years and to prevent widespread devastation of Soviet territory would jeopardize the life of the Communist regime.

The factors affecting the eventual outcome of a war of world scale between the United States and the USSR are not susceptible of exact analysis. The acceptance by the United States of European domination by the Soviet Union would be a victory for the latter and enable the "cold" war of Communism vs. Capitalism to be continued. To defeat the Soviet Union it would undoubtedly be necessary for the United States to launch and support overseas operations of enormous magnitude and would require that American superiority in mobility and production be fully and completely exploited. The overwhelming strength of the United States Navy would enable the United States to seize and exploit the initiative at the most opportune time. Such an effort however would be on a gigantic scale, and would require such an enormous expenditure of men and materiel and would have to be continued for such a long period of time that it might become unpopular in the mind of the United States citizens, who might bring about a change of government policy. In any case, it would appear, at the present time, as though the eventual outcome of a long war would be a gamble and therefore to be undertaken by the Kremlin only as a last resort.

Economic

The economy of the Soviet Union has reached a stage where it is capable of supporting a military operation by the Red Army involving the occupation of Europe and key areas of Asia. While its productive capacity may be somewhat below that of 1940, it is certainly greater than in the years of 1942 to 1943, even taking into account Lend-Lease deliveries. A decided advantage is the state control and ownership of all industry which permits the development of a thorough-going war economy even while technically at peace, thus avoiding the difficulties attendant on the conversion from peace to war production in free capitalist systems.

The occupation of Europe would substantially improve the economic potential of the Soviet Union by providing additional productive capacity and force of skilled and semi-skilled labor, as well as indigenous resources. However, even then the economic potential of the United States would be far superior to that of the Soviet Union. This factor would to some extent be offset by the capacity of Soviet

forces to operate with less materiel than required by military forces of Western powers and by the extremely low standards of living which would be imposed on occupied territories as well as in the Soviet Union itself, thereby reducing consumer production to an irreducible minimum. In a long war of attrition, the Soviet leaders would undoubtedly feel that mineral resources would play an important part. During World War II, the United States with its tremendous productive capacity, drew on its mineral resources to an alarming extent, reducing its petroleum reserves, for example, to an estimated twenty years reserve at the peacetime rate. In the Soviet Union, the consumption of mineral resources is limited both by production capabilities and lack of exploitation. Military effort would be expended by the Soviet Union in denying to the United States foreign mineral resources, particularly oil.

Naturally, support of a long war by the Soviet economy is contingent upon its ability to operate without effective war damage either to its industries or to its distribution system. The tremendous distances and dispersion of Soviet industry make it relatively invulnerable to war damage. On the other hand, the importance of transportation facilities are correspondingly magnified thus tending to offset its invulnerability. Furthermore, in long-range aerial warfare the technical superiority of the United States should grow progressively greater.

While, in general, considerations indicate that the Soviet Union is prepared economically for war, nevertheless, a few more years of peace would enable the Soviet Union to make additional gains which would be highly desirable. Restoration of industry and transport in western Russia could be completed. Time would provide opportunity for the exploitation of the economics of satellite states as well as those of the former Baltic republics. At the same time, the program for the development of the Urals and Siberian areas, started before World War II, would be carried on under the current five-year plans.

Morale

The nature of the Soviet regime is such that it can implement by propaganda any policy which may be decided upon whether aggressive or defensive, and whether calling for peace or war. Therefore the Soviet propaganda machine could effectively support a war whether it occurred now or in the future.

It is believed that the Soviet leaders would give careful attention to the status of morale at any time when military action might be initiated. War now would be unpopular with the Russian people. Not having yet recovered from the gigantic losses of the past war, the people look forward with hope to a generally better life. It is recog-

nized, however, that immediate victories would stimulate the inherent qualities of patriotism and so long as the war progressed successfully it might be expected to receive popular support. However, if hostilities were prolonged and if signs developed that the Soviet Union was losing its favorable position and that prospect of victory was distant, a serious break in morale might occur. At such time those minority nationalist groups in the population which are controlled successfully in normal times by totalitarian methods might become active and threaten the stability of the regime. While morale would not be a decisive factor in timing the risk of war, the Kremlin leaders might expect that a few more years would improve the economic well-being of the population and thereby toughen morale. This would not be true, however, if, because of increased strength and obvious intent of the west to be ready for war, the Soviet authorities have to divert more and more of their economic effort to building up war potential in contrast to consumer goods production.

Political

Communist control of eastern Europe is being consolidated and the economic strength and reliability of the Soviet orbit countries may be expected to improve with time. April elections in Italy may result in sufficient Communist parliamentary strength to guarantee a Communist government within the present year.³ Communist control of Italy would provide impetus to the French Communist party, which might then conceivably win control of the government within a relatively short period. With Communist control of France and Italy established, Communist influence might be expected to increase rapidly in other Western European countries and avenues opened up for extension of Communist activities in the colonial world from Dakar to Saigon. Western Germany would become an untenable island in a Communist sea.

Tactics of organized strikes and disorders carried out by Communist Parties might be expected successfully to sabotage and negate the effect of the Marshall Plan.

In other areas of the world there would be no reason to change present methods of extending Communist influence. Communist control of Manchuria and significant parts of China is practically assured with the Soviet position in North Korea secure enough to permit extension of control to South Korea whenever American forces are withdrawn. Communist influence in Africa, the Near and Middle East can be successfully extended through Palestine, restive minority groups and Italian and French colonies.

³ The elections held in Italy on April 18, 1948, resulted in a notable victory for the Christian Democratic Party in both houses of the Legislature.

The Soviet Union is undoubtedly convinced that the United States will not initiate war so long as present Soviet methods of extending control by "peaceful parliamentary penetration" are employed.

Should the Italian elections result in an unexpected defeat for the Communist Party, the USSR will intensify its campaign to sabotage and destroy the effectiveness of Western Union and the Marshall Plan. Every effort will be exhausted to capture the French and Italian governments by making impossible orderly government by any other political factions or coalitions.

However, should it become clear that Communist Party tactics in western Europe are failing, that the Marshall Plan is successfully developing the economic potential and political stability of non-Communist Europe, and that the United States is prepared to extend military guarantees to Western Union, then the Soviet Government may resort to direct military action. In reaching such a decision, the Kremlin leaders would be convinced that further delay favors the United States and Western Union and that war with the United States offers the Soviet Union a reasonable chance of success.⁴

The danger point will be reached when the leaders of the Soviet Government become convinced that measures short of war are failing, and, if events favor the non-Communist world, such point could be reached as early as within the present year, although it is far more likely that it will develop between one and two years from now.

However, if the Kremlin is not convinced that it can hold and consolidate its initial gains in the event of war with the United States, it still may not take the decision to risk war and with the usual patient historical perspective of Communists, await a more favorable time.

At that time of decision, the Soviet leaders will weigh their military, economic and political resources as well as the morale of the Russian people and their ability to support and withstand a long destructive war. If they then believe that such a war eventually would seriously weaken the "Communist Empire" and would threaten the very existence of the Soviet regime and world Communism, they might temporarily renounce the conquest of Western Europe and turn to consolidating Communist control of the Middle and Far East and to creating

⁴ In the section on the "Analysis of Political Factors" in Appendix A, these thoughts in relation to the United States were summarized in these words: "The Kremlin has counted on an economic crisis, the cumbersome methods of democratic governmental machinery, and the indifference of American public opinion to foreign affairs, particularly in a presidential election year, to weaken the relative position of the United States. However, such events as the institution of compulsory military training, expeditious implementation of the Marshall Plan and the extension of military guarantees to Western Union might easily cause a revision of such estimates. If the Kremlin should conclude that the relative position of the two countries is changing to the disadvantage of the U.S.S.R., it is conceivable that a decision to risk war might at that time be taken."

an impregnable Communist fortress in Europe. They might then expect the inherent weaknesses in the capitalist world to develop and the relative position of the capitalist and Communist worlds to improve for the latter over a period of years.

The Soviet Union will not risk war in the immediate future; however, there is real danger of war within one or two years. The only deterrent at that time would be solid conviction by the Soviet Government that in fact the United States was preponderant in military strength and potential and that war would eventually result in peril to the Communist regime.

Policy Planning Staff Files

Memorandum by the Assistant Secretary of State for Economic Affairs (Thorp) to the Secretary of State

TOP SECRET

[WASHINGTON,] April 7, 1948.

Subject: NSC Report No. 7, The Position of the United States with Respect to Soviet-Directed World Communism.¹

Most of the recommendations in this National Security Council report deserve our support. There is one general theme missing, however, that I consider of the highest importance.

The writers of the report have stressed the measures to be taken to combat the activities of the Communists themselves. The report gives little or no attention to the problem of attacking Communism at its roots, by eliminating the evils for which many Europeans consider Communism the cure. What I find missing is the necessary stress on positive measures directed toward building a democratic alternative.

It seems quite clear to me that Communism has grown in Western Europe not simply through the activities of Soviet inspired and guided leaders, but as a result of more fundamental causes. The Balkan states represented in substantial degree the Marxist concept of monopoly-capitalism with wide class differentials. The growth of Communism in Western countries is a symptom that there has been, and is, something wrong in these countries, and that it is so wrong that people seeking remedies have accepted even the intellectual dishonesty and disregard for human rights that Communism—like Fascism—represents. If this is true, it is not enough simply to cut off the heads of Communists wherever they appear. One must go to the root of the matter, creating conditions which are satisfactory enough so that Communism will not exert the strong appeal which it now exerts in much of Europe.

¹ March 30, p. 545

Two conditions are necessary before Europe will be able to free itself of this disease. One is an economic and political system that works well enough to satisfy the legitimate needs and aspirations of the great majority of the population in each country. The second is a burning faith in and enthusiasm for democratic institutions that are consistent with, although not necessarily identical with, our own democratic institutions.

Communism feeds on unemployment and economic distress. The European Recovery Program is designed to bring about substantial improvement in the economic health of Europe, and support for this Program should continue to be an integral part of our overall foreign policy. I believe that our interest in it goes, however, much further than simply seeing that the funds available are used as efficiently as possible and distributed where they will achieve the greatest good. We want to see Europe a functioning economic organism with as full employment and as high a standard of living as possible. This calls for a reduction in nationalism, and we should interest ourselves intimately in the details of Europe's recovery and developing integration and we should throw all our weight behind plans that make economic sense for an integrated Europe, and against economic measures that tend to be disruptive or to favor small groups at the expense of others.

Communism also feeds on political frustration. There is wide-spread distrust of politicians and of political democracy in many countries in Western Europe. We obviously cannot interfere in the political institutions of these countries but I believe we should give support to political parties that offer Europeans a positive program suited to Europe's political needs and development, rather than looking for parties and individuals who seem to represent most exactly the political and economic ideology that has been successful in America. In effect, this may mean support of the moderate Socialist parties of Europe.

Building enthusiasm, after or concurrently with economic and political measures, requires an aggressive ideological campaign whose goal should be the raising of a flag of human freedom that all European parties except the authoritatively minded could rally around. We ourselves must show that Democracy can work, and our campaign should stress the way it does work, at its best. (This has obvious implications for our own internal policy, in demonstrating by our own example that the Communist charges of instability, exploitation, and discrimination are untrue.) We need to wage a much bigger and more imaginative propaganda campaign than we are now doing, to arouse the enthusiasm of Europeans for the democratic institutions which constitute the main modern alternative to Communism. If we are to rob Communism of its attraction as a panacea for Europe's economic

and social ills, then we must support and publicize with every means at our disposal the effective working out of our democratic alternative.

As an example, we must convince European workingmen that our labor movement is vital, vigorous and effective. At the moment, it is probably the strongest in the world. A number of our best labor leaders should be enlisted in going to Europe and boasting of their achievements in the United States, instead of allowing the picture of American labor to be built up from the debates on the Taft-Hartley Act.

Related to the above are my thoughts about the report's proposal of measures to "suppress the Communist menace in the United States" and abroad. It seems clear to me that a positive program such as that suggested above will be attacking the disease and make much less necessary the suppression of Communist activities. Furthermore, I think there is a very real question concerning how successful a program of suppression is likely to be in any case. Measures to exclude Communists from Government positions and from jobs in any strategic industry are certainly desirable. So are measures to publicize the Communist affiliations and sympathies of all persons demonstrated to have them. But if suppression means to put all Communists in jail, I think the measure will defeat itself, as J. Edgar Hoover² has suggested. It is much better to leave Communists enough civil liberties so that they stay out in the open and can be identified than to drive them under ground. This means, for example, that freedom of speech, of assembly and of the press should probably not be denied to Communists, but it does not at all mean that Communists should be recognized as political parties, given time on the air as political parties, allocated newsprint where newsprint is under allocation, or in any other way treated as a desirable expression of a minority opinion. A program of discouragement that denies to Communists all of the positive aids that political parties receive in this country but allows them to exist above ground where their activities can be identified without denying the basic freedoms for which our Democracy has always stood, seems to me a more feasible treatment of Communists both in this country and abroad than the program implied by the term "suppress" in this report. We must avoid any appearances of behaving like a "police state".

Following the same general line of reasoning as my first major point, I question the definition used on page 6, paragraph b3, where the recommendation is made that we support the Western Union as "an anti-Communist association of states". I think it would lead to much more effective action if in our thinking and our actions we considered the Western Union and, in fact, the whole United States effort as being

² Director of the Federal Bureau of Investigation.

pro-Democratic rather than anti-Communist. Pro-Democratic of course implies anti-Communist, but it goes far further in suggesting that emphasis be placed upon a constructive alternative to Communism.

On page 7, paragraph 5, I have some question as to how far we should rehabilitate the arms industry of non-Communist nations where their conquest might leave such war potential resources in the hands of the Russians, rather than continuing ourselves as the major arsenal of Democracy and attempting to stress the economic rehabilitation of non-armament industries in Western Europe particularly. This has a political as well as a military aspect. To the extent that other countries expend their scarce economic resources (fuel, power, manpower, raw materials) on armaments production they will have proportionately less to devote to civilian production, and their dependence on us for assistance in the form of civilian goods will be thereby increased and prolonged. I think it will be politically easier and make better military sense for us to look toward a time when these countries are economically independent (exclusive of their war industries) and when we provide the armaments, rather than looking toward a long continuing economic dependence on us for both civilian and military supplies.

On page 8, paragraph 9, I think it is clear from my first major point that a vigorous and effective ideological campaign should be given a much larger part in our anti-Communist effort than seems to be implied in this report.

Policy Planning Staff Files

*Memorandum by the Acting Director of the Policy Planning Staff
(Butler) to the Under Secretary of State (Lovett)*

TOP SECRET

[WASHINGTON,] April 9, 1948.

NSC 7, dated March 30, 1948, a paper on "The Position of the United States with Respect to Soviet-Directed World Communism", has been distributed to National Security Council members, but has not yet been put on the agenda for a Council meeting.

While recognizing the shortcomings of the paper, some members of the Planning Staff thought it contained a few specific recommendations of value and that Council approval would do no harm. Messrs. Bohlen,¹ Rusk, Henderson,² Hickerson³ and Butterworth think the paper is too general, that the recommendations are not clear and specific enough, and that it is not a satisfactory document for approval

¹ Charles E. Bohlen, Counselor of the Department.

² Loy W. Henderson, Director of the Office of Near Eastern and African Affairs.

³ John D. Hickerson, Director of the Office of European Affairs.

by NSC on an important problem. They do recognize the urgency of the problem but do not think this paper is the answer.

Mr. Kennan feels very strongly that the Secretary and he should have an opportunity to study and comment on the paper before the National Security Council members consider it. Mr. Bohlen concurs in this view. The Planning Staff so recommends.

If you approve, I will informally and orally request Admiral Souers to defer placing the paper on the agenda pending further clearance from State. He may need some moral support, since the Military Establishment wants a policy paper on this subject.⁴

[Here follows discussion regarding anti-communist measures within the inter-American system; for documentation on that subject, see volume IX, pages 193 ff.]

⁴The source text bears Lovett's initial indicating approval of the suggested action. In a marginal notation, the Under Secretary made the following additional comment: "I think the paper is inadequate and will give a false impression if not revised—as an *initial* study it may have value."

Policy Planning Staff Files

Memorandum by the Secretary of Defense (Forrestal) to the National Security Council

TOP SECRET

WASHINGTON, 17 April 1948.

Subject: The Position of the United States with Respect to Soviet-Directed World Communism.

The Joint Chiefs of Staff have studied NSC 7, a report by the National Security Council staff on "The Position of the United States with Respect to Soviet-Directed World Communism". and have submitted their views with respect thereto to me. In order to give every member of the Council the maximum opportunity to study these views before the paper comes up for final consideration by the Council, I am not delaying their transmittal pending my own study thereof.

The views of the Joint Chiefs of Staff are as follows:

They are in general agreement with the analysis contained in this paper, particularly as to the critical nature of the world situation and the necessity for a United States policy directed toward preservation of our national security.

Their comment follows on those conclusions in the report which have military implications. (The conclusions in each case are reproduced for ready reference.)

9. *The defeat of the forces of Soviet-directed world communism is vital to the security of the United States.*

10. *This objective cannot be achieved by a defensive policy.*

11. *The United States should therefore take the lead in organizing a world-wide counter-offensive aimed at mobilizing and strengthening our own and anti-communist forces in the non-Soviet world, and at undermining the strength of the communist forces in the Soviet world.*

These conclusions are concurred in. It is assumed that they are to be construed in a general sense, with reference to general attitude and objectives, and not as having implications literally involving military action of consequence at this time, since appropriate readiness is an essential prerequisite to such action.

12. *As immediate steps in the counter-offensive, the United States should take the following measures:*

12. a. (1) *Strengthen promptly the military establishment of the United States by:*

- (a) *Initiation of some form of compulsory military service.*
- (b) *Reconstitution of the armaments industry.*

12. a. (4) *To the extent necessary to implement (1) above, initiate civilian and industrial mobilization.*

The Joint Chiefs of Staff fully agree with the intent of these conclusions. From the military viewpoint they regard the proposed measures not so much as "immediate steps in the counter-offensive" as steps in arriving at appropriate military readiness in light of the obviously worsening world situation.

They believe that measures that should now be taken should provide not only for increased military manpower (not limited to present peacetime strength) but also for increased appropriations necessary for strengthening our National Military Establishment. With respect to the proposed initiation of civilian and industrial mobilization they believe, from the military point of view, that because of the inherent and quite possibly critical length of time required for legislative action, the necessary statutory authorizations should be sought now for civilian and industrial readiness, such authorizations to correspond to those found essential during World War II and to be invoked as and to the extent required.

If political considerations should result in determination that this step is not now practicable, every possible effort should be devoted now to advance planning directed toward reduction to a minimum of the time lag between decision and action when legislative steps of this nature do become politically expedient.

In essence, the basic objectives should be that measures taken now for strengthening promptly the National Military Establishment should meet at least the requirements for effective emergency action, and that, to every practicable extent, provision should be made for extending the scope of such measures to all-out war effort without avoidable delay.

12. a. (2) *Maintain overwhelming United States superiority in atomic weapons. (In the event of international agreement on the control of atomic weapons this conclusion should be reconsidered.)*

This conclusion is concurred in.

12. b. (1) *In our counter-offensive efforts, give first priority to Western Europe. This should not preclude appropriate efforts in the case of other countries of Europe and the Middle East, which are immediately threatened by world communism and where loss of freedom would most seriously threaten our national security.*

This conclusion is concurred in.

12. b. (4) *Work out an appropriate formula which will provide for:*

(a) *Military action by the United States in the event of unprovoked armed attack against the nations in the Western Union or against other selected non-communist nations.*

(b) *Initiation of political and military conversations with such nations with a view to coordination of anti-communist efforts.*

The Joint Chiefs of Staff do not disagree with the intent of the conclusion in subparagraph (a) above. From the military viewpoint, however, they must point out the extreme importance to our national security of keeping our military capabilities abreast of our military commitments. Thus, effective implementation of the conclusion in subparagraph (a) above would be impracticable if "unprovoked armed attack" should occur while our military capabilities are inadequate. Therefore, this conclusion, if approved, will make it more than ever essential to accomplish at once at least the degree of military strengthening set forth in comment on conclusions 12 a (1) and 12 a (4) above.

With reference to conclusion in subparagraph (b) above, the general intent is concurred in. Military conversations should, of course, not antedate political decisions and commitments, and should remain within the scope of such commitments and decisions.

12. b. (5) *Assist in building up the military potential of selected non-Communist nations by the provision of machine tools to rehabilitate their arms industries, technical information to facilitate standardization of arms, and by furnishing to the extent practicable military equipment and technical advice.*

The Joint Chiefs of Staff are unable to subscribe fully to this conclusion. They believe that machine tools should be supplied only when their exportation does not interfere with our own needs and that due consideration should be given to the possibility that the Soviets may easily capture armament plants in certain locations.

12. b. (10) *Develop, and at the appropriate time carry out, a coordinated program to support underground resistance movements in countries behind the iron curtain, including the USSR.*

With reference to military equipment implications that might be embraced in this conclusion, the provision of such equipment would necessarily be subject to availabilities and priorities with respect to our own direct military requirements and those included in authorized aid programs.

12. b. (12) *Make unmistakably clear to the Kremlin at an opportune time, and in an appropriate manner, United States determination to resist Soviet and Soviet-directed communist aggression so as to avoid the possibility of an "accidental" war through Soviet miscalculation of how far the Western Powers might be pushed.*

Because of the ambiguity of the phrases "unmistakably clear", "opportune time" and "appropriate manner", there is considerable doubt as to how it may be intended to implement this conclusion. Possible interpretations are so broad, however, that the Joint Chiefs of Staff must again point out the danger that would be involved in commitment to a policy inappropriate to military strength. That is, they believe there should be due recognition of the possibility (one with historical precedent) that we ourselves may miscalculate how far we may go in opposition to the USSR, particularly opposition unaccompanied by appropriate readiness, without causing the Soviets to determine that immediate initiation of open warfare is, from their viewpoint, mandatory.

JAMES FORRESTAL

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*Memorandum by the Secretary of Defense (Forrestal) to the National Security Council*¹

TOP SECRET

[WASHINGTON,] April 19, 1948.

NSC 5/3 ANNEX

Subject: The Position of the United States with Respect to Greece.

In response to a memorandum from the Executive Secretary of the National Security Council to them dated 24 February 1948 on the subject of "The Position of the United States with Respect to Greece",² the Joint Chiefs of Staff have prepared the following statement of views in which I concur:

Certain views of the Joint Chiefs of Staff, previously furnished the National Security Council through the Secretary of Defense, have important bearing on the military implications of the courses of action set forth and the questions asked in the subject memorandum. These

¹ Circulated in the National Security Council as the Annex to NSC 5/3, May 25, 1948; for the text of NSC 5/3 itself, see vol. iv, p. 93.

² Not printed.

views are summarized below for ready reference and are followed by some amplification and discussion based on careful consideration of the current military picture as a whole. As will be seen, this memorandum and the recommendations made herein by the Joint Chiefs of Staff are generally applicable to the contents of the subject memorandum. Specific comments on the subject memorandum are contained, however, in the Appendix ³ hereto and are consistent with the body of this paper.

a. Any deployment of United States armed forces in the Eastern Mediterranean or the Middle East will, in view of our present extended position, automatically raise the question of the advisability of partial mobilization, and any deployment there in appreciable strength will make partial mobilization a necessity.⁴

b. The over-all world situation has deteriorated to such a degree as to dictate the necessity for strengthening immediately the potential of our National Military Establishment. Some form of compulsory military service will be required to attain additional strength and should be initiated at once.

c. Since neither limited nor general mobilization will result in appreciable augmentation of our combat strength for at least one year *after mobilization is actually initiated*, decision as to the timing of steps to accomplish any mobilization should take into full account the inherent lag between such steps and the combat availability of resultant forces. "Appreciable augmentation" in this statement is intended to mean augmentation justifying other than relatively minor commitment of our forces.

The statement in *c* above is of major importance in connection with the subject memorandum, since it is designed to make clear that no military commitment with implications extending to likelihood of major military involvement should be made unless preceded by mobilization. A similar view was included in a memorandum to the Secretary of Defense dated 19 February 1948 regarding the Italian situation.⁵

With general application to the situation in Greece, the dispatching of military forces to that country, token or in strength (as discussed in detail in the Appendix), would be militarily unsound.

a. Unless it is *known* that we are ready and able to back them up to any extent that will be reasonably necessary and

b. Unless our best intelligence indicates that such a move will not precipitate overt action by Soviet satellites or USSR forces, since

³ Not printed.

⁴ In a letter of April 19 to the Secretary of State, Forrestal discussed the implications for United States military posture of a possible commitment of troops for United Nations use in Palestine. Under Secretary of State Lovett replied on April 23. For the texts of this exchange, see vol. v, Part 2, pp. 832 and 851, respectively.

⁵ For text, see vol. III, p. 770.

neither the geographical position and terrain of Greece nor our over-all military strategy justify commitment to major operations in that country and

c. Unless we have determined that we do not need nor intend to undertake military action elsewhere with our currently relatively weak forces.

The current belief that the USSR does not plan overt warfare for at least five years is not necessarily correct and there is increasing doubt in many quarters as to its soundness. In any event, circumstances may change, quite possibly with considerable rapidity, in such a way as to invalidate the "five-year" reasoning.

The current situation leaves no doubt that the USSR if *planning* war only at a later date, may nevertheless miscalculate the degree of our determination to resist further Soviet encroachment. Also, unpredictable and little known internal conditions in the USSR could result in Soviet decision to initiate war even though not presently planned.

A further, quite distinct, possibility (and one with historical precedent) is that we ourselves may miscalculate how far we may go in opposition to the Soviets, particularly opposition unaccompanied by appropriate readiness, without causing them to determine that immediate initiation of open warfare is, from their viewpoint, mandatory.

It is possible, though most unlikely, that open warfare, if and when it develops, will be of a localized nature in one or more areas and hence relatively minor for a considerable period. If this possibility could be relied upon, it would indicate only that there may be time for real preparedness if action to that end is taken now. If it cannot be relied upon, which is at least equally probable, the steps necessary for real preparedness should already have been initiated.

Since their primary peacetime interests and responsibilities rest in military readiness appropriate to the world situation, the Joint Chiefs of Staff do not offer the possibility of continued peace as a result of a strengthened United States military posture as a justification for preparedness. As they see it, the point is, rather, that whether or not the probability of war will be lessened by increasing our military strength, that probability will *certainly continue and increase as long as we remain weak.*

It is fully realized that some calculated risks, in terms of over-all national policy, must be taken. The question, however, is one of degree. In simplest terms, it is plain that, whether or not either the USSR or the United States now intends to persist in the present struggle to the extent of open warfare, the possibility of this result is so evident that it would be not a calculated but an incalculable risk for the United

States to postpone further the steps for readiness demanded by ordinary prudence.

While the Joint Chiefs of Staff should not be expected to make recommendation as to whether or not the United States should risk major or global warfare, it is manifestly their responsibility to point out that the consequences would be very grave indeed if action, in advance of adequate military readiness on our part, should lead unavoidably to major commitment.

Therefore, in light of the foregoing discussion and of the obviously worsening world situation, and having further considered matters leading to their statement of 10 March 1948⁶ that compulsory military service is now essential, the Joint Chiefs of Staff recommend that the following action, the equivalent of the initiation of mobilization, be taken:

a. That measures to the extent set forth in subparagraphs *b* and *c* below be initiated and that the necessary steps for their initiation be taken at once because of the pressing nature of our need for increased strength and the inherent and dangerous time interval required, *after* decision and *before* preparedness, first for legislative action and then for implementation.

b. That these measures include not only increased military manpower (not limited to present peacetime strength) and increased appropriations necessary for strengthening the potential of our National Military Establishment in all respects, but also the necessary statutory authorizations for civilian and industrial readiness, corresponding to those found essential during World War II and to be invoked as and to the extent required.

c. That these measures meet at least requirements for effective emergency action and be so planned that it will be practicable to extend their scope to all-out war effort without avoidable delay.

d. That every effort be made to avoid military commitment with implications extending to likelihood of major military involvement unless preceded by preparedness at least to the extent set forth above.

FORRESTAL

⁶ Statement not found in the files of the Department of State; regarding the views of the Joint Chiefs of Staff on this subject, see the editorial note on p. 538.

Bureau of Economic Affairs Files¹*Current Economic Developments*²

SECRET

[WASHINGTON,] May 10, 1948.

No. 150

[Here follows discussion of subjects not related to "Stockpiling Program".]

STEPS TO SPEED UP STOCKPILING PROGRAM

An attempt is being made to pursue a more vigorous policy in the US stockpiling program which has been disappointing to date. Included in the steps which have been taken recently or are planned to speed up the acquisition of strategic materials for stockpiling are: 1) establishment under the Executive Committee on Economic Foreign Policy (ECEFP) of a small Working Group on Problems of Availabilities and Procurement of Strategic Materials; 2) consideration of implementation of Recovery Program legislation which provides for transfer of commodities needed by the US;³ and 3) consideration by the National Security Resources Board of resolutions which would encourage Munitions Board purchases of many commodities even though they are in short supply for civilian use.

Stockpiling Act-National Security Act. The National Security Act of 1947 which created the National Security Resources Board (NSRB), the National Military Establishment as well as the National Security Council and the Central Intelligence Agency, provides that the NSRB is responsible, among other things, for advising the President on policies for establishing adequate reserves of strategic and critical materials, and for the conservation of these reserves.

The most recent stockpiling act, the Act of 1946 (PL 520 79th Congress) amends and broadens the Act of June 7, 1939, retaining the main provisions of that legislation which was the first for the specific purpose of establishing stockpiles of strategic materials. The Act of 1946, as altered by the subsequent National Security Act, provides, *inter alia*, for: 1) determination by the Secretaries of National Defense and Interior of those materials which are strategic and critical and the quantities and qualities to be stockpiled. The Departments of State,

¹ Lot 54D361, containing the publication *Current Economic Developments* for the years 1945-1952.

² This weekly publication, prepared by the Policy Information Committee of the Department of State, was designed to highlight developments in the economic divisions of the Department, and to indicate the economic problems which were currently receiving attention in the Department. It was circulated within the Department and to Missions abroad.

³ Regarding this subject, see the following documents in *Foreign Relations*, 1947, vol. 1: Recommendation by the National Security Resources Board to President Truman, December 4, 1947, p. 777, and circular airgram 1620, December 22, 1947, p. 778.

Treasury, Commerce and Agriculture are directed to cooperate with the Munitions Board in making these determinations; 2) purchases of materials by the Bureau of Federal Supply, acting under the direction of the Secretary of Defense; 3) storage and rotation of stocks of strategic materials; and 4) release of stocks, except for rotational purposes or for reason of obsolescence, to be made only by order of the President (or a designated agency in time of emergency) for purposes of common defense. This, in effect, establishes a permanent stockpile which cannot be used for purposes other than that of national defense.

ECEFP Working Group. The recently established ECEFP Working Group on Strategic Materials consists of representatives from the Department of State, the Munitions Board and the National Security Resources Board. The Economic Cooperation Administration may be invited to membership. Other agencies are included in the deliberations when their fields of interest are involved. The terms of reference of the group are: 1) to consider problems of availabilities and procurement of strategic materials from foreign countries; 2) to facilitate the collection of and to evaluate information regarding availabilities of strategic materials in foreign countries; 3) to facilitate the preparation of programs for acquiring such materials in other countries; and 4) to make recommendations with respect to the fulfillment of various aspects of this assignment to the ECEFP, the NSRB or the Munitions Board as may be appropriate.

Problems Connected With Recovery Program. Thus far most of the problems considered by the Working Group on Strategic Materials have been in connection with the European Recovery Program. Legislation authorizing the Program provides for facilitating the transfer of commodities needed by the US because of deficiencies or potential deficiencies in its own resources for stockpiling or other purposes. The legislative history shows that these other purposes are primarily the transfer of iron and steel scrap which would not be stockpiled and other materials of strategic character which would be put into immediate use and not stockpiled. The ECEFP Working Group is now considering the inclusion of proper safeguards in the bilateral agreements to be negotiated with the participating countries and has appointed working parties to make investigations of the possibility of increasing production in territories of countries participating in the Program. These parties will then proceed to consider problems outside the Recovery Program area. The bilateral agreements will contain only general commitments for the governments to facilitate the transfer of strategic materials to the US, to stimulate increased production, and to use their good offices to secure cooperation of enterprises subject to their jurisdiction. Goals and specific measures for achievement of special programs will be the subject of supplementary agreements.

The ECEFP Working Group recognizes that the political relations between the mother country and dependent areas will be important factors in the fulfillment of US goals. It is not yet clear to what degree the mother countries will be able to undertake to guarantee delivery of materials from areas which are classified as dependent. As yet there has been little or no comment on how the local populations have reacted to the proposals for expanded production and transfer of stocks to the US. It is anticipated that business enterprises in the colonial areas may resent shipments of materials to Europe which are to be paid for by shipments of raw materials from the dependent areas.

National Security Resources Board Resolutions. Heretofore the Munitions Board in purchasing materials for stockpiling has restricted itself to materials which the Department of Commerce has not found to be in short supply for civilian use. Proposals under consideration in the NSRB would provide that the Munitions Board should proceed to build up stockpiles after consulting with the Department of Commerce with respect to supplies that are necessary to meet only essential civilian needs. An alternative proposal would apply this formula only to stocks held by RFC. In line with this trend the Department of Commerce has removed all commodities from its Civilian Deficiency List (which has governed Munitions Board stockpile policy) except three—antimony, tin and quinidine.

S/S—Files : Lot 63D351 : NSC 30 Series

Memorandum Prepared in the Department of State

TOP SECRET
NSC 30

[WASHINGTON, undated.]

POLICY ON ATOMIC WARFARE

The question raised by Secretary Royall,¹ in Tab B, has never officially come before the Department. Recently questions involving use of atomic energy in a possible war with Russia, and particularly the problem of targets, has been discussed informally with air force planners by Messrs. Kennan, Bohlen and Thompson.²

Mr. Gullion has prepared a memorandum on this subject which contains his own personal views (Tab A).

¹ Kenneth C. Royall, Secretary of the Army.

² Llewellyn E. Thompson, Jr., Deputy Director of the Office of European Affairs.

[Annex A]

Memorandum Prepared in the Department of State

TOP SECRET

[WASHINGTON, undated.]

POLICY ON ATOMIC WARFARE

Secretary Royall has circulated the following paper in which he proposes that a study be undertaken to define the position of the United States with respect to the initiation of atomic warfare in event of war. (Tab B)

Mr. Gullion has commented as follows:

"So far as I know little thought has been given to this problem in this Department. In the secret war-time agreements with the U.K., the United States was bound to consult with the U.K. on the use of an atomic weapon.³ In the *Modus Vivendi* of January 7, 1948,⁴ this and all other political provisions of the war-time accords were eliminated so that we have a free hand. On the other hand, it is difficult to conceive of a situation in which we might use the bomb in which we were not in close contact with the British.

"It is also possible that if, as, and when the United States participates in strategic planning with the Western European countries, there may be some dispositions as to the use of the bomb, disposition of stocks, raw material, etc.

"With respect to Secretary Royall's Para. 2, we know of no opinion in the Government which would warrant the Defense Establishment in ceasing to plan on the use of the bomb. There may be sound reason for deferring its use or using it initially as an anti-materiel measure.

"With respect to the locus of authority for the decision to employ, it is difficult to see where it could be other than with the President, [National] Security Council and Joint Chiefs. Studies can surely be undertaken to see that ways are cleared for prompt decisions.

"Possibly the most important controlling factor would be the stock-pile situation of this country and its allies, and the types and relative effectiveness of the various atomic weapons at our disposal. In consideration of these matters the Atomic Energy Commission, which is not directly represented on the Council, would have as much a contribution to make as any Department."

³ Reference is to the Quebec Agreement, which is described in footnote 7, p. 677.

⁴ For text, see p. 683.

Recommendations:

1. That the participation of the Atomic Energy Commission in any further consideration be sought.
2. That Secretary Royall's recommendation be approved.

[Annex B]

Memorandum by the Secretary of the Army (Royall) to the National Security Council

TOP SECRET

[WASHINGTON,] 19 May 1948.

Subject: United States Policy on Atomic Warfare

1. I feel that the United States position with respect to employment of atomic weapons, and our Governmental organization for expeditious application of atomic warfare, require early and careful review in the interest of national security.

2. It appears necessary, in order to insure a clear understanding on the part of all agencies responsible for various aspects of United States security, that a high level decision be taken as to the intention of the United States to employ atomic weapons in event of war. While the Department of the Army has been conducting its war planning on the basis that atomic weapons would be used, I believe there is some doubt that such employment is a firm United States Government policy. I understand that in some quarters the desirability of the United States initiating atomic warfare has been questioned particularly on the grounds of morality. I recognize that many considerations other than purely military must be taken into account in arriving at a decision in this regard.

3. In addition to the basic question of engaging in or initiating atomic warfare there arises a question of what agent or agency of the Government shall be empowered to authorize actual employment. Employment might be undertaken by the Joint Chiefs of Staff on their own initiative, or the decision to authorize employment might be reserved to the President or to some other agent of the Government. It is important that this authority and responsibility be made perfectly clear in order that there will be no delay in acting in event the United States is subjected to sudden attack. Equally important is a consideration of the time and circumstances under which atomic weapons might be employed, and the type and character of targets against which they might be used.

4. To develop further United States capacity for actual engagement in atomic warfare, the National Military Establishment must organize its relatively limited resources in order to gain maximum benefits from

its most powerful single weapon. There are many factors involved in producing an organization capable of immediate engagement in atomic warfare. Some of these factors are:

- a. The command structure.
- b. Custody and control of atomic weapons (by Public Law 585⁵ a responsibility of the Atomic Energy Commission until transferred to the Military Establishment by the President).
- c. Proper integration of atomic warfare plans into overall war plans.
- d. Existence, access to, and maintenance of bases (some of which are in foreign nations) for launching atomic attacks.
- e. Proper allocation of industrial, manpower, and raw material resources for the production of atomic weapons.
- f. Maintenance of sufficient, appropriate special units and equipment within the Armed Forces.

5. In order to insure that the United States is in the best possible position to make maximum use of its atomic advantages in the interest of national security, it may be necessary to reorganize certain Government agencies and to revise certain existing laws or to enact new ones.

6. In order that the National Security Council may be in a position to give careful consideration to this matter and to make appropriate recommendations to the President, I recommend that the Council, utilizing such agencies as it deems advisable, including the Joint Chiefs of Staff, consider the following problem:

"The position of the United States with respect to the initiation of atomic warfare in event of war, including a consideration of the time and circumstances of employment, and the type and character of targets against which it would be employed; and further, the proper organization within the National Military Establishment and within such other executive agencies of the Government as may be involved, to insure optimum exploitation by the United States of its capabilities of waging atomic warfare."

KENNETH C. ROYALL

⁵ The Atomic Energy Act of 1946, 60 Stat. 755.

811,2221/6-148

The Secretary of the Army (Royall) to the Secretary of State

WASHINGTON, 1 June 1948.

DEAR MR. SECRETARY: I am informed that Mr. Bohlen of your Department has requested a statement of the Department of Army position relative to the Lodge bill to authorize enlistment of aliens in the

Regular Army (S. 2016, 80th Congress) ¹ under certain limitations.

The Department of the Army in January 1948 informed Senator Gurney ² of willingness to support the bill, and recommended that it be amended to delete the words "for service outside the continental limits of the United States, its Territories and possessions." Conferences with representatives of the Department of State in February 1948 revealed that your Department would not support the Lodge bill primarily because of the possible adverse propaganda effect.³ Out of deference to your Department's viewpoint and in the interest of maintaining a united front, the Department of the Army in February notified Senator Lodge and Senator Gurney that support must be withdrawn from the bill. This action did not change the basic concept of the Department of the Army that enlistment of qualified displaced aliens abroad would be desirable.

On 19 March 1948 a memorandum relative to this entire subject ⁴ was sent to the Secretary of Defense recommending support of the bill if amended as proposed. This recommendation was approved and discussion was reopened with your Department. Conferences were held on 30 March 1948 and 16 April 1948 between representatives of the Department of the Army and Mr. Bohlen of your Department. At these conferences an attempt was made to reconcile the difference in viewpoint concerning the desirability of passage of the Lodge bill. To this end an effort was made to draft a new bill or amend an existing bill in order to accomplish the purposes of the Lodge bill, but at the same time not incorporate features objectionable to your Department. No such solution was found. At the present time the Department of the

¹ The bill under reference was introduced by Senator Henry Cabot Lodge, Jr., of Massachusetts on January 19, 1948, and referred to the Senate Committee on Armed Services. It read in pertinent part as follows: "Be it enacted . . . That the Secretary of the Army, under such regulations as he may prescribe, is authorized until June 30, 1950, to accept original enlistments in the Regular Army from among qualified aliens not less than eighteen years of age nor more than thirty-five years of age for an enlistment period of not less than five years for service outside of the continental United States, its Territories, and possessions."

² Senator Chan Gurney of South Dakota, Chairman of the Armed Services Committee.

³ In a memorandum to the Secretary of State dated February 23, Charles E. Bohlen, Counselor of the Department, stated the following: "This measure marks a very definite departure from our previous policy in regard to recruitment for the U.S. Army and from the point of view of foreign policy is extremely undesirable. It in effect announces to the world that the U.S. cannot obtain the necessary manpower from among its own citizens for its own Service and has to recruit foreign mercenaries abroad. It is obvious what use Soviet propaganda will make of such a development . . . If the Department of the Army could be persuaded to amend this Bill so as to make it an immigration rather than a recruitment measure on the principle of giving preferential or non-quota status under the immigration law to aliens who had declared their intention of enlisting in the U.S. Army upon arrival here, the chief disadvantages from the point of view of foreign policy to this measure would be mitigated." (811.2221/2-2348)

⁴ Not printed.

Army is prepared to support enactment of the Lodge bill as a means to obtain additional manpower on a voluntary basis. A manpower pool from which it is believed approximately 50,000 qualified nonenemy aliens could be recruited exists in the United States Occupied Zones of Europe. Included in this estimate are 12,000 of the 14,500 men currently employed by occupation authorities in quasi military guard and labor roles. Individuals included in this estimate are between 18 and 35 years of age; meet present physical, intelligence, and educational standards; and possess good character.

I would appreciate obtaining your present reaction to the Lodge bill and will be glad to furnish any desired additional data on this subject now in the possession of the Department of the Army.⁵

Sincerely yours,

KENNETH C. ROYALL

⁵ On June 8, the Senate approved an amendment (introduced by Senator Lodge) to the Selective Service Act by which the Secretary of the Army was authorized to enlist 25,000 aliens for five years' service, after which they would be eligible for citizenship. On June 14, Marshall informed Secretary Royall that in his opinion there was no further action which the Department of State should take on the matter. (811.2221/6-148)

SANACC Files¹

*Memorandum Approved by the State-Army-Navy-Air Force
Coordinating Committee*

[Extract]

SECRET

[WASHINGTON,] 15 June 1948.

SANACC 206/29 (Revised)

POLICY FOR THE CONTROL OF THE DISCLOSURE OF CLASSIFIED MILITARY
INFORMATION TO FOREIGN GOVERNMENTS²

II. GENERAL PRINCIPLES

Classified military information shall not be disclosed to foreign governments unless all of the following conditions are met:

(a) Disclosure is consistent with the policy of the United States Government with regard to atomic energy and similar or related information for which special machinery for release has been or may

¹ Lot 52M45, the files of the State-Army-Navy-Air Force Coordinating Committee (SANACC) and its predecessor, the State-War-Navy Coordinating Committee (SWNCC), located in the National Archives under the administration of the Department of State. SWNCC was reconstituted as SANACC pursuant to the National Security Act of 1947. Regarding the terms of reference of SANACC, see NSC 25, August 12, p. 605.

² This subject was dealt with on a continuing basis by SANACC's Subcommittee for Military Information Control (MIC); documentation generated by that subcommittee exists in the SANACC files.

hereafter be established. This condition is satisfied by subparagraph III (a) below.³

(b) Disclosure is consistent with the foreign policy of the United States toward the recipient nation. The final decision in this respect rests with the Secretary of State. This condition is met by the alignments of nations set forth in paragraph IV below.⁴

(c) The military security of the United States permits disclosure. The final decision in this respect rests with the Secretaries of the Army, the Navy, and the Air Force. This condition is met by the category and classification of military information permitted to be released to each nation, as set forth in paragraph IV below.

(d) Disclosure is limited to the information necessary to accomplish the purpose for which disclosure is made.

(e) Disclosure will result in benefits to the United States equivalent to the value of the information disclosed. Typical benefits may be one of the following:

(1) The United States obtains information from the recipient nation on a *quid pro quo* basis.

(2) Exchange of military information or participation in a joint project will be advantageous to the U.S. from a technical or other military viewpoint.

(3) The U.S. military policy for the defense of the Western Hemisphere will be furthered.

(4) The development or maintenance of a high level of military strength and effectiveness on the part of the government receiving the information will be advantageous to the United States.

The final decision as to the value of military information and the relative military benefits to be derived from its disclosure rests with the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, in matters of interest to his Department alone; or with the Secretaries of the Army, the Navy, and/or the Air Force acting jointly.

³ Subparagraph a of Paragraph III ("Non-releasable Information") stated that requests for information pertaining to atomic energy would be forwarded to the United States Atomic Energy Commission for appropriate action. For documentation on United States policy regarding the disclosure of information on atomic energy, see pp. 677 ff.

⁴ Paragraph IV, "Releasable Information."

SANACC Files

*Report by the Ad Hoc Committee to the State-Army-Navy-Air Force
Coordinating Committee*

TOP SECRET

[WASHINGTON,] June 18, 1948.

SANACC 382/6

POLICY CONCERNING TRANSFERS TO NON-SOVIET COUNTRIES OF MILITARY
SUPPLIES OF U.S. ORIGIN ¹

THE PROBLEM

1. To determine what principles should govern the transfer to foreign countries of military supplies of United States origin.

DISCUSSION AND FACTS BEARING ON THE PROBLEM

2. The Committee's instructions were in two parts—to examine into the factors affecting the armament situation of the non-Soviet nations (SANA-5827,² para. 1a), and to formulate a policy governing all transfers to foreign countries of military supplies of U.S. origin (SANA-5827, para. 1b).

3. With respect to the first part of the instructions, it was the Committee's view that these factors had already been sufficiently investigated for its purposes. Reference is made particularly to the SANACC 360 series,³ which concerns policies, procedures, and costs of assistance by the United States to foreign countries.

4. A related paper, NSC 14/1,⁴ was approved by the President on

¹ This report was prepared by an *ad hoc* committee appointed by the State-Army-Navy-Air Force Coordinating Committee on November 4, 1947, pursuant to a request by the War Department on August 5, 1947, that such a study be undertaken by a special committee. SANACC devoted considerable effort between the above dates to defining the terms of reference of the new *ad hoc* committee in view of the studies of a related nature previously undertaken by the Rearmament Subcommittee of SANACC (see SANACC 360/5, July 26, 1948, p. 597), and by the *ad hoc* Committee which was preparing the foreign assistance policy study SWNCC 360/3, October 3, 1947, not printed. For information regarding the preparation and implementation of papers in the SWNCC 360 series during 1947, see *Foreign Relations*, 1947, vol. I, pp. 725-750, *passim*, and *ibid.*, vol. III, pp. 197-249, *passim*.

The new *ad hoc* Committee submitted its report, SANACC 382/5, on May 5, 1948. The present paper is a revision by the *ad hoc* Committee of that report, submitted to SANACC on June 18, 1948. The parent committee approved the revision on July 23, 1948, and transmitted it to the National Security Council. SANACC adopted on October 7 an amendment proposed by the Navy Member on September 8, to include reference to NSC 14/1, July 1 (p. 585). The text printed here reflects that amendment. (SANACC Files)

² Not printed.

³ See footnote 1, above.

⁴ Of July 1, p. 585.

10 July 1948. The SWNCC 202 series⁵ deals with policy relative to the transfer to foreign countries of military supplies of United States origin, and SANACC 390 and related papers⁶ with the provision of United States equipment to the Italian armed forces. The question of the relative importance of programs of United States military assistance to foreign nations has been referred to the Rearmament Subcommittee (SANA-5975).⁷

5. Accordingly, the Committee excluded from its consideration these questions which are already resolved or are being considered elsewhere, and addressed itself to the general principles which the United States Government should apply in deciding whether to transfer military supplies of United States origin to a foreign country, in the absence of a controlling policy already established for that country. Conclusions reached by the Committee are therefore not directed to transfers made in pursuance of an established policy or program of military assistance.

CONCLUSIONS

6. Pending the achievement of conditions of international confidence which would make possible the putting into effect of a system for the regulation and reduction of armaments, it should be the policy of the United States to authorize transfers to foreign countries, by sale or otherwise, of military supplies of United States origin, whether such supplies are of government or private ownership, if the transfers are determined to be in the interest of the United States and not inconsistent with the security interest of the United States.

7. In addition to the primary requirement of being in the interest of the United States, such transfers should also be determined to be reasonable or necessary for one or more of the following purposes:

a. To enable a country to maintain internal order in the reasonable and legitimate exercise of constituted authority, or

b. To enable a country to provide for and to exercise its right of self-defense against armed attack, or

c. To assist a country to discharge its international responsibilities for:

(1) Furnishing contingents to the Security Council pursuant to Article 43 of the Charter of the United Nations, and

(2) Carrying out military occupation in enemy or ex-enemy territory.

⁵ For SWNCC 202/2, March 21, 1946, see *Foreign Relations*, 1946, vol. I, p. 1145; SWNCC 202/4, Department of State views with respect to military assistance, was based upon document SC-208, December 20, 1946. For the text of the latter, see *ibid.*, p. 1189. Subsequent papers in the series were cancelled, withdrawn, or superseded by other studies and are not printed.

⁶ For the text of SANACC 390/1, January 16, 1948, see vol. III, p. 757.

⁷ Not printed.

8. In determining whether a particular transfer of military supplies to a foreign country will be in the interest of the United States, the following factors should be considered, together with any others that may be appropriate at the time:

a. The purpose for which the supplies are intended. This will especially involve a consideration of paragraph 7.

b. Whether the country concerned will use the supplies for the purpose intended.

c. Whether the transfer would be consistent with the security interest of the United States. At present the chief security interest of the United States lies in supporting resistance to immediate or potential communist aggression.

d. The effect of the transfer upon the United Nations and upon relations between the United Nations, the United States, and other countries.

e. The stability and political nature of the country concerned.

f. The geographical and strategic location of the country concerned.

g. The availability of the supplies and the effect on the United States economy of providing them.

h. Whether it would be more advantageous for the United States to retain the supplies for its own use or to provide them for use by the country concerned.

i. Whether it would be more advantageous for the United States to transfer new military supplies or maintenance equipment for military supplies already provided.

9.—

a. The term "military supplies" is used herein to mean military or naval items of all kinds and types, including those which may be defined from time to time by or pursuant to Presidential Proclamation as arms, ammunition and implements of war.

b. The United States should continue to reserve the right to recapture all military supplies of U.S. lend-lease origin now held by foreign governments subject to this right, except such articles as may from time to time be sold outright to third governments or to other parties by or with the consent of the United States. The granting of consent by the United States to transfers by sale or otherwise by a presently-holding government to a third government shall be subject to the provisions of paragraphs 6, 7 and 8 above.

RECOMMENDATIONS

10. It is recommended that SANACC approve the above conclusions and transmit them to the National Security Council for information and to the Departments of State, Army, Navy and Air Force for information and appropriate action in connection with NSC 14/1.

Department of State Committee Files : Lot 122¹

*Report by the Strategic Materials Working Group to the Executive Committee on Economic Foreign Policy*²

CONFIDENTIAL

[WASHINGTON,] June 21, 1948.

ECEFP D-70/48 Rev. 1

ACQUISITION OF STRATEGIC MATERIALS UNDER ECA

REPORT OF THE STRATEGIC MATERIALS WORKING GROUP
WITH RESPECT TO STRATEGIC MATERIALS URGENTLY NEEDED FOR
STOCKPILING AND AVAILABLE IN PARTICIPATING COUNTRIES

PROBLEM

The Working Group has considered problems of availability and procurement of those items listed for stockpiling which require special and urgent action because of failure to meet targets and which are known to occur in some quantity in participating countries. Inter-agency task groups were established covering agreed upon commodities (fourteen in number) and recommendations are submitted based upon data accumulated which is believed to cover all information available at this time. The recommendations offered are in the main directed towards action which may be taken by the Administrator of ECA under Article XI of the Master Economic Cooperation Agreement. Coordinate or supplementary action may be required by other agencies. Additional work is being carried on with regard to other commodities and other areas of the world.³ A detailed report covering the fourteen commodities is attached.⁴

¹ Lot 122, a consolidated lot file consisting of records of inactive or terminated committees of the Department of State and inter-departmental committees on which the Department of State was represented. Material in this lot, which includes a set of the papers of the Executive Committee on Economic Foreign Policy, was retired by the staff of the Executive Secretariat of the Department of State.

² The present report was approved on June 21, 1948, as follows: Recommendations A(1), B(2), and B(3) by ECEFP; A(4) by the Munitions Board; and A(2), A(3), A(4), B(1), and B(4) by the National Security Resources Board Staff and the Munitions Board. It was transmitted to the heads of United States Government agencies concerned and to the chiefs of all U.S. missions abroad.

³ On August 3, 1948, the Working Group on Strategic Materials submitted ECEFP D-96/48, "Report with Respect to Additional Strategic Materials Needed for Stockpiling and Potentially Available in ECA Participating Countries," which was submitted to the National Security Resources Board and the Munitions Board for action. On October 20, 1948, the Working Group approved ECEFP D-143/48, "Additional Recommendations with Respect to Twenty-two Items Needed for Stockpiling," pertaining to the availability of items in non-ECA participating countries. Recommendations involving action by the Munitions Board were made directly to the Board. Neither report is printed. (Department of State Committee Files : Lot 122)

⁴ The two attachments are not printed.

RECOMMENDATIONS

A. General

1. Immediate attention should be given to the obtaining of more adequate information. In this connection, technical personnel, including engineers and minerals specialists, should be located at given points in the field to report on all projects, recommend appropriate action, and expedite programs. It is recommended that the Secretary of State request the interested departments and agencies including the Administrator of ECA to cooperate in discussions looking toward the employment of such a staff at the earliest possible moment and the avoidance of unnecessary duplication.

2. In general, increased production of strategic commodities is necessary to permit more rapid acquisition by the stockpiling authorities. Pursuant to Section 117 (a) of the Economic Cooperation Act⁵ the Administrator of ECA should give attention to arrangements for such increases in the following cases: chromite, copper, manganese, quinine, tin, columbite, nickel, lead, cobalt, and crushing bort. More specific comments with reference to each will be found in the attached report. It is recommended that NSRB and the Munitions Board each call the attention of the Administrator of the ECA and other departments and agencies of the Government having power to act in connection with developmental programs in foreign countries to the opportunities for increasing supplies of strategic materials as they become known and request that they use their authority to promote such programs. The Administrator of the ECA and other agencies should be prepared to give assistance to participating countries in providing equipment, supplies, and technical services in connection with specific projects. It may be necessary to use priorities, to advance credit, and to shift specific equipment orders from one supplier to another.

3. Immediate attention should be given to improving transportation, including port facilities, in a number of areas. Such action will produce the quickest results in terms of an immediate increase in the flow of materials. The Working Group recommends that the NSRB and Munitions Board call the Administrator's attention to transportation difficulties in Rhodesia, the Belgian Congo, Mozambique, the Gold Coast and French Morocco. Qualified personnel on the spot are necessary to determine the exact action needed.

4. The Working Group suggests that the Munitions Board make use of long-term contracts for strategic materials to the extent prac-

⁵Section 117(a) stated that the Administrator of ECA "shall, whenever practicable, promote, by means of funds made available for the purposes of this title, an increase in the production in such participating country of materials which are required by the United States as a result of deficiencies or potential deficiencies in resources within the United States." (62 Stat (pt. 1) 153)

licable in order to encourage new development. Coordination of such contracts with action by the Administrator of ECA is important.

B. *Specific*

The Working Group has concluded that immediate action is possible in the following cases:

1. *Chromite from Southern Rhodesia.*

At the beginning of 1948 it was reported that 400,000 tons of chromite were stockpiled at mine heads awaiting shipment. The port from which shipment takes place is located in Mozambique, a dependency of Portugal. Immediate discussions with the United Kingdom, Southern Rhodesia, and Portugal should be instituted with a view to improvement of rail and port facilities and increased shipment of chromite. The NSRB and Munitions Board should request the Administrator of ECA to undertake these discussions with the assistance of the State Department.

2. *Crushing Bort from the Belgian Congo.*

Approximately 95 percent of crushing bort comes from the Belgian Congo. Production of this material is under the control of the "diamond cartel". Representatives of the State Department have had discussions with representatives of the Belgian Government with respect to increased availabilities of bort for the U.S. strategic stockpile. The Working Group recommends that representatives of the Department consult with the Administrator of ECA for the purpose of continuing such discussions with a view to determining the potentialities of and the requirements for increased production and the transfer of increased supplies directly to the United States Government agencies for stockpiling purposes.

3. *Quinidine from the Netherlands East Indies.*

The Netherlands East Indies ordinarily produces 90 percent of the cinchona bark from which quinine and quinidine are produced. It appears that certain restrictive business practices are limiting the quantity of quinidine made available. It is recommended that representatives of the State Department and the Administrator of ECA, in consultation, begin discussions with representatives of the Netherlands Government to determine what action is necessary to obtain increased supplies of quinidine or of cinchona bark from which it is prepared.

4. *Manganese from Gold Coast.*

The Gold Coast is the largest producer of manganese in the world outside of the U.S.S.R. Production reached a peak of 721,000 tons in 1946; declined to about 540,000 tons in 1947, and is estimated at the yearly rate of 730,000 tons for the first months of 1948. It is estimated that production could be increased to 830,000 tons. It is recommended that the NSRB and Munitions Board should request the Administrator

of ECA and the State Department to undertake discussions with the producers and with the Governments of the United Kingdom and the Gold Coast to expand production and eliminate transportation bottlenecks with a view to increasing production to the extent possible.

[Here follow "Discussion;" Attachment 1, "Availability of Strategic Materials (on a Country Basis) under ERP;" and Attachment 2, "Availability of Strategic Materials (on a Commodity Basis) under ERP."]

Editorial Note

On June 24, 1948, President Truman signed the Selective Service Act of 1948, "An Act to Provide for the Common Defense by Increasing the Strength of the Armed Forces of the United States, Including the Reserve Components Thereof," Public Law 759, 80th Congress, 2nd Session, 62 Stat (pt. 1) 604. This legislation, passed by Congress on June 19, provided for the induction of enough 19-25 year olds to maintain the strength of the armed forces at 2,005,882. The Universal Military Training program sought by the Administration was not included. Rather, up to 161,000 18 year olds were permitted to avoid draft liability by volunteering for service of one year with regular forces followed by a reserve obligation.

761.00/6-3048 : Telegram

The Ambassador in the Soviet Union (Smith) to the Secretary of State

SECRET

Moscow, June 30, 1948—6 p. m.

1214. Embassy still believes Soviet policy pattern Far East and South East Asia (London's 108, June 23, sent to Dept as 2778)¹ similar to that outlined Embtel 3310, December 2, 1947,¹ although failure Communists complete conquest Manchuria implies caution in setting up independent regime and suggests Soviet planning may be directed more toward China as whole than to Manchuria.

Soviets adapt their tactics to various parts Far East with circumspection and on basis hard realistic analysis of situation. Seems clear that events in Japan genuinely disturb them with result their propaganda on Japan now becomes louder and longer. However, Japan is long-range Soviet problem and more immediate results are expected elsewhere. Kremlin thinking might be conjectured as follows:

(1) North Korean Government, after anticipated withdrawal US forces from south, can enforce its claim of united government for all

¹ Not printed.

Korea, preferred method to be usual infiltration and carrying off political coup when time ripe.

(2) China presents more complex problem. Chinese CP not yet in sufficiently favorable position form separate government. Furthermore, independent Communist Manchuria does not satisfy aim of eventual Red China, and might even hinder its achievement not to speak of creating awkward treaty situation with Central Government. While hope remains of utilizing sympathetic anti-Chiang² politicians (such as Li Chi Shen and the like) to form coalition government which CP could eventually capture, postponement of inauguration separatist regime and cautious handling Central Government appears desirable. Meanwhile, driving wedge between US and China on Japan and aid policy can serve to orient Chinese Soviet-wards.

(3) Obvious that maximum Communist activity to be directed all SEA countries. Problematical how soon decisive CP victories can be achieved in these areas but they would be ripe for picking when China fell to Soviets and Chinese Party leaders already in vanguard would be ready play leading roles.

(4) India tempts energetic and strenuous efforts although party needs strengthening and program must perforce be more long range than immediate.

Embassy believes China is key to whole policy and that Soviets expect success as much by political as by military means. Kremlin is undoubtedly aware of risk that headstrong cocky Chinese party might be troublesome but we believe that such risk not sufficient deter Soviets from aim for Communist dominated China assuming leadership of backward peoples Orient. Such regime would expectedly represent in actuality a merger of old Japanese co-prosperity sphere with militant Stalinism and to Communist eyes must offer a consummation devoutly to be wished.

Sent Department, repeated London 74.

SMITH

² Chiang Kai-shek, President of the Republic of China.

S/S-NSC Files : Lot 63D351 : NSC 14 Series

*Report to the President by the National Security Council*TOP SECRET
NSC 14/1

WASHINGTON, July 1, 1948.

NOTE BY THE EXECUTIVE SECRETARY ON THE POSITION OF THE UNITED STATES WITH RESPECT TO PROVIDING MILITARY ASSISTANCE TO NATIONS OF THE NON-SOVIET WORLD

Reference: NSC 14¹

At its 14th Meeting,² the National Security Council considered a draft report on the above subject (NSC 14) and adopted it in the revised form enclosed herewith.

The National Security Council recommends that the President approve the Conclusions contained herein and direct that they be implemented by all appropriate Executive Departments and Agencies of the US Government under the coordination of the Secretary of State.³

SIDNEY W. SOUERS
Executive Secretary

[Enclosure]

REPORT BY THE NATIONAL SECURITY COUNCIL ON THE POSITION OF THE UNITED STATES WITH RESPECT TO PROVIDING MILITARY ASSISTANCE TO NATIONS OF THE NON-SOVIET WORLD

THE PROBLEM

1. To assess and appraise the position of the United States with respect to providing military assistance in the form of supplies, equipment and technical advice to nations of the non-Soviet world.

ANALYSIS

2. The success of certain free nations in resisting aggression by the forces of Soviet directed world communism is of critical importance to the security of the United States. Some of these nations require not only economic assistance but also strengthened military capabilities if they are to continue and make more effective their political resistance to communist subversion from within and Soviet pressure from without and if they are to develop ultimately an increased military capability to withstand external armed attack. Although they possess

¹ A Report by the Executive Secretary, June 14, 1948, not printed.

² July 1, 1948.

³ The conclusions were approved by the President on July 10, 1948.

considerable military potential in manpower and resources, these nations are industrially incapable of producing intricate modern armaments and equipment in the necessary quantities. Consequently if they are to develop stronger military capabilities it is essential that their own efforts be effectively coordinated and be supplemented by assistance in the form of military supplies, equipment and technical advice from the United States.

3. Such military assistance from the United States would not only strengthen the moral and material resistance of the free nations, but would also support their political and military orientation toward the United States, augment our own military potential by improvement of our armaments industries, and through progress in standardization of equipment and training increase the effectiveness of military collaboration between the United States and its allies in the event of war.

4. US military assistance to foreign nations since Lend-Lease does not appear to have sprung from any well-coordinated program. The practice in general has been to provide surplus US equipment to nations urgently in need of strengthening or as a measure of US political interest. In some instances, spare parts, ammunition, and means of maintenance have been furnished at the time of the original transfer, but no system for a continuing supply of ammunition and maintenance items has been evolved.

5. There is at present an extensive but not a comprehensive legislative basis for the provision of military assistance. The following legislative authorizations for transferring US military equipment to foreign nations are in effect :

a. The Surplus Property Act ⁴ (which is not designed for support of military assistance programs), and

b. Certain special legislation applying to the following :

- (1) Philippine Republic
- (2) China
- (3) Latin American Republics (legislative basis not adequate for implementing a program)⁵
- (4) Greece and Turkey

The latter legislation provides in each case for assistance only to a specific nation or group of nations; it does not authorize the President to exercise broad discretionary powers as to which nations should be assisted, how, when and to what extent.

6. Effective implementation of a policy of strengthening the military capabilities of free nations would be facilitated by the early

⁴ PL 457, 78th Congress, October 3, 1944; 58 Stat. (pt. 1) 765.

⁵ For documentation on United States policy with respect to military assistance to Latin America, see vol. ix, pp. 207 ff.

enactment of legislation broadening the authority of the President to provide military assistance under appropriate conditions. Title VI (not enacted) of the Foreign Assistance Act of 1948 was designed to provide this authority.⁶ The proposed Title VI would have authorized the President to furnish assistance to foreign governments, provided such assistance was determined to be consistent with the national interest, and was without cost to the United States except where appropriations are made by Congress. On the basis of legislation along these lines, it would be possible to work out, in the United States and in the course of possible military staff conversations with selected non-communist nations, a coordinated military assistance program in which the quotas of each recipient would be related to overall needs, production capabilities, political considerations and strategic concepts. Pending the complete formulation of such an overall program, funds might be immediately appropriated to meet the urgent requirements of selected non-communist nations.

7. The State-Army-Navy-Air Force Coordinating Committee has devoted considerable study to the problem of military assistance to foreign nations and related questions (SANACC 360 series, 382 series). The conclusions of the present *Report* are based in part upon these SANACC papers and are in substantial accord with the general trend of thought embodied therein.

CONCLUSIONS

8. Certain free nations the security of which is of critical importance to the United States require strengthened military capabilities, if they are to present effective political resistance to communist aggression now, and military resistance later if necessary.

9. Therefore, the United States should assist in strengthening the military capabilities of these nations to resist communist expansion provided they make determined efforts to resist communist expansion and such assistance contributes effectively to that end. For this purpose the United States should provide them with assistance in the form of military supplies, equipment, and technical advice under a coordinated program in conformity with the principles set forth in paragraph 12 below.

10. The United States should at the earliest feasible time:

a. Enact legislation which will broaden the authority of the President to provide military assistance for foreign states under appropriate conditions. Title VI (not enacted) of the Foreign Assistance Act of 1948 would be a suitable basis for such legislation.

b. Under this authority, appropriate funds for military assistance

⁶ Regarding the proposed legislation, see footnote 3, p. 597.

to selected non-communist nations to meet urgent requirements consistent with an over-all program.

11. Any US military assistance program should be predicated to the maximum practicable extent upon the self-help and mutual assistance of recipient states.

12. The military assistance program should be governed by the following considerations:

a. The program should not jeopardize the fulfillment of the minimum materiel requirements of the United States armed forces, as determined by the Joint Chiefs of Staff.

b. The program should not be inconsistent with strategic concepts approved by the Joint Chiefs of Staff.

c. Certain factors, such as the need for strengthening the morale and internal security of recipient nations and protecting various US interests abroad, may in exceptional cases become over-riding political considerations modifying the strict application of paragraphs *a* and *b* above.

d. Continuing support for the program should be planned to include supply of needed replacements, spare parts and ammunition so long as our security interests dictate.

e. The program should be properly integrated with the ECA program, and should not be permitted to jeopardize the economic stability of the United States or other participating nations. The program should be subject to review and recommendation by the National Security Resources Board in order to insure a sound balancing of requirements under the military aid program with US domestic requirements.

f. The program should adequately safeguard US classified material.

13. In measures of military assistance additional to those already provided for in specific legislation or in existing governmental undertakings, first priority should be given to Western Europe.

14. Countries participating in military assistance programs should be encouraged so far as consistent with the progressive stabilization of their economies:

a. To cooperate in integrating their armaments industries with a view ultimately to maintaining and re-supplying their own equipment when economic conditions permit.

b. To standardize their weapons and materiel to the maximum practical extent and, so far as practicable in the future, to US accepted types.

c. To provide strategic raw materials to the United States in return for military assistance.

d. To compensate the supplying nation for the military assistance which they receive whenever and to what extent feasible.

15. The military assistance program, in conjunction with the materiel needs of the US armed forces, will require the partial rehabilitation of the US armaments industry.

S/S-NSC Files : Lot 68D351 : NSC 20 Series

*Report to the National Security Council by the Secretary of Defense
(Forrestal)*

TOP SECRET
NSC 20

WASHINGTON, July 12, 1948.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON APPRAISAL OF THE DEGREE AND CHARACTER OF MILITARY PREPAREDNESS REQUIRED BY THE WORLD SITUATION

The enclosed memorandum on the above subject from the Secretary of Defense, together with its attached letter to the President, is circulated herewith for the information of the National Security Council and for preliminary consideration at its next meeting of the suggestion by the Secretary of Defense that the Department of State draft an initial comprehensive statement of the character outlined in the enclosure.

SIDNEY W. SOUERS
Executive Secretary

[Annex]

*Memorandum by the Secretary of Defense (Forrestal) to the National
Security Council*

WASHINGTON, July 10, 1948.

Subject: Appraisal of the Degree and Character of Military Preparedness Required by the World Situation

The preparation of budget estimates for Fiscal Year 1950 is one of the most important tasks before the National Military Establishment during the next ninety days. The size and character of these estimates will largely determine the nature of our military strength until July 1, 1950. Moreover, because of the time factor involved in any military build-up, such estimates will also materially affect our capabilities in the years immediately thereafter.

Decisions concerning the optimum military budget under all the circumstances must be responsive to many factors which are not entirely within the purview of the National Military Establishment and with respect to which the Military Establishment requires firm guidance. Since the entire reason for the maintenance of military forces in this country is the safeguarding of our national security, their size, character, and composition should turn upon a careful analysis of existing and potential dangers to our security and upon decisions as to the methods by which such dangers can best be met within the

limitations of our resources. Sound military planning presupposes determinations by the appropriate Governmental authorities as to the ways in which, and the times at which, the security of the United States may be endangered. Moreover, since these various dangers may be of both a military and a non-military character, decisions must then be reached as to the respective roles which military strength and other activities directed toward our national security—foreign aid, for example—should each play in an over-all security program designed to forestall these dangers. These decisions must clearly reflect our national objectives, and must take into account such collateral factors as the psychological effects of varying degrees of military strength, both upon potential forces and upon friends, and of existing or probable international commitments.

Having made these basic decisions as to our objectives and as to the role of military strength in achieving them, we can then proceed to consider the share of our national resources which must be allocated to support military activities and, within the limit of such resources, the kind of military establishment best adapted to furthering these objectives. If the dangers are great, immediate and of a military character, this fact should be clearly reflected in our military budget and our military strength adapted accordingly. If the risks are small, if they are distant rather than immediate, or if they are primarily of a non-military character, military estimates should be adjusted to accord with this situation. Not only the general size of the military budget, but also the particular purposes toward which it is directed, should be responsive to these conditions. They may materially affect decisions as to whether we should concentrate all funds available for military purposes on the strengthening of our own forces or should allocate a portion thereof for the equipping of the forces of our probable Allies. For example, if time permits, it might prove more economical, or strategically sounder, to devote a certain percentage of such funds to the armament of forces of the Western Union countries rather than to employ the same amounts to create additional divisions of our own. While a decision in this regard would naturally involve political as well as military considerations, such a decision cannot be made without the appraisal of risks and the determination of objectives to which I have referred. The same considerations will influence the relative emphasis which is to be placed in our military budget on the creation of regular divisions in being, as opposed to a longer range program for the strengthening of our civilian components; the amount to be set aside for the augmentation of our war reserve; the rate at which we stockpile materials; the importance of instituting negotiations for military bases overseas, and even the location of such bases; the desirability and urgency of joint military planning with other nations;

the direction to be followed in our research and development programs; and many other similar factors. Moreover, with the heavy and continuing impact of scientific progress on the art of warfare, it is important to reach some conclusions as to whether we should primarily shape our forces for the kind of war which might be fought tomorrow or for the possibly very different form of conflict which might occur if hostilities should break out some five or ten years hence.

I think it is desirable to bring the foregoing generalizations into the context of the immediate present. I assume that within the next decade, no country other than Russia, and no likely combination of countries which did not include Russia or expect her active support, would be likely to undertake a war directed against the United States. It does not follow, of course, that some country, or combination of countries, will not miscalculate the risks and, by taking some aggressive action or precipitating some local conflict, create a situation in which the United States might be required to use military force to protect its own security or to prevent a breakdown in world order. It therefore becomes important to appraise, as best we can, the likelihood of some of the following developments: An aggressive war by Russia; a conflict precipitated by some miscalculation on the part of Russia or one of her satellites; Communist expansion through power diplomacy, through the creation of internal dissension and civil strife, or through political terrorism and propaganda; the outbreak of a major war as a result of some eruption in one of the "tinder-box" areas of the world. Until these risks are appraised and their nature defined, and until a determination has been made as to the best methods of removing or meeting them, no logical decisions can be reached as to the proportion of our resources which should be devoted to military purposes, nor as to the character of forces which the military establishment should seek to foster and support, both here and in friendly countries.

In view of the foregoing considerations, I believe that it is imperative that a comprehensive statement of national policy be prepared, particularly as it relates to Soviet Russia, and that this statement specify and evaluate the risks, state our objectives, and outline the measures to be followed in achieving them. For the reasons I have given, such a statement is needed to guide the National Military Establishment in determining the level and character of armament which it should seek and, I believe, to assist the President in determining the proportion of our resources which should be dedicated to military purposes. I also believe that it is fundamental to decisions concerning the size of, and relative emphasis in, our national budget.

The preparation of such a statement is, in my opinion, clearly a function of the National Security Council since this work requires, to use the language of the National Security Act, "the integration of

domestic, foreign and military policies relating to the national security" so that advice and guidance may be given to the President and the several military services. Because many of the basic issues involved concern matters which are within the province of the Department of State, I suggest that the Department of State be asked to draft an initial statement of this character which could be used as a basis for discussion in the Council¹ and which could be altered or modified to reflect military considerations and other relevant facts which come within the cognizance of the National Security Resources Board. The National Military Establishment will supply the Department of State with any information of a military character and any military evaluations which may be required in the preparation of such a draft.

I view this project as one of overriding importance and urgency, and therefore believe it should be given the highest priority. I attach a copy of a letter which I have this day written to the President on this subject.

JAMES FORRESTAL

[Subannex]

The Secretary of Defense (Forrestal) to the President

WASHINGTON, July 10, 1948.

DEAR MR. PRESIDENT: I am convinced that the formulation of a sound military program and intelligent decisions concerning the size and character of our future Armed Forces depend upon a prior determination of our basic national objectives, and of the roles which military strength and other non-military activities should play in furthering these objectives. Similarly, I believe that the preparation of realistic budget estimates and final decisions concerning the size of the national budget, and its relative emphasis on different projects, should be founded on such an evaluation. Specific programs of the National

¹ In a memorandum of May 27, Kennan had informed Lovett that Secretary Forrestal had expressed the desire of the Service Departments to receive an analysis of the world political situation. On June 23, Kennan submitted to Lovett Policy Planning Staff Report PPS 33, "Factors Affecting the Nature of the U.S. Defense Arrangements in the Light of Soviet Policy." The Under Secretary concurred in Kennan's recommendation that the document be transmitted to Forrestal. Transmittal occurred on June 25. (Policy Planning Staff Files) PPS 33, later circulated as document NSC 20/2, August 25, is printed, p. 615.

In a memorandum of July 13, George H. Butler, Deputy Director of the Policy Planning Staff, reported to Marshall and Lovett that Kennan had completed the first draft of a second paper which was relevant to the requirements of the Secretary of Defense, "U.S. Objectives with Respect to Russia." (Policy Planning Staff Files) The report of that title, issued as PPS 38, August 18, was transmitted to the National Security Council and circulated as NSC 20/1 of the same date; for text of the summary of conclusions of NSC 20/1, see p. 609.

Military Establishment and other departments can only be justified as they are related to such fundamental considerations.

For the foregoing reasons, I am forwarding the attached memorandum to the National Security Council requesting the preparation of a statement which specifies and evaluates the risks of the future, states our objectives, and outlines the measures to be followed in achieving them. I believe such a statement is indispensable to the National Military Establishment in determining the level and character of forces which it should maintain. This statement would also, in my opinion, greatly assist you in the ultimate decision which you must make as to the proportion of our resources which must be dedicated to military purposes. Because a large majority of the basic issues involved concern matters which are within the province of the Department of State, I have recommended that the State Department be asked to prepare a first draft of such a statement.

I bring this matter to your attention because I believe that this project is one in which you will be interested and which should be given the highest possible priority.

JAMES FORRESTAL

811.20200(d)/7-2048

*The Secretary of State to Certain Diplomatic and Consular Offices*¹

CONFIDENTIAL

WASHINGTON, July 20, 1948.

The Secretary of State refers to the information and educational exchange programs² and in particular to recent communications concerning United States information policy with regard to anti-American propaganda. There is enclosed for the information of the Officers in Charge and other appropriate officers, particularly those concerned with the information and educational exchange programs, a statement of the objectives of United States information policy with regard to anti-American propaganda. There is also enclosed a statement of guidance for the selection and preparation of information materials with regard to anti-American propaganda prepared by the Department primarily for the use of its media divisions but which, it is felt, may be useful to officers concerned with the activities of the information and educational exchange programs in the field.

¹ Sent to 84 United States Embassies, Legations, Consulates, and Political Advisers.

² On January 27, 1948, President Truman signed the U.S. Information and Educational Exchange Act (the Smith-Mundt Act); Public Law 402, 80th Cong., 2nd sess.; 62 Stat. 6). This measure authorized a broad, permanent information and cultural exchange program which was to be administered by the Department of State.

The Department appreciates the suggestions and recommendations received to date from various missions on the subject under reference and will appreciate further comments which the Officers in Charge may wish to make, either on the general subject under reference or on any particular aspect of this subject as it relates to conditions in the country to which he is accredited.

[Enclosure 1]

UNITED STATES INFORMATION POLICY WITH REGARD TO ANTI-AMERICAN PROPAGANDA

The objectives of U.S. information policy with regard to anti-American propaganda are:

1. To report the truth objectively and factually in the dissemination of information through all media available.
2. To influence opinion in third countries in a direction favorable to the attainment of U.S. national objectives.
3. To win more positive support abroad for U.S. policies and to gain a more sympathetic understanding of U.S. actions.
4. To counteract the effectiveness of the anti-American propaganda campaign in third countries.
5. To diminish the acceptance of and belief in, false or distorted concepts about the U.S. in third countries.
6. To gain acceptance, among the peoples of third countries, of the truth about the policies and actions of the USSR and its satellites with a view to strengthening opposition to the USSR and to Communist organizations.
7. To increase materially knowledge among the peoples of third countries concerning the United States, its policies, actions, life and institutions.

[Enclosure 2]

GUIDANCE FOR THE SELECTION AND PREPARATION OF INFORMATION MATERIALS TO IMPLEMENT THE OBJECTIVES OF U.S. INFORMATION POLICY WITH REGARD TO ANTI-AMERICAN PROPAGANDA

1. We should continue to report the truth about U.S. life, institutions, policies and actions, but with greater attention to those facts which will more effectively serve to implement our information objectives.
2. We should continue always to affirm U.S. policy, emphasizing its constructive aspects, its support of the principles of freedom, prosperity, and independence implicit in the Charter of the United Na-

tions. We should avoid giving the impression it is on the defensive or is vulnerable to hostile charges.

3. We should use all our resources to correct, as far as possible, the false or distorted stereotypes concerning the U.S. which are widely held among the people of third countries. The most widely-held stereotypes include:

a. The belief that the U.S. and its citizens have unlimited wealth.
b. The belief that the U.S. is imperialistic and desires to "dominate" other nations.

c. The belief that the U.S. government is run by "Wall Street" and by "the monopoly capitalists."

d. The belief that Americans are wholly materialistic, have no culture worthy of mention, and judge everything by its value in dollars.

e. The belief that Americans are generally "immoral", have little "family life" and condone "loose living."

f. The belief that American democratic principles are loudly proclaimed as a cloak for undemocratic practices and for the purpose of concealing wide-spread racial and economic discriminations and extensive concentration of political and economic power in the hands of the few.

4. We should use all our information resources to create confidence in the political and economic stability of the U.S., its government and institutions.

5. We should use our information resources to convince the people of third countries that achievement of their own aspirations will be significantly advanced with the realization of U.S. national objectives.

6. We should expose Soviet policies and actions that directly or indirectly jeopardize the interests of third countries, their independence or the aspirations of free men in those countries. This should be done only when hard facts can be used that will be acceptable as truth by the people of third countries in the face of Soviet and Communist counter-charges. Criticisms of Soviet policies and actions should be confined to important issues or situations, should be specific, and supported by good evidence.

7. We should openly take cognizance of the major themes of anti-American propaganda, and impute their dissemination, when desirable, to Soviet or Communist sources throughout the world.

8. We should expose falsehoods, correct errors and state the motives for distortion, in significant cases and when hard facts and good evidence can be used.

9. We should expose the discrepancy between professed Soviet and Communist aims and actual Soviet and Communist practices on all major issues which illustrate the distinction between democratic and totalitarian government or which have a direct bearing on the vital

interests of third countries. Specifically, we should use our information resources to demonstrate:

a. The difference between Soviet pretensions as a "peace-loving" state and Soviet actions in obstructing efforts toward the peace settlements, toward control of atomic energy and similar problems.

b. The difference between Soviet pretensions as a state interested in economic well-being of all peoples and Soviet action in obstructing efforts toward world economic recovery.

c. The difference between Soviet pretensions in support of the sovereignty and independence of smaller nations and Soviet actions resulting in the domination and exploitation of smaller nations.

10. We should only permit ourselves to be drawn into accusations and counter-accusations with respect to the USSR or countries with Communist regimes when the advantages of such a propaganda exchange are clear. They should be clear when the issue directly involves the vital interests of a third country or a vital issue in the conduct of U.S. foreign policy and when accusations can be carefully documented.

11. We should abstain from using the propaganda patterns of the USSR and Communist organizations and we should abstain from personal vilification of Soviet and Communist leaders.

12. We should bear in mind that the people of third countries do not react with shock, anger or indignation to the charges made in anti-American propaganda as do some Americans.

13. We should bear in mind that anti-American attitudes often exist within strongly nationalist but non-Communist groups in third countries who, because of this, are susceptible to Soviet and Communist propaganda, but who can and should be won over to a more friendly and sympathetic attitude toward the U.S.

14. We should bear in mind that the people of most third countries are primarily interested in those U.S. policies, actions and internal developments that directly affect their welfare, their immediate economic prospects and their immediate individual interests.

15. We should bear in mind that the people of most third countries are little concerned with pretensions of the righteousness of U.S. aims or the sincerity of U.S. motives unless there is concrete supporting evidence that specific U.S. aims and motives are directly beneficial to their interests.

16. We should bear in mind that the people of most third countries have little conception of American democratic principles and practices and that their interest in our democratic principles and practices is likely to be in direct proportion to the demonstrated value of our experience in the solution of their immediate problems.

SANACC Files

*Report to the State-Army-Navy-Air Force Coordinating Committee
by the Subcommittee for Rearmament¹*

SECRET

[WASHINGTON,] July 26, 1948.

SANACC 360/5

CONSIDERATIONS RELATIVE TO CONTINUING SUPPORT OF PROGRAMS OF
U.S. MILITARY ASSISTANCE TO FOREIGN NATIONS

- References: a. SWN-5602, 30 July 1947.²
b. SANACC 360/4, Legal and Legislative Aspects of United States Military Assistance to Foreign Nations, 29 Dec 1947.³
c. Appreciation of Foreseeable Foreign Needs for U.S. Military Assistance during the Next Three to Five Years, 10 Jul 1947. (Not enclosed. Will be furnished on request by the SANACC Secretariat.)⁴

THE PROBLEM

1. To study and make recommendations concerning considerations relative to continuing support of programs of U.S. military assistance to foreign nations, taking cognizance of the statements that,

¹ This report was initially submitted to SANACC by its Subcommittee for Rearmament on February 27, 1948. Its conclusions were approved by the parent body in a slightly amended form on July 26; they are printed here in the form approved by the Committee. (SANACC Files) On August 5, SANACC 360/5 was circulated in the Department of State by Charles E. Saltzman, Department of State Member and Chairman of SANACC, and Assistant Secretary of State for Occupied Areas. The memorandum of transmittal read in part as follows: "It is requested that in all matters pertaining to programs of military assistance to foreign nations, and notably in the case of long-term programs, where consideration of the necessity and means of continuing support of such programs is required, the approved Conclusions of this document be applied as a matter of policy guidance." (800.24/7-2748)

² SWN 5602, not printed, a memorandum to the Chairman of the Rearmament Subcommittee, July 30, 1947, directed the Subcommittee to undertake a series of studies concerning military assistance one of which resulted in the present report (SANACC Files).

³ SANACC 360/4, prepared by the Subcommittee on Rearmament in response to section 1 of SWN 5602 (see footnote 2 above), is not printed. SANACC 360/4 recommended that enabling legislation for a comprehensive military assistance program be drafted. (SANACC Files) The Joint Chiefs of Staff subsequently drafted such legislation (at the request of the House Committee on Foreign Affairs) which the Secretaries of State and Defense presented jointly to the Committee for inclusion in the Foreign Assistance Act of 1948 as Title VI. However, legislative leaders and representatives of the interested executive departments later agreed to withdraw Title VI in order to expedite the passage of remainder of the bill (which included the Economic Cooperation Act, subsequently approved, April 3, 1948, 62 Stat. (pt. 1) 137). With respect to the proposed Title VI, see also NSC 14/1, July 1, 1948, p. 585.

⁴ Not printed.

a. "In many cases, initial requirements constitute the least important part of a program, the major problem being to provide for subsequent requirements for replacements, spare parts, and maintenance;" and

b. "In the case of foreign nations which are economically unable to support their minimum requirements for a military establishment, consideration should be given to the advisability of providing financial assistance for this purpose."

FACTS BEARING ON THE PROBLEM

2. See Appendix "A".⁵

DISCUSSION

3. See Appendix "B".⁵

CONCLUSIONS

4. It is concluded that before embarking upon a course of military assistance to a foreign nation the following factors should be considered:

a. U.S. foreign policy may be substantially impaired in certain of its objectives if the result of U.S. military assistance (excluding war or threats of war) is the possible alienation of a friendly nation through early breakdown of that military assistance.

b. It may well prove inimical to our national interest to transfer military equipment to a foreign nation without considering the possible future need for replacements and spare parts and without having or clearly foreseeing the means to furnish such needed replacements and spare parts.

c. The size and cost (present and continued) of a military assistance program should be carefully studied in relation to its economic feasibility to avoid an unremunerative dissipation of U.S. resources, excessive foreign commitments or contributing to an undue burden upon a friendly nation.

d. In cases where military assistance is considered sufficiently important to the national interest of the United States, supporting or financing through U.S. means should be given policy consideration when the recipient nation cannot wholly or in part support the required program.

5. A complete and accurate report should be prepared for Congressional consideration, in cases of those countries where U.S. Government support or financing is required.

6. Appropriate subcommittees in coordination with Rearmament Subcommittee of SANACC should be charged with making recommendation to SANACC twice a year with respect to continuing support of military assistance programs in effect.

⁵ Not printed.

7. Prior to approval of a program of military assistance of long-term concern to the U.S. which involves considerable quantities of munitions, the approving authority should review the proposed program in the light of the questions posed in paragraph 5 of Appendix "B".⁶

RECOMMENDATIONS

8. It is recommended that:

a. SANACC approve the foregoing conclusions.

b. After approval of the above conclusions, this report be transmitted to the Secretaries of State, Defense, Army, Navy, and Air Force for information and appropriate implementation.

⁶ Paragraph 5 of Appendix "B" is titled "Considerations of Continuing Support."

811.20/8-548

*Memorandum by the Director of the Policy Planning Staff (Kennan)
to the Secretary of State and the Under Secretary of State (Lovett)*

TOP SECRET

[WASHINGTON,] August 5, 1948.

At the NSC meeting today Mr. Souers will read the attached statement concerning Mr. Forrestal's recent memorandum asking for certain basic policy estimates affecting national defense.¹

The following are my views on this subject:

1. I have told Mr. Souers that while I understand the need for the best attempts we can make at estimates of this sort, I think we should be on guard against exaggerating the value of such estimates in solving the problems Mr. Forrestal has in mind. To support this statement I have pointed out:

(a) The world situation is now extremely fluid. No one can make predictions with any certainty. The possibilities are widely varying ones; the developments could move at any time in one of several widely varying directions.

(b) The world situation is not something which exists independently of our defense policy and to which we need only react. It will be deeply influenced by the measures which we ourselves take. Our adversaries are extremely flexible in their policies and will adjust themselves rapidly and effectively to whatever we may do. Our policies must therefore be viewed not only as a means of reacting to a given situation, but as a means of influencing a situation as well.

(c) In most cases where Mr. Forrestal's memo implies that we are faced with choices, the answer is not "either/or" but "both". We cannot possibly say that we should be prepared for a war either in 1950 or in 1952 or any other date; that we intend to achieve our objectives either by military means or by non-military means; etc. These

¹ NSC 20, July 12, 1948, p. 589.

things are hopelessly intertwined. The decisions are really only decisions of emphasis and priority, which must be determined from day to day in the light of rapidly shifting situations.

2. There has already been sent to Mr. Forrestal by letter of June 25, 1948, as PPS/33 (copy attached) a paper which gives the best answers we can give to one portion of Mr. Forrestal's questions.² We have had no reaction to this. So far it has gone to the NSC only for information. Mr. Forrestal might be asked whether he would have any objection to its being laid before the NSC for consideration and possible approval or modification.

3. I am at present working on a study of U.S. objectives with respect to the Soviet Union.³ This study is almost completed and I can finish it any time I can get a few uninterrupted hours for this purpose. It will, I think, answer a large part of paragraph 2 of Mr. Souers' requirements. I think it might be suggested to the NSC that no further action be taken on Mr. Souers' paragraph (2) until this study has been completed and laid before the Council.

GEORGE F. KENNAN

[Annex]

Brief on NSC 20

Draft

The problem posed by Mr. Forrestal appears to call for the preparation of three inter-related studies:

1. A current estimate of the existing or foreseeable threats to our national security; with particular reference to the USSR, including the probable nature and timing of these threats.

2. A statement of the objectives which this nation should pursue in the foreseeable future in order to safeguard its national security and to counter the existing or anticipated threats to that security.

3. A program of specific measures which, in the light of our existing commitments and capabilities, should and can be planned at this time to promote the achievement of our current national security objectives, with particular reference to those which should be included in our planning for the fiscal year 1950.

The Department of State is believed to be the appropriate Agency to prepare the first two studies on threats and objectives, and has in fact already prepared a paper entitled "Factors affecting the nature of the United States defense arrangements in the light of Soviet poli-

² The letter to Forrestal of June 25 is not printed. PPS/33 is printed as NSC 20/2, August 25, 1948, p. 615.

³ For the summary of conclusions of the study under reference, NSC 20/1, August 18, 1948, see p. 609.

cies".⁴ This paper, broadened to include an estimate of probable Soviet non-military activities, might serve as the estimate of the threats. I understand that the Department of State is also engaged in the preparation of a paper on our objectives with respect to Russia. It is, therefore, recommended that the Council agree that the Department of State will prepare the first two studies enumerated above.

The third study on a program, however, will require the assistance of the other Departments and Agencies on the Council since this program will include military measures and must be planned in the light of our domestic resources. Development of this program, however, should be deferred until after the Council has adopted, and the President has approved, the first two studies on threats and objectives. Based upon these studies, it is believed that the NSC Staff might furnish an appropriate vehicle for coordinating the preparation of the third study on a specific program. It is, therefore, further recommended that the Council agree to direct the NSC Staff to prepare the third study after completion of the first two studies.

⁴ NSC 20/2, August 25, 1948, p. 615.

800.24/8-648

The Secretary of the Army (Royall) to the Secretary of State

SECRET

WASHINGTON, August 6, 1948.

DEAR MR. SECRETARY: Reference is made to my letter of July 24, 1948,¹ in which I requested that the Department of the Army be furnished with a current revision of State Department document PCA/PD-11, dated August 20, 1947, subject: "Policy with respect to Relative Priorities for Receipt of U.S. Military Supplies."¹

Since the referenced letter was written, requirements for the member nations of Western Union, particularly France, have become imminent. Even though assistance programs in connection with these countries do not have final approval, it is necessary to accord them priorities with respect to other programs in order to facilitate requisite planning and to determine availabilities of equipment. Another development, since my June 24th letter, is the mounting of pressures in connection with the aid program to China.

As has been mentioned we do not yet have governmental approval for programs of assistance in connection with the Western Union nations. However, in view of the implications of the Vandenberg resolu-

¹ Not printed.

tion² and NSC 14/1 (The Position of the United States with Respect to Providing Military Assistance to Nations of the Non-Soviet World),³ approved by the President July 10, 1948, I feel that it is merely a matter of time until programs of assistance materialize in connection with the Western Union nations. As you know, NSC 14/1 provides that first priority for programs of military assistance should be given to nations of Western Europe.

From a military point of view, I recommend that priorities in connection with military assistance programs to foreign nations be assigned as follows:

- Group I. (a) Western Union nations, (b) Greece, (c) China—\$125 million program,⁴ (d) Turkey.
- Group II. Iran \$10 million program.⁵
- Group III. Argentina.⁶

The Department of the Army should have the right to vary the indicated order of priority under Group I where legal or practical considerations require it.

Sincerely yours,

KENNETH C. ROYALL

² For text of Senate Resolution 239 (the Vandenberg Resolution), June 11, 1948, which expressed support for the association of the United States with regional collective defense arrangements, see vol. III, p. 135.

³ Of July 1, p. 585.

⁴ For documentation on United States assistance to China under the \$125,000,000 grant of the China Aid Act, see vol. VIII, pp. 73 ff.

⁵ For documentation on United States military assistance to Iran, see vol. V, Part 1, pp. 88 ff.

⁶ For documentation on the position of the United States regarding military assistance to Argentina, see vol. IX, pp. 310 ff.

811.24500/8-748

The Secretary of Defense (Forrestal) to the Secretary of State

TOP SECRET

WASHINGTON, 7 August 1948.

DEAR MR. SECRETARY: In response to your suggestion that a review of the negotiations for base rights at this time would be appropriate,¹ I referred the matter to the Joint Chiefs of Staff for comment and recommendation.

The views of the Joint Chiefs of Staff are set forth in the enclosure which incorporates the changes contained in recent planning.

Sincerely yours,

FORRESTAL

¹ The suggestion under reference has not been further identified.

Enclosure

Memorandum by the Joint Chiefs of Staff

TOP SECRET

[WASHINGTON, August 2, 1948.]

VIEWS OF THE JOINT CHIEFS OF STAFF ON OVER-ALL EXAMINATION OF UNITED STATES REQUIREMENTS FOR MILITARY BASES AND BASE RIGHTS

The Joint Chiefs of Staff have reviewed their memorandum to the State-War-Navy Coordinating Committee dated 8 September 1947 (SM-8899)² and the Enclosure thereto. That memorandum was designed to supplement and revise the contents of their memorandum of 4 June 1946 (SWNCC 38/35)³ relative to military rights desired in the territory of foreign nations.

It is considered that:

a. In the main, the provisions of the memorandum to the State-War-Navy Coordinating Committee still obtain.

b. The present international situation stresses the importance of insuring that the United States military forces be capable of operating on those bases listed therein as "required" with the exception of the Republic of Panama.⁴ The situation also emphasizes the necessity for the early acquisition of long-term rights with respect to Iceland,⁵ Greenland⁶ and the Azores,⁷ and the desirability of early acquisition of such rights with respect to those remaining bases listed as "required". Negotiations for base rights in Iceland, Greenland and the Azores, however, should not be pressed to the extent of jeopardizing our capability of operating under temporary rights.

c. Present planning indicates the desirability of obtaining rights for operational use, in the event of emergency, of the bases listed below on a "joint" or "participating" basis rather than "transit" as requested in SWNCC 38/35.

² For text of SWNCC 38/46, September 9, 1947, a memorandum by the Joint Chiefs of Staff to the State-War-Navy Coordinating Committee on over-all United States requirements for military bases and base rights, see *Foreign Relations*, 1947, vol. i, p. 766.

³ For text, see *ibid.*, 1946, vol. i, p. 1174.

⁴ For documentation on United States relations with Panama and on the bases question, see vol. ix, pp. 647 ff. and pp. 664 ff.

⁵ For documentation on United States policy with respect to Iceland, see vol. iii, pp. 720 ff.

⁶ For documentation on United States interest in Greenland, see *ibid.*, pp. 584 ff.

⁷ For documentation on United States relations with Portugal, including material on the matter of the Azores, see *ibid.*, pp. 995 ff.

<i>Base</i>	<i>Sovereignty</i>	<i>Reference SWNCC Paper</i>
Monrovia	Liberia	(38/34) ⁸
Casablanca	French	(38/43) ⁸
Algiers	French	(38/30) ⁹
Tripoli	Ex-Italian	(38/30)
Cairo-Suez area	British-Egyptian	
Dhahran	Saudi Arabia	(38/30)
Karachi	Pakistan	(38/30)

The facilities required at Casablanca, the Cairo-Suez area and Karachi far exceed those envisaged in SWNCC 38/35.

d. In addition to the bases listed in SWNCC 38/35, present planning requires "joint" or "participating" rights in the event of emergency at the following bases and base areas:

Oran, Algeria	Oman
Tunis-Bizerte, Tunisia	Trucial Oman
Massaua, Eritrea	Socotra Island
Bahrein Island	Foggia, Italy ¹⁰
Aden	Kunming, China
Hadhramaut	

e. Present planning requires "joint" or "participating" rights which will permit continued operation of facilities now existing at Asmara, Eritrea.

f. Although long-term rights for the bases listed below are still desirable, there is no need for pressing at the present time for:

<i>Base</i>	<i>Sovereignty</i>	<i>Reference SWNCC Paper</i>
Republic of Panama	Panamanian	(38/35)
Viti-Levu	British	(38/39) ⁸
Tontouta	French	(38/36) ⁸

g. As indicated in memorandum of the Secretary of Defense dated 24 April 1948,⁸ there is also the requirement for obtaining "joint" or "participating" rights in the event of emergency in Curacao, Aruba, and Venezuela.

h. The requirement for "participating" rights in Talara, Peru, as established in SWNCC 38/35 can now be reduced to air transit rights.

It may be necessary in the near future to make further revision of these requirements resulting from future developments in the political-military situation.

⁸ Not printed.

⁹ For text, see *Foreign Relations*, 1946, vol. I, p. 1142.

¹⁰ For documentation on United States military relations with Italy, see vol. III, pp. 724 ff.

S/S-Files : Lot 63D351 : NSC 25 Series

Report to the National Security Council by the Secretary of Defense

NSC 25

WASHINGTON, August 12, 1948.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY
COUNCIL ON INTERIM TERMS OF REFERENCE OF SANACC¹

The Secretary of Defense has indicated his approval of the enclosed Interim Terms of Reference of the State-Army-Navy-Air Force Coordinating Committee, which had been previously agreed to by the Secretaries of the Army, Navy and Air Force and by the Under Secretary of State. The Secretary of Defense has suggested that the National Security Council formally concur in the enclosure inasmuch as it establishes a relationship between the National Security Council and SANACC and calls upon the Executive Secretary of the Council to perform certain specified functions.

Accordingly, the enclosure is submitted herewith for consideration and concurrence by the National Security Council at its next regular meeting scheduled for Thursday, August 19, 1948.²

SIDNEY W. SOUERS

[Enclosure]

INTERIM TERMS OF REFERENCE OF THE STATE-ARMY-NAVY-AIR FORCE
COORDINATING COMMITTEE

26 JULY 1948.

The State-Army-Navy-Air Force Coordinating Committee shall be continued in operation for the next six months, subject to the following terms of reference which will be reviewed at that time.

1. *Membership.* The Committee will consist of either an Under or Assistant Secretary from each of the Departments of State, Army, Navy and Air Force. The representative of the Department of State will be Chairman of the Committee. The SANACC is authorized to establish such standing and "ad hoc" committees as are necessary for the accomplishment of such functions.

¹ The State-War-Navy Coordinating Committee was established in December, 1944, as the principal inter-departmental organization concerned with the coordination of foreign and military policies; for documentation on the establishment of SWNCC, see *Foreign Relations*, 1944, vol. 1, pp. 1466-1470. The committee was reconstituted as the State-Army-Navy-Air Force Coordinating Committee in October, 1947, in view of the National Security Act of 1947.

² The National Security Council concurred in this report at its 18th Meeting, August 19.

2. *Functions.* The SANACC will perform the following functions:

a. Advise and assist the National Security Council, including the preparation of such reports and studies as may be requested by the National Security Council.

b. Be responsible for the coordination of matters referred to it by any of its members or by the National Security Council. It shall not, however, be used for the coordination of either (1) matters concerning occupied areas (provided that matters of strategic importance or direct interest to the Departments of the Navy or the Air Force will be referred to SANACC even though the area concerned is an occupied area) or (2) matters of limited interest which can be more expeditiously coordinated by direct interdepartmental consultation.

c. Consult in appropriate cases with non-member departments and agencies of the government. Representatives of these agencies may be invited to participate as "ad hoc" members of the Committee when matters of interest to them are under consideration.

3. *Powers.* All matters requiring major policy determination and those on which the Departments represented on the SANACC are unable to reach agreement within a reasonable length of time will be submitted to the National Security Council. In matters consistent with established governmental policy, unanimous actions and decisions of the SANACC will be construed as effective decisions of the Secretaries of State, Defense, Army, Navy and Air Force.

4. *Secretariat.* The Secretariat of SANACC will be headed by an Executive Secretary nominated by the Secretary of State and approved by the Committee. Additional personnel for the SANACC Secretariat will be detailed by the member departments as agreed upon among themselves. In order to effect coordination between SANACC and the National Security Council, the Executive Secretary of SANACC shall keep the Executive Secretary of the National Security Council immediately advised of all matters referred to SANACC and of all proceedings and all actions by SANACC. The Executive Secretary of the National Security Council shall advise the SANACC whenever it appears that such activities duplicate or conflict with matters under consideration by the National Security Council.

The above Interim Terms of Reference are concurred in.

KENNETH C. ROYALL

Secretary of the Army

JOHN L. SULLIVAN

Secretary of the Navy

W. STUART SYMINGTON

Secretary of the Air Force

ROBERT A. LOVETT

Under Secretary of State

811.20200(D)/8-1348

Memorandum by Mr. Charles S. Reed of the Division of Southeast Asian Affairs to the Director of the Office of Far Eastern Affairs (Butterworth)

SECRET

WASHINGTON, August 13, 1948.

As requested the following comments and suggestions are submitted relative to the subject matter of Mr. Rusk's memorandum of July 27, transmitting a copy of Mr. Jessup's ¹ letter to him.² It will be recalled that that memorandum and letter asked how we could meet anti-American propaganda directed by Moscow to the emergent nations of Southeast Asia.

There is every indication that Moscow is turning more and more attention to the Far East, particularly to Southeast Asia, and it can be expected that that attention will be expressed by intensified propaganda stressing Soviet friendship for colonial peoples and attacking the US as condoning and even leading the imperialist exploitation of such peoples. We have, therefore, the pressing problem, and one that will continue so long as the Soviet and the US are in diametrically opposed camps and accept fundamentally contradictory ideologies, of convincing the peoples of Southeast Asia that Moscow is not their real champion, that Soviet tactics have an ulterior and far from altruistic motive, that the US is desirous of their ultimate obtention of independence, and that the US is sincerely and unselfishly interested in their progress.

Propaganda countering that of Moscow is the first means of orienting the peoples of Southeast Asia away from the Soviets and towards the US. Our propaganda program should be *aggressive* as we are laying the foundation for the future—in a few years most if not all of the major oriental races will have emerged as nations and will be in a position to form an oriental bloc for or against us.

One part of our attack should emphasize the inequities of Soviet policy and purpose by making clear to the peoples of Southeast Asia that communism and nationalism are not one and the same thing, that communist penetration is incompatible with and spells the end of independence, and that a communist state is but a satellite of Moscow with no scope for uncontrolled action or thought. We have plenty of ammunition for this attack in the examples of Yugoslavia, Czechoslovakia, Poland, Rumania, Bulgaria, Hungary and others.

In contrast to the Soviet record of infiltration, broken pledges,

¹ Philip C. Jessup, Deputy Chief of the United States Mission at the United Nations.

² Neither the memorandum nor the letter is printed.

elimination of sincere nationalists, and smothering of liberties, we should present our case by employing some if not all of the following:

(1) Make known that US policy towards emergent nations is to grant full political recognition at the earliest possible moment and to support their active participation in the family of nations. In this we can make use of our record in the Philippines, in the Good Offices Committee in Indonesia,³ our approval of the liberal British policy in Burma and Malaya, et cetera.

(2) Publicize our readiness to loan technical experts in the fields of economic and social endeavor to emergent nations, so as to prepare them to take their place and compete in the modern world. As a part of this we can encourage American business interests to initiate and enlarge their efforts in trade and industrial relations, stressing the positive contribution American business can make and disabusing the peoples of Southeast Asia of the idea that American business means exploitation *per se*.

(3) Initiate and advertise a substantial program of bringing qualified students to the US for educational and training purposes, so that these students may take back to their countries a full knowledge of our ideas and ways of life and be able to contrast our freedoms with the lack of liberties in Soviet-controlled lands.

The efforts of missionary and religious organizations which emphasize educational and medical work should be of propaganda value.

By the above we should be able to demonstrate the fallacies extant and inherent in Soviet propaganda, to bring into the clear the practical benefits of orientation towards the US and, by implication, the unhappy results of not following such orientation. In all this we should definitely avoid the appearance of being dependent upon the emergent nations but should endeavor to "put across" the idea that their independence and future prosperity depend solely upon the US.

Much can be done in the immediate future and as a long-range program by USIS activities expressed through the printed word, by visual means, and with the radio. *We should outdo by repetition and emphasis* the repetitious anti-US propaganda now flowing from Soviet and Soviet-controlled sources.

Mention has been made above as to the possible formation of an oriental bloc. This is a development for the future, for there is at present a distinct lack of regional cohesion in Southeast Asia. The nearest approach to such a development has been the Southeast Asia League, which has had to date remarkably little success. A hinted approach to such a development has been the rather nebulous movement to league together Indonesia, Malaya and the four southern provinces of

³ For documentation on the interest of the United States in nationalist opposition to the restoration of Netherlands rule in the East Indies and consideration by the United Nations Security Council of the Indonesian case, see vol. VI, pp. 57 ff.

Siam—the basis for the movement being the Muslim populations and the inspiration coming from Muslim leaders. The foregoing would explain the overall interest of the Islamic world in the emergent nations of Southeast Asia and the Islamic appeal for assistance for Southeast Asia nationalism. In this connection we should endeavor to strengthen our ties with the Islamic world, by which the US has been highly regarded hitherto by reason of a tradition of fairness and altruism, and in such an endeavor we might find it advantageous to back Turkey, an important figure in the Islamic world, for one of the non-permanent seats on the Security Council.

In sum, our answer to Soviet anti-US propaganda should be to attack along the lines indicated—our present appeal to emergent nations should be to harp incessantly upon our willingness to assist them to attain national independence to the extent of their capacity therefor, with our record in the Philippines ever in the foreground. But we should keep in mind that it may well not be in the interest of the US to contribute at this time to regionalism in national movements in Southeast Asia and that it may be advantageous to play one country off against another until we are certain that regionalism in Southeast Asia will be oriented towards the US. Our long-range policy will naturally be guided by developments in Soviet-US relations.

S/S-NSC Files : Lot 63D351 : NSC 20 Series

*Report to the National Security Council by the Department of State:
Summary of Conclusions*¹

TOP SECRET
NSC 20/1

[WASHINGTON, August 18, 1948.]

U.S. OBJECTIVES WITH RESPECT TO RUSSIA

I. GENERAL OBJECTIVES

In general, it should be our objective in time of peace as well as in time of war,

(a) to reduce the power and influence of Moscow to limits where they will no longer constitute a threat to the peace and stability of international society; and

(b) to bring about a basic change in the theory and practice of international relations observed by the government in power in Russia.

¹ NSC 20/1, a document of 52 pages prepared by the Policy Planning Staff (PPS/38, August 18), was transmitted by the Department of State to the National Security Council and the Secretary of Defense on August 18 in response to the latter's request contained in NSC 20, July 12, p. 589. NSC 20/1 included this summary of conclusions as an attachment.

II. PEACETIME AIMS

Accordingly, it should be our aim in time of peace:

(a) To encourage and promote by means short of war the gradual retraction of undue Russian power and influence from the present satellite area and the emergence of the respective eastern-European countries as independent factors on the international scene;

(b) To encourage by every means possible the development in the Soviet Union of institutions of federalism which would permit a revival of the national life of the Baltic peoples;

(c) By informational activity and every other means at our disposal, to explode the myth by which people remote from Soviet military influence are held in a position of subservience to Moscow and to cause the world at large to see and understand the Soviet Union for what it is and adopt a logical and realistic attitude toward it; and

(d) To create situations which will compel the Soviet Government to recognize the practical undesirability of acting on the basis of its present concepts and the necessity of behaving, at least outwardly, as though it were the converse of those concepts that were true.

It would *not* be our aim, in time of peace:

(a) To place the fundamental emphasis of our policy on preparation for an armed conflict, to the exclusion of the development of possibilities for achieving our objectives without war; or

(b) To bring about the overthrow of the Soviet Government.

III. WARTIME AIMS

It should be our aim in time of war:

(a) To destroy Soviet military influence and domination in areas contiguous to, but outside of, the borders of any Russian state;

(b) To destroy thoroughly the structure of relationships by which the leaders of the All-Union Communist Party have been able to exert moral and disciplinary authority over individual citizens, or groups of citizens, in countries not under communist control;

(c) To assure that no communist regime was left in control of enough of the present military-industrial potential of the Soviet Union to enable it to wage war on comparable terms with any neighboring state or with any rival authority which might be set up on traditional Russian territory; and

(d) To assure that any regime or regimes which may exist on traditional Russian territory in the aftermath of a war

(1) does not have strong military power;

(2) is economically dependent to a considerable extent on the outside world;

(3) does not exercise too much authority over national minorities; and

- (4) imposes nothing resembling the present iron curtain over contacts with the outside world.

It would *not* be our aim, in time of war:

(a) To achieve any specific border arrangements, pre-conceived without regard to the political framework emerging from the war,—*except* to assure that the Baltic states should not be forced to remain under any communist or other extremist regime;

(b) To assure the independence of the Ukraine or any other national minority (with the same reservation concerning the Baltic states);

(c) To assume responsibility for deciding who would rule Russia in the wake of a disintegration of the Soviet regime; or

(d) To carry out with our own forces, on territory liberated from the communist authorities, any large-scale program of de-communization.

501.BB/8-2148: Telegram

The Ambassador in the Soviet Union (Smith) to the Secretary of State

SECRET

Moscow, August 21, 1948.

1706. Breakdown of Moscow talks and reference Berlin question to UN would of course focus attention GA on Germany and East-West debate would revolve around this question. Nevertheless, Embassy believes that whether Germany is directly discussed or not Soviet basic theme for Assembly will probably remain the same (Depcirtel July 1; Embtel 1296, July 10).¹

In view its popular appeal and Communist predilection for slogans, seems to us likely that "peace offensive" will be Soviet slogan. Presentation however, will probably follow formula of "US-led offensive for war versus Soviet-led counteroffensive for peace". This would follow in logical sequence Soviet 1946 and 1947 themes of "disarmament" and "warmongering" offering opportunity to contend that West had rejected disarmament, progressed to active propaganda for war and had now reached stage of actual preparation and instigation of new imperialist war.

The "counteroffensive" of "struggle for peace" against "western" or "Anglo-American imperialism" is carefully planned propaganda program which has been in progress for some time, and has been gradually replacing in Soviet dogma the old term "capitalist encirclement", a conception, according to Stalin, no longer possible. It appears to have

¹ Neither printed. The circular telegram of July 1 requested views with respect to the possible focal point of the Soviet position at the General Assembly and subsidiary issues which might be brought forward (501.BB/7-1448).

been launched in first issue of *New Times* (successor to *War and The Working Class*) June 1, 1945, which referred to struggle against enemies peoples liberties and peace and pledged itself to work for "lasting peace and friendly cooperation among freedom loving nations."

Although development this program has been obscured for uninitiated by usual Communist double talk, real meaning of "peace offensive" was clearly revealed in *Cahiers de Communisme* of April 1, 1948, which referred to "final victory over capitalism, or in other words the final victory over war." It has therefore become unmistakable that "peace" in Soviet lexicon means destruction of capitalism and that "struggle for peace" is now synonymous with promotion world revolution.

Recent major documentation of "counteroffensive for peace" includes Vyshinsky's GA speech September 18, 1947;² Zhdanov's report to Cominform, September 1947;³ Molotov's speech to Moscow Soviet, November 6, 1947;⁴ Molotov's reply to Ambassador Smith of May 9, 1948;⁵ Stalin's reply to Wallace of May 17, 1948;⁶ and declaration of eight foreign ministers at Warsaw, June 24, 1948.⁷ Coming GA session will be next step and practically all questions before that body could be reduced to this issue.

Especially in view of fact Soviet Government will be on defensive with respect most prospective GA agenda items, we believe Soviet Delegation will try to take initiative in presentation this theme and to secure at least initial propaganda victory. They will probably peg it to some specific proposal, nature of which can only be guessed at at

² For the record of the address by Andrey Yanuaryevich Vyshinsky, Chairman of the Soviet Delegation to the 2nd Session of the United Nations General Assembly, September 18, 1947, see United Nations, *Official Records of the General Assembly, Second Session, Plenary Meetings*, pp. 81-106.

³ The report by Andrey Alexandrovich Zhdanov, Secretary of the Central Committee of the Communist Party of the Soviet Union and acknowledged leader of the Communist Information Bureau (Cominform), was published in *Pravda*, October 22, 1947. For documentation on developments within the Soviet Union in 1947 of significance to United States-Soviet relations, see *Foreign Relations*, 1947, vol. iv, pp. 514 ff.

⁴ For comments on this speech by Vyacheslav Mikhailovich Molotov, Minister for Foreign Affairs of the Soviet Union, see *ibid.*, p. 614.

⁵ For the texts of the notes exchanged by Ambassador Walter Bedell Smith and Soviet Foreign Minister V. M. Molotov, at Moscow, May 4 and May 9, see *ibid.*, pp. 847 and 854.

⁶ Henry A. Wallace, former Cabinet Member and Vice President, campaigning for President as an independent, proposed suggestions for improving United States-Soviet relations in an open letter to Premier Stalin revealed in a New York speech of May 11. Stalin replied in favorable terms on May 17. For additional information on this exchange see *ibid.*, pp. 870-871.

⁷ Reference is to the Warsaw Conference on Germany, June 23-24, 1948, attended by Molotov and the foreign ministers of seven other eastern European nations; for documentation on this subject in connection with the London Conference on Germany, see vol. II, pp. 338 ff. For text of the declaration, see Margaret Carlyle (ed.), *Documents on International Affairs 1947-1948* (London: Oxford University Press, 1952), p. 566.

this stage. Despite hazard involved, and while recognizing that a really surprise "red herring" cannot be excluded we venture as our best guess, resolution calling for withdrawal all armed forces inside borders home country. This would appear logical elaboration 1946 resolution⁸ and proposed reciprocal withdrawal forces from Korea,⁹ well calculated to secure widespread favorable propaganda reaction and be difficult to counter.

On basis foregoing estimate, following is our conception of probable line of verbal assault Soviet Delegation can be expected to launch in GA (unless the concentration is on German question as suggested above):

1. US leads offensive for war in form of political, military and economic actions. Political offensive is based first on organization of "blocs" directed against Soviet Union and "sister democracies", most important of which is "Atlantic union" dominated by US for its aggressive aims. In addition to Western Union, US attempts form other blocs which will be brought into Atlantic group or will cooperate fully with it. These include Scandinavian bloc, Iberian bloc, and Near East bloc, not to speak of Latin America. Second political manifestation war offensive is use of occupation as instrument of aggression. US in Germany and Japan seeks revival reactionary ruling groups, suppresses democratic tendencies, and prevents democratization and demilitarization. Third political facet is US-led imperialist oppression of colonial peoples, manifest Indonesia, Indochina,¹⁰ Malaya, and other "colonial areas". Colonial problem assumes ever-increasing importance.

Military offensive embraces: conversion Germany and Japan into *place d'armes* against Soviet Union; construction military bases within striking distance Soviet Union and East European "people's democracies"; military aid to and therefore control of weaker countries as Turkey, Greece, Iran, China; US-British military connivance and mutual planning and preparation; military preparations of US; refusal US-British agree Soviet proposals disarmament, reduction forces, and outlawry atomic bomb.

Economic offensive for war is based on Marshall Plan as plot for enslavement Europe and securing monopoly strategic raw materials, engineered outside restraining influence UN. Thirst for oil sabotages UN decision on Palestine and exploits both Jewish and Arab peoples.

⁸ For text of the Soviet resolution on troops on foreign territory presented to the United Nations Security Council and subsequently introduced in the General Assembly, see telegram 527 from New York, August 29, 1946, in *Foreign Relations*, 1946, vol. I, p. 892.

⁹ For documentation on United States policy regarding Korea, including its position on Soviet advocacy of reciprocal troop withdrawal, see vol. VI, pp. 1079 ff.

¹⁰ For documentation on interest of the United States in nationalist opposition to the restoration of French rule in Indochina, see *ibid.*, pp. 19 ff.

Simultaneously US strives economically dominate Far East, with Japan as base.

2. Soviets lead counteroffensive for peace. Politically Soviets have strictly observed Yalta, Potsdam and UN charter as opposed to West violation these agreements. Soviets fight against warmongering, support "democratic" forces and endeavor destroy Fascist-militarist groups in occupied areas. Soviets support "peoples liberation movements" in colonial areas. West powers have twisted trusteeship into another form of capitalistic oppression.

Military defense Soviet policy based on Soviet stand on disarmament, outlawry atom bomb, and reduction and withdrawal armed forces.

Economic defense Soviet policy will take form contrasting Soviet desire aid economic reconstruction Europe, but without destroying independence peoples, with rapacious enslaving nature Marshall Plan. Desire Soviets use UN for economic questions may be stressed with suggestion that instead of Marshall Plan, UN be given responsibility for distribution of international aid (Wallace's suggestion to Stalin).

Soviets will undoubtedly direct propaganda barrage principally to countries of Western Europe. It will behoove US Delegation not only to meet and refute Soviet arguments with fact, but itself to assume propaganda offensive and neglect no opportunity to dramatize and push home West case.

Sent Department 1706, Department pass Paris 269, London 157, Warsaw 60, Berlin 324.

SMITH

800.24/8-648

The Secretary of State to the Secretary of the Army (Royall)

SECRET

WASHINGTON, August 23, 1948.

MY DEAR MR. SECRETARY: I have your letter of August 6¹ concerning military assistance programs for various nations. I agree that the imminent submission of requirement estimates for France and other Western European nations makes it desirable that the planning and the necessary administrative steps be undertaken now in order that programs for them may be implemented as speedily as possible after final approval, with the first priority envisaged in NSC 14/1. If this can be done only by giving the requirements of the Western European nations a priority over the programs for the other countries named in your letter, then I agree that such a priority should be given to them.

¹ *Ante*, p. 601.

Since your letter was written, you have undoubtedly received mine of August 9² indicating the relative priorities which this Department considers should be accorded the other programs mentioned in your letter. You may take my letter as still representing this Department's views.

I trust that the National Military Establishment is taking the administrative steps necessary to insure that the additional assistance programs anticipated for the implementation of NSC 14/1 can be processed speedily, and that all programs can be carried out without one causing delay to another.

Faithfully yours,

G. C. MARSHALL

² Marshall's letter of August 9 read in part as follows:

"An over-all determination of priorities anticipating inter-Departmental agreement is now in process. Pending completion of this study it is my opinion that priorities for existing military assistance programs for the five countries specified in your letter should be in the following order: Greece, Turkey, Iran (present commitments only), China, Argentina. Present commitments to Iran are understood to include the repair, packing and shipment of items already declared surplus and allocated to that country.

Every effort should be made to meet the most urgent Chinese requests under the 125 million dollar grants. In view of the imminent completion of the Iranian program, the foregoing order of priorities accords a high priority to China immediately following that of Greece and Turkey. It is suggested that these high priority projects may be implemented concurrently. I am told that many of the Chinese requirements do not conflict with Greece and Turkey items. Furthermore the progress of the campaign in Greece and season of the year matériel would be delivered in Greece may warrant a decision in favor of China for some items in which a dual requirement exists. In cases of clear conflict with regard to urgently required matériel, preference should be given to Greece and Turkey.

If the Secretary of Defense concurs in these priorities, they may be considered as agreed upon priorities of this Government for these five programs." (800.24/7-2448)

S/S-NSC Files: Lot 63D351: NSC 20 Series

Report to the National Security Council by the Department of State

TOP SECRET
NSC 20/2

WASHINGTON, August 25, 1948.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON FACTORS AFFECTING THE NATURE OF THE U.S. DEFENSE ARRANGEMENTS IN THE LIGHT OF SOVIET POLICIES

Reference: NSC Action No. 88

The enclosed paper on the above subject, prepared by the Policy Planning Staff of the Department of State [PPS/33, June 23, 1948], is circulated herewith for the information of the National Security Council in connection with NSC 20,¹ "Appraisal of the Degree and Character of Military Preparedness Required by the World Situation".

¹ Of July 12, p. 589.

At the request of the Department of State, the enclosure is being referred to the National Security Council Staff for consideration and the preparation of a report to the Council in accordance with NSC Action No. 88.²

SIDNEY W. SOUERS

[Enclosure]

FACTORS AFFECTING THE NATURE OF THE U.S. DEFENSE ARRANGEMENTS
IN THE LIGHT OF SOVIET POLICIES

The following report is designed to clarify the factors bearing on the question as to the nature which the U.S. defense effort should assume in the light of Soviet policies and attitudes (with particular relation to the question whether U.S. defense preparations should be pointed to meet an expected conflict at a given probable time or whether they should be planned on a basis which could and would be permanently maintained).

The discussion is divided into the following headings:

	<i>Page</i>
A. Degree of probability of military complications at the present time	1
B. Extent to which Soviet intentions are apt to be influenced by successful developments of the atomic weapon in the U.S.R.R.	5
C. Functions of the U.S. armed forces in the light of Soviet attitudes	6
D. Probable effects of the respective courses under consideration	8

The conclusions of this report were arrived at independently before the Staff had seen despatch no. 315 of April 1, 1948³ from Moscow, transmitting a report on the subject of "Soviet Intentions" prepared by the Joint Intelligence Committee, American Embassy, Moscow. The Staff recommends, however, that the Moscow report also be given most careful attention and be taken into consideration as an important and authoritative document in any decisions involving the questions discussed below.

² Action No. 88 provided for the preparation of a report of the nature requested by the Secretary of Defense in NSC 20 (S/S-NSC Files: Lot 66D95: NSC Actions).

³ For portions of this despatch, see *ante*, pp. 550-557.

A. DEGREE OF PROBABILITY OF MILITARY COMPLICATIONS AT THE
PRESENT TIME

1. The following factors militate *against* the likelihood at this juncture of international, planned Soviet armed action which would involve this country.

(a) The events of the past two wars have demonstrated that unless a European aggressor can be sure of dealing a decisive blow to the North American military-industrial potential in the initial phase of his effort to dominate the European continent, he can never be sure of final victory.

[The Russians could not be sure of being able to deal such a blow in present circumstances.] ⁴

(b) The physical destruction on Soviet territory during the recent war was far more severe than is generally realized in the west, and has not yet been by any means made good by new construction.

[In this connection, we should not be misled by reports that in certain key items the Soviet industrial effort has reached the pre-war level. This does not alter the fact that a huge reconstruction problem still remains and that important sectors of Soviet economy—including particularly transport—are in a state of serious backwardness and obsolescence.]

(c) The war-weariness of the Soviet peoples is as great, if not greater, than in the case of any other of the major countries. This factor has to be seriously considered by the Soviet Government.

(d) In seeking control over foreign territories, Soviet leaders have a strong traditional preference for political means as opposed to direct military action. This preference stems not from moral considerations, but from communist ideology and from Russian national tradition.

[It should be noted that the Russians are traditionally cautious in planning military actions, and the Soviet leaders particularly so. The Finnish War was the only instance in which they have chosen to resort to direct military aggression to gain their objectives and there is every reason to believe that they had cause to regret this experiment.]

(e) Direct military action would not assure to the Soviet Government the type of control which it seeks in the western European countries.

[The Kremlin strives in principle for a maximum of power with a minimum of responsibility. By invading the countries of western Europe and raising the red flag over those territories it would obtain an open responsibility which could not be easily liquidated. This would be certain, as the Russians know from their recent experiences in western Europe, to produce profound antagonisms among the western European peoples which would be a burden to any permanent communist control. It must be remembered that the Russians are interested in long-term political power over the western European countries, not short-term. Military occupation may be good means for assuring short-term domination, but it is not an auspicious beginning to a long-term, permanent control.]

⁴ Brackets throughout this document appear in the source text.

(f) It is doubtful whether Red Army morale would stand up well under any action which called for stationing of large numbers of Soviet troops in western European countries for any period of time.

[Even service in the relatively primitive and partially war-torn areas of eastern Europe proved disruptive of morale in most Soviet units at the close of the recent war, and was attended by a disgraceful percentage of desertions. The effect of contact with the highly developed countries of western Europe would be still greater. The Soviet leaders are conscious of this danger.]

(g) The official Russian mind is dominated by the conviction, deeply rooted in communist ideology, that this country is bound sooner or later to suffer another economic depression similar to that of 1929-30. Clearly, such a depression could be expected to have the effect of weakening the U.S. defense establishment, at least temporarily, and of diverting the attention of the U.S. public from world affairs, thus providing a more convenient occasion than the present one, in certain respects, for Soviet expansion.

(h) Similar calculations may arise in the Russian mind with respect to the prospects for a relaxation of U.S. pressure as a result of the coming election. There is strong evidence that the Russians overrate the political prospects of the Wallace movement⁵ and the isolationist wing of the Republican Party, and feel that an accretion of strength on the part of either one would be to their advantage.

2. The following factors militate *for* the likelihood of international, planned Soviet armed action, involving this country, in the immediate forthcoming period.

(a) The Soviet leaders might reckon that their military strength will never again stand in so favorable a relationship to the military strength of the western powers.

[The effects of the recent war left central and western Europe practically devoid of military strength. The period of demobilization and readjustment of our own armed forces meant that their effectiveness has recently been in many respects at an abnormally low ebb. It must now be expected in Moscow that the general tendency in this country in the coming period will be toward the strengthening of our armed establishment, and that a certain revival of armed strength will also take place in western Europe. This expectation must be balanced, however, in the minds of the Soviet leaders, against a planned continued increase in the strength of the Soviet forces, and against the stubborn Soviet conviction that a future economic crisis is sooner or later going to weaken the economic strength of this country.]

(b) The Soviet leaders must recognize that their political plans have already suffered a severe set-back in Europe and that if the European recovery program progresses successfully the growing strength and prosperity of western Europe will put a severe strain on communist political control in eastern Europe. They know that this strain

⁵ Henry A. Wallace, Secretary of Agriculture, 1933-1940; Vice President, 1941-1945; Secretary of Commerce, 1945-1946; candidate for President in 1948, advocating a more conciliatory policy toward the Soviet Union.

would hold long-term dangers for Soviet power. If they take a sufficiently serious view of these prospects, they might prefer to resort to armed action at this juncture, in order to prevent recovery in the west and to ensure an immediate extension of communist power in that region, as a means of defending Soviet power in eastern Europe.

(c) The Soviet leaders may calculate that in the present changed circumstances certain further political positions, such as complete control of Berlin or of Vienna, are essential to the political defense of their satellite zone in eastern Europe, and they may feel themselves obliged to strike for the achievement of these objectives regardless of the resulting danger of war.

[In this connection there is always the possibility that the Soviet leaders may miscalculate the determination of this Government and its willingness to resort to force to protect the integrity of existing international agreements.]

(d) It is always possible, although not probable, that internal conflicts and pressures may impel the Soviet Government to attitudes and policies which would carry it in the direction of armed involvement.

(e) The possibility of further military booty may be an incentive to war for a government which has in effect elected to forego, in favor of political projects which now look doubtful, the possible advantages of economic cooperation with the U.S.

3. Possible fortuitous circumstances.

(a) Where forces of mutually antagonistic great powers are operating in such close proximity as is the case in Europe with the forces of the Soviet Union and of the western powers, and particularly where the fanatical and relatively unrestrained Soviet police element is so strongly involved, there is always a danger of incidents which, although not so intended, would lead directly to military complications.

4. Conclusion:

Weighing these various factors the evidence points to the conclusion that the Soviet Government is not now planning any deliberate armed action of this nature and is still seeking to achieve its aims predominantly by political means, accompanied—of course—by the factor of military intimidation. The tactics which it is employing, however, themselves heighten the danger that military complications may arise from fortuitous causes or from miscalculation. War must therefore be regarded, if not as a probability, at least as a possibility, and one serious enough to be taken account of fully in our military and political planning.

B. EXTENT TO WHICH SOVIET INTENTIONS ARE APT TO BE INFLUENCED BY SUCCESSFUL DEVELOPMENTS OF THE ATOMIC WEAPON IN THE U.S.S.R.

1. Political factors would be apt to militate against use of the atomic weapon by the Soviet Government against major urban and industrial

areas in other countries, except by way of retaliation for attacks made on Russia.

[The Soviet leaders think in political rather than military terms, and regard themselves as the leaders not only of the Soviet population but of important elements in western countries, particularly in the large cities and industrial areas. Their basic aim is to achieve concealed political domination over those areas, not to destroy them. During the last war, they took little part in the air effort directed against the German population, and have since tried to make political capital with the Germans out of this fact. While this was probably partly a case of making virtue out of necessity, the available evidence speaks for a certain political reluctance on the Soviet side to resort without provocation to methods of mass destruction aimed against civilian elements in other countries.]

2. If the Soviet leaders felt that there would be a strong probability of retaliation, this would be an important factor in dissuading them from taking the initiative in the use of the atomic weapon against western cities.

[Russia has few cities to lose. Only Moscow and Leningrad could conceivably house the highly centralized administrative services of the Soviet Government for any length of time; and they, like all other Soviet cities, are desperately over-crowded. Similarly, Soviet industry is highly vulnerable to air attack by virtue of

(a) the relative concentration of many of its important branches in a few large enterprises;

(b) the great intensity with which existing plant is exploited, and the corresponding lack of reserve strength and flexibility in the event of damage by atomic weapons.

There is no slack in the Soviet economic effort. A relatively small number of atomic bombs could, if properly and effectively directed, set the entire Soviet industrialization program back by years and have an extremely severe effect on any Soviet military effort. This is not to speak of the psychological effect on the Soviet people.]

3. In view of the considerations brought out in point 2, mere possession of atomic weapons will not alone determine Soviet thinking. The Soviet leaders will also have to take into account the head start we have enjoyed in this respect, the respective raw material situations, the probable number of bombs on both sides, the possibilities of delivery, etc.

4. The fact that they have *not* been able to dispose over [*had at their disposal?*] atomic weapons, whereas we have, has probably been, if anything, a contributing factor in Soviet intransigence in the past in matters of the international control of atomic energy and possibly in other matters as well.

[To the Soviet mind it is unthinkable that we, enjoying this factor of military superiority, are not taking it into account in our plans and attempting to exploit it for political purposes. They therefore must assume that our international positions, particularly in matters of the control of atomic energy, are predicated on this superiority and contain a margin of excessive demand, which would not be there if a better balance existed in the power of disposal over the weapon. For this reason, they may actually prove to be more tractable in negotiation when they have gained some measure of power of disposal over the weapon, and no longer feel that they are negotiating at so great a disadvantage.]

5. Conclusion:

It is not probable that the pattern of Soviet intentions as outlined above would be appreciably altered in the direction of greater aggressiveness by the development of the atomic weapon in Russia.

C. FUNCTIONS OF THE U.S. ARMED FORCES IN THE LIGHT OF SOVIET ATTITUDES

The following are the requirements, arising from the attitudes and policies of the Soviet Government, for which it is necessary that this Government maintain armed strength.

1. As an indispensable background of our own political attitude with respect to the U.S.S.R. In dealing with a Government so highly centralized, so incorrigibly conspiratorial in its methods, so hostile traditionally towards its world environment, so despotic at home, and so unpredictable in foreign affairs, it is necessary that we keep ourselves in a state of unvacillating mental preparedness. Without military preparedness, this would be a sham.

2. As a deterrent.

This is of outstanding importance. There is no question but that if the opposing strength is estimated to be so great that there would be little possibility of final victory, the Russians will not deliberately resort to the use of armed force. On the other hand, excessive military weakness here and in western Europe might indeed create a factor which would operate to overcome the other reasons why the Soviet Government would not be inclined to use armed force, and might thus constitute a compelling invitation to aggression.

There is no evidence that anything likely to occur in Russia within the foreseeable future will in any way alter this situation. We must reckon that the necessity for the maintenance of armed forces as a deterrent will continue undiminished as long as the Soviet power, as we know it today, continues to be dominant in Russia, and probably even longer.

3. As a source of encouragement to nations endeavoring to resist Soviet political aggression.

The peoples who consider themselves as lying between the U.S.S.R. and the U.S. and who are endeavoring to resist Soviet political pressures are strongly influenced by what may be called the shadows of the armed strength maintained by the two great powers. If the shadow of the Soviet armed strength remains too formidable, in comparison with ours, this may well have a paralyzing effect on the will to resist in western Europe and may become an important factor in enabling the Russians to achieve their aims by political rather than military means. It is therefore necessary for this country to maintain the outward evidences of firm armed strength and resolution as a means of stiffening the attitude of those peoples who would like to resist Soviet political pressures.

Like the requirement of armed force as a deterrent, this requirement may be expected to endure at least as long as the communist party remains the dominant power in Russia. There is no reason to expect the achievement of any political understanding with the Soviet leaders which could appreciably offset the need for strong U.S. forces as a factor of encouragement to the peoples in western Europe. This necessity is not likely to pass even with the termination of the present Soviet regime.

4. As a means of waging war successfully in case war should develop as a result of an accident or miscalculation or any other cause.

It is impossible to state at this time how long the relatively high degree of danger implicit in the present dispositions of Soviet and western forces in Europe will endure or what will be the general development of the probability of planned Soviet military aggression. It is possible, but by no means certain, that within two or three years the danger of military complications arising from accidental causes may be reduced by changes in the dispositions of armed forces in Europe. However, there is no likelihood of any reduction in the general power of Soviet armed forces; on the contrary, this may be expected to increase steadily in the next few years. In view of the long time-lags involved in any basic alterations of a major military establishment, our defense policy cannot take into account minor fluctuations in the degree of danger. From the political standpoint, therefore, the only safe deduction would be that for at least the next five or ten years we will require such an establishment as would make it possible for us to wage war successfully if it should be forced upon us. What would constitute waging war "successfully" is a question which can be answered only in the light of U.S. national objectives.

5. Conclusions:

None of the purposes for which we must maintain armed forces, in the light of Soviet attitudes and policies, are ones which may be expected to undergo any material alteration at any specific predictable

time in the future, and they must all be considered as being of an enduring nature.

D. PROBABLE EFFECTS OF THE RESPECTIVE COURSES UNDER CONSIDERATION

1. A U.S. defense effort founded on the principle of a long-term state of readiness.

(a) This type of effort would have the greatest effect as a deterrent, since it would be evident to the Soviet leaders that they were dealing with a permanent factor on their political horizon and not with a temporary one which they could expect to disappear again within a relatively short time.

(b) This type of effort would have the greatest effect in encouraging countries endeavoring to resist Soviet political pressures. The anxieties of people in western Europe and elsewhere as to the U.S. ability and will to defend them in the event they should become militarily involved with the U.S.S.R. relate in large measure to their doubts as to the stability and long-term consistency of U.S. policy. A U.S. defense effort laid out on long-term lines will be much more apt to reassure them than one aimed at a given peak of probable likelihood of war but subject to later downward fluctuations.

(c) From the standpoint of the possibility of an actual waging of war with Russia, a defense effort laid out on a permanent basis would lack the advantages of being able to meet a particular peak danger by a peak effort in military preparedness; but it would have distinct advantages if military complications were to occur at a time other than that which we had calculated to be the most likely one.

2. A U.S. defense effort founded on the idea of meeting a peak of war danger by a peak of military preparedness.

(a) As a deterrent to the Soviet Union, this type of effort would be effective only for the period toward which it was directed; for the subsequent period it would have the reverse effect. If the Soviet leaders knew that we were undertaking a defense effort of this nature (and it is certain that they would know it), they would be able to plan for maximum military and political pressure at a date when our own military effort might be expected to have subsided.

(b) From the standpoint of encouragement to peoples resisting Soviet pressures, this type of defense effort would have only a limited value. To the extent that it gave the impression that U.S. plans were sporadic and undependable, it might do more harm than good.

(c) From the standpoint of actual waging of war, such a defense effort could conceivably have advantages only in the event that our calculations as to the likely timing of Soviet military aggression were correct. At present, we have no adequate means of arriving at a correct calculation of such a factor. But in any case we must always bear in mind that the defense effort itself would undoubtedly alter the situation on which our expectancy had been based; for it would probably act as an effective deterrent for that particular period and we would probably not be called upon actually to use our forces at the time for which we had planned their maximum strength. This means that there

would be relatively little likelihood of our forces being used for waging of a war against Russia at the moment of their maximum efficiency if they were shaped to meet an anticipated danger peak. We must always bear in mind here the extreme flexibility and patience of Soviet policy.

3. Conclusions:

In general, the factors cited above indicate that a U.S. defense policy based on the maintenance of a permanent state of adequate military preparation meets better the requirements of the situation, insofar as these arise out of Soviet policies and attitudes, than a defense effort pointed toward a given estimated peak of war danger.

S/S-NSC Files: Lot 63D351

Report to the National Security Council by the Executive Secretary (Souers)

TOP SECRET
NSC 30

WASHINGTON, September 10, 1948.

UNITED STATES POLICY ON ATOMIC WARFARE¹

References: NSC Actions Nos. 51, 62 and 75

The enclosed report on the above subject, prepared by the National Security Council Staff with the advice and assistance of representatives of the Departments of State, the Army, the Navy, and the Air Force, and of the National Security Resources Board and the Central Intelligence Agency, as directed by the Council at its 12th Meeting (NSC Action No. 62), is circulated herewith for consideration by the National Security Council at its next meeting.

SIDNEY W. SOUERS

¹ At its 9th Meeting, April 2, the National Security Council deferred consideration of the question of the employment of atomic weapons in the event of war (NSC Action No. 51: S/S-NSC Files: Lot 66D95). See Secretary of the Army Royall's memorandum on the subject, May 19, p. 572, and Gullion's comments thereon, p. 571.

At its 13th Meeting, June 17, the NSC a) directed the NSC staff to prepare a report on the position of the United States with respect to the initiation of atomic warfare in the event of war, including consideration of the time and circumstances of employment, and the type and character of targets against which it would be employed b) agreed that the War Council is the appropriate agency to study the proper organization within the National Military Establishment and within such other Executive agencies of the Government as may be involved to insure optimum exploitation by the United States of its capabilities of waging atomic warfare. Decision b was subsequently transmitted to the Secretary of Defense for information and appropriate action. (NSC Action No. 62: S/S-NSC Files: Lot 66D95)

At its 14th Meeting, July 1, the NSC a) noted comments by the Secretary of the Army that he felt that the Council should act on this subject as soon as possible b) noted that the Secretary of Defense wished to discuss the subject with the

[Enclosure]

DRAFT REPORT BY THE NATIONAL SECURITY COUNCIL ON UNITED STATES
POLICY ON ATOMIC WARFARE

References: NSC Actions Nos. 51, 62 and 75

THE PROBLEM

1. To determine the advisability of formulating, at this time, policies regarding the use of atomic weapons.

ANALYSIS

2. The decision to employ atomic weapons is a decision of highest policy. The circumstances prevailing when war is joined cannot be

President before the Council took action on it. (NSC Action No. 75: S/S-NSC Files: Lot 66D95)

In a memorandum of July 7 to the Under Secretary of State, Kennan stated the following:

"There is attached a paper placed before the Staff of the National Security Council by the Department of the Air Force, dealing with United States policy on atomic warfare. The conclusions are on the last page of the paper.

I heartily concur with the analysis and conclusions of this paper.

In view of the high security consideration, I have consulted only Mr. Bohlen and Mr. Gullion on this matter. They join me in the recommendation that I be authorized to state, on the Consultants' level, that I approve this paper for submission to the members of the Council, with the insertion of the parenthetic sentence on page 5.

The paper is of such importance that I think the Secretary might wish to see it at this stage."

Lovett's "L" and the Secretary of State's "G.C.M. as amended" appear in the space designated for approval on the source text of the Kennan memorandum (Policy Planning Staff Files). The attached paper from the Department of the Air Force has not been found in the files of the Department of State.

According to *The Forrestal Diaries*, the Secretary of Defense discussed the possible use of atomic weapons in the event of war with Marshall, Royall, and General Omar N. Bradley, Chief of Staff, United States Army, on July 28 (Millis, pp. 461-462). Forrestal also raised the question with the Secretary of State at the conclusion of the Cabinet meeting of September 10. Marshall suggested a meeting with President Truman on September 13. That White House conference was attended by the President; Forrestal; Royall; General Bradley; and General Hoyt S. Vandenberg, Air Force Chief of Staff. President Truman received "the same presentation that Vandenberg made to the Secretary of State last week . . ." on the subject of use of atomic weapons in an emergency. No record of Marshall's briefing by General Vandenberg has been found in the files of the Department of State. Forrestal recalls that "the President said that he prayed that he would never have to make such a decision, but that if it became necessary, no one need have a misgiving but that he would do so . . ." (Millis, p. 487)

A memorandum by Kennan to Carlisle H. Humelsine, Director of the Executive Secretariat of the Department of State, September 14, read as follows:

"With reference to NSC 30 it is recommended that the Secretary express his approval of this paper at the National Security Council meeting on Thursday, September 14, 1943. This paper is substantially the same as the draft which was approved by the Secretary and Under Secretary last July and does not deviate in principle from that draft, the changes being largely minor drafting changes and the addition of paragraphs numbered 12 and 13 under conclusions." (Policy Planning Staff Files)

At its 21st Meeting, September 16, the NSC approved paragraphs 12 and 13 of NSC 30 (NSC Action No. 111). The Council took no further action on the paper. (S/S-NSC Files: Lot 66D95)

wholly forecast with any greater certainty than can the arrival of war. It appears imprudent either to prescribe or to prohibit beforehand the use of any particular weapons when the character of future conflict is subject only to imperfect prediction. In this circumstance, a prescription preceding diagnosis could invite disaster.

3. If war itself cannot be prevented, it appears futile to hope or to suggest that the imposition of limitations on the use of certain military weapons can prevent their use in war.

4. The United States has nothing presently to gain, commensurable with the risk of raising the question, in either a well-defined or an equivocal decision that atomic weapons would be used in the event of war. An advance decision that atomic weapons *will* be used, if necessary, would presumably be of some use to the military planners. Such a decision does not appear essential, however, since the military can and will, in its absence, plan to exploit every capability in the form of men, materials, resources and science this country has to offer.

5. In this matter, public opinion must be recognized as a factor of considerable importance. Deliberation or decision on a subject of this significance, even if clearly affirmative, might have the effect of placing before the American people a moral question of vital security significance at a time when the full security impact of the question had not become apparent. If this decision is to be made by the American people, it should be made in the circumstances of an actual emergency when the principal factors involved are in the forefront of public consideration.

6. Foreign opinion likewise demands consideration. Official discussion respecting the use of atomic weapons would reach the Soviets, who should in fact never be given the slightest reason to believe that the U.S. would even consider not to use atomic weapons against them if necessary. It might take no more than a suggestion of such consideration, perhaps magnified into a doubt, were it planted in the minds of responsible Soviet officials, to provoke exactly that Soviet aggression which it is fundamentally U.S. policy to avert.

7. If Western Europe is to enjoy any feeling of security at the present time, without which there can be no European economic recovery and little hope for a future peaceful and stable world, it is in large degree because the atomic bomb, under American trusteeship, offers the present major counterbalance to the ever-present threat of the Soviet military power. This was recognized by the then Secretary of State, James F. Byrnes, who, in an address before the United Nations General Assembly on December 13, 1946, acknowledged, with the applause of the Assembly, that: "In the recent past, the concern of peace-loving nations has not been that America maintained excessive armaments. The concern has been that America failed to maintain

adequate armaments to guard the peace. . . . It was our military weakness, not our military strength, that encouraged Axis aggression."² Were the United States to decide against, or publicly debate the issue of the use of the atomic bomb on moral grounds, this country might gain the praise of the world's radical fringe and would certainly receive the applause of the Soviet bloc, but the United States would be thoroughly condemned by every sound citizen in Western Europe, whose enfeebled security this country would obviously be threatening.

8. Furthermore, consideration must be given to whether any public unilateral decision respecting the use of atomic weapons should be made when the international control of atomic energy is subject to debate within the United Nations. In the "General Conclusions and Recommendations" of the *Third Report of the Atomic Energy Commission to the Security Council*,* dated 17 May 1948, it is stated:

"The new pattern of international cooperation and the new standards of openness in the dealings of one country with another that are indispensable in the field of atomic energy might, in practice, pave the way for international cooperation in broader fields, for the control of other weapons of mass destruction, and even for the elimination of war itself as an instrument of national policy.

"However, in the field of atomic energy, the majority of the Commission has been unable to secure the agreement of the Soviet Union to even those elements of effective control considered essential from the technical point of view, let alone their acceptance of the nature and extent of participation in the world community required of all nations in this field by the first and second reports of the Atomic Energy Commission. As a result, the Commission has been forced to recognize that agreement on effective measures for the control of atomic energy is itself dependent on cooperation in broader fields of policy." † (The Commission concluded that no useful purpose can be served by carrying on negotiations at the Commission level.)

9. International cooperation in "broader fields of policy" has been woefully and dangerously lacking on the part of the Soviet Union and its satellites. Any attempt now or in the future under these circumstances, to prohibit or negatively to qualify the employment of atomic bombs could result catastrophically. The measure of success achieved by the United States in collaboration with other nations in the establishment of an effective system of international control of atomic en-

² For full text of Secretary Byrnes' address, see United Nations, *Official Records of the General Assembly, First Session, Second Part, Plenary Meetings*, p. 1289.

*Document AEC/31 [Footnote in the original.] The report is published as United Nations, *Official Records of the Atomic Energy Commission, Third Year, Special Supplement, The Third Report of the Atomic Energy Commission to the Security Council, May 17, 1948*, or Department of State Publication 3179 (July 1948).

†Underlining supplied for emphasis. [Footnote in the source text.]

ergy should directly determine the measure of control the United States will impose upon itself in the employment of atomic weapons. Until international agreement can be reached on an acceptable plan to control atomic energy (only the Soviet Union, Poland and the Ukrainian S.S.R. have blocked the attainment of this goal), it is dangerously delusive to consider the self-imposition of any unilateral qualifications of the use of atomic weapons.

10. The United States has offered, along with all other nations, to eliminate atomic weapons from national armaments if and when a fully effective, enforceable system of international control is put into effect. In the meantime United States policy should ensure that no commitment be made in the absence of an established and acceptable system of international control of atomic energy which would deny this country the right to employ such weapons in the event of actual hostilities. The actual decision to employ weapons should be made by the Chief Executive and in the light of prevailing circumstances.

11. The time and circumstances under which atomic weapons might be employed are incapable of accurate determination prior to the evident imminence of hostilities. The type and character of targets against which atomic weapons might be used is primarily a function of military selection in the preparation and planning of grand strategy. In this case, however, there is the additional requirement for blending a political with a military responsibility in order to assure that the conduct of war, to the maximum extent practicable, advances the fundamental and lasting aims of U.S. policy.

CONCLUSIONS

12. It is recognized that, in the event of hostilities, the National Military Establishment must be ready to utilize promptly and effectively all appropriate means available, including atomic weapons, in the interest of national security and must therefore plan accordingly.

13. The decision as to the employment of atomic weapons in the event of war is to be made by the Chief Executive when he considers such decision to be required.

14. In the light of the foregoing, no action should be taken at the present time:

a. To obtain a decision either to use or not to use atomic weapons in any possible future conflict;

b. To obtain a decision as to the time and circumstances under which atomic weapons might or might not be employed.

S/S-NSC Files : Lot 63D351 : NSC 30 Series

*Memorandum by the Director of the Office of European Affairs
(Hickerson) to the Under Secretary of State (Lovett)*¹

TOP SECRET

[WASHINGTON,] September 14, 1948.

Subject: NSC 30²

The conclusion of this paper that no action should now be taken to obtain a decision whether or not to use atomic weapons in any possible future conflict appears to be completely sound. I also agree that we should not now attempt to reach a final decision as to the time and circumstances under which atomic weapons might or might not be employed. It seems to me, however, that it would be extremely useful at least to study the pros and cons involved and to have information readily available upon which to base immediate recommendations to the President in the event of war. The following considerations seem pertinent:

1. I understand it is the contention of the Air Forcés that if such weapons are to be employed it is almost essential that they be used in the opening stages of any conflict. Clearly, we need now only to consider the Soviet Union as a potential enemy. If in the event of war the enemy is given time to perfect his fighter defense and radar nets atomic bombing operations will be made more difficult. Even more important some of our best air bases might be overrun or captured by Air Borne troops. In these circumstances, unless there is much advanced planning, there appears to be danger that a decision might be taken by the President or the Cabinet on a very few hours' notice without full consideration of all the factors involved, as the pressure would undoubtedly be very great.

2. Not only military planning is involved in this decision. Plans for psychological warfare should be worked out to cover both alternatives. In the event of war, the Russians would certainly again take up the radio sets of their citizens. We might, however, have a few hours or even days before such action could be completed and it would be essential that we take advantage of this period to inform the Russian and satellite peoples of our policy with respect to atomic warfare.

3. While it is clear that there should be no public debate on this matter at this time, I see no reason why plans should not be carried out for the use of atomic weapons, in the event such a decision were made, and I believe careful study should be prepared of the advantages and disadvantages of their use. For the reason set forth in the NSC paper,

¹ Drafted by Llewellyn E. Thompson, Deputy Director of the Office of European Affairs.

² Of September 10, p. 624.

however, such studies should be handled on a top secret basis by as limited a group as possible. Such a group however should contain persons competent to judge psychological reactions of the Russian people.

S/S-NSC Files : Lot 63D351 : NSC 30 Series

*Memorandum by the Assistant Secretary of State for Public Affairs
(Allen)*¹

TOP SECRET

[WASHINGTON,] September 14, 1948.

From the point of view of psychological warfare, I concur fully in the views of EUR and the NSC/30 paper. I might add that public opinion in the United States may have an important bearing on the question and might force the use of atomic weapons, even if the chief executive were inclined against it. The public would refuse to accept American casualties which might be saved by shortening the war.

GEO. ALLEN

¹ Directed to James Q. Reber of the Executive Secretariat, Department of State.

S/S-NSC Files : Lot 63D351 : NSC 30 Series

*Memorandum by the Director of the Office of Far Eastern Affairs
(Butterworth)*¹

TOP SECRET

[WASHINGTON,] September 15, 1948.

Subject: NSC Paper no. 30 on U.S. Policy on Atomic Warfare

This paper reached FE only a few hours before the deadline set for receiving recommendations and comments. I have therefore been able to give the paper only a brief and cursory examination.

The paper poses the problem whether at this time we should determine policies regarding the use of atomic weapons. The conclusions reached are that full preparation should be made for the prompt utilization of atomic weapons but that no action should be taken now to obtain a decision either to use or not to use atomic weapons or as to the time and circumstances governing possible use of such weapons.

While apparently taking no decision on the question whether or not atomic weapons should be used, as a practical matter the paper would in large part foreclose the issue. The National Military Establishment, in making its plans, will have to proceed on the basis that atomic weapons are to be used. If war of major proportions breaks out, the Military Establishment will have little alternative but to rec-

¹ Directed to James Q. Reber of the Executive Secretariat, Department of State.

commend to the Chief Executive that atomic weapons be used, and he will have no alternative but to go along. Thus, in effect, the paper actually decides the issue.

To my mind, the question to be decided is not whether we should or should not use atomic weapons, for in the absence of any internationally-accepted system of supervision and control of such weapons we must assume that they will be used. The question is rather when and how such weapons should be used. Should we, for example, in the event of war, begin by bombing major centers of population in enemy territory or start with smaller centers important for transportation or specific industries? This question should be answered not so much on the basis of humanitarian principles as from a practical weighing of the long-run advantage to this country. Depending upon conditions in the enemy country, the bombing of major population centers or centers having special sentimental significance might mobilize popular sentiment for resistance in a manner to prolong the war. Similarly, should we bomb the territory of enemy allies—especially unwilling enemy allies—and territory occupied by the enemy?

A suggestion that political as well as strategic issues may be involved is contained in the last sentence of paragraph 11. I wonder if it would not be helpful to our National Military Establishment if this thought were more fully developed and guide lines—if any are possible—laid out for aid in strategic planning.

Department of State Atomic Energy Files

Memorandum by the Counselor (Bohlen) to the Under Secretary of State (Lovett)

TOP SECRET

[WASHINGTON,] September 17, 1948.

Subject: Meeting in Secretary Symington's office regarding interchange of information with Britain and Canada.

I attended as you requested the meeting in Secretary Symington's office at 10:30 this morning concerning the handling of technological exchanges with the British and Canadians.

The first part of the meeting was taken up with the discussion between Dr. Bush¹ and the Service representatives from which it developed that Bush was very dissatisfied with the way the present set-up was looking and he said there was considerable irritation on the part of his opposite members in Great Britain and Canada. He read a despatch from the Embassy in London in which the British head of their Scientific Research and Development Board complained

¹ Vannevar Bush, Chairman of the Research and Development Board.

at the way the system is working. The Service Departments maintained the opposite and emphasized the security aspect. The Service Departments proposed that the present SANACC set-up² should be maintained with the addition of a representative from the NRDB, but Dr. Bush said he did not think that would be satisfactory, and said he did not quite see why State was especially interested since the policy was clear and it was only the implementation he had in mind.

I pointed out that while we were in favor of a liberal policy in regard to exchange for the general reason involving relations with the British and Canadians, we were of course not competent to decide on the degree of security risk involved in any given process for information; that that was a matter for the Service Departments to pass upon. However, I said I thought that there was the element of what might be called "political security" involved in the various countries concerned and that this sometimes varied depending upon what branches of a foreign government did receive classified technological information, citing in this case the matter of the jet planes³ and the difference between the War Office and the Admiralty on the one hand, and the civilian ministers of supply and aircraft production on the other. I further pointed out that the political relations of the receiving country such as Great Britain with other European countries had to be taken into consideration. I also pointed out that these matters were under constant change as the political situation altered abroad and that, therefore, the implementation of these policies should be kept under constant review in connection with the considerations I had mentioned.

Dr. Bush said he had not thought of that aspect of the matter and was impressed by it. He thereupon abandoned his original position that State should not be represented on the Committee to handle implementation and in effect agreed that some modification of the present SANACC set-up to include NRDB representation should be satisfactory.

The meeting thus ended in agreement and Mr. Ohly⁴ was asked to work out the necessary changes in present SANACC procedure on this subject to take care of Dr. Bush's desire as modified and to submit them to the interested Departments for consideration.

I therefore imagine you will be receiving very shortly recommendations for this revised SANACC procedure.

CHARLES E. BOHLEN

² Reference is to the State-Army-Navy-Air Force Coordinating Committee's Subcommittee for Information Control (MIC).

³ Reference is to the possible sale of jet aircraft and engines by the United Kingdom to the Soviet Union.

⁴ John H. Ohly, Special Assistant to the Secretary of Defense.

Editorial Note

The Third Session of the United Nations General Assembly convened in Paris on September 21. For the record of the address by Secretary of State Marshall, Chairman of the United States Delegation, on September 23 during the general debate phase of proceedings, see United Nations, *Official Records of the General Assembly, Third Session, Part I, Plenary Meetings*, page 36; for full text, see Department of State *Bulletin*, October 3, 1948, page 432.

The Paris General Assembly is described as follows in *United States Participation in the United Nations* (Report by the President to the Congress for the Year 1948), Department of State Publication 3437, page 5:

"The work of the Session in the political field was conditioned largely by the continuing differences between the Soviet Union and the other Members. In all the important political questions considered except that of Palestine, i.e. the questions of atomic energy, the reduction and regulation of conventional armaments, Greece, Korea, the veto, membership in the United Nations, and the Interim Committee, the issues were sharply drawn between Soviet and non-Soviet views. Consideration of these questions—particularly those of atomic energy, reduction of conventional armaments, and the Greek question—led to debates on foreign policies generally and on the broad issues separating the Soviet Union from other countries.

Concern was manifested by many of the delegations from smaller countries over the serious differences among the great powers reflected in Assembly debates and in the Berlin case, which was then under consideration by the Security Council. A resolution proposed by Mexico, calling upon the major allied powers to compose their differences and to reach as quickly as possible the agreements necessary to liquidate the results of the war and establish peace, was adopted by the Assembly."

Documentation on General Assembly consideration of the issues mentioned above is included in the following *Foreign Relations* compilations: regulation of armaments and collective security, Part 1 of General Assembly, volume VI, pages 1079 ff.; interest of the United Nations, volume IV, pages 222 ff.; general political policies of the United States toward Korea and the appeal to the United Nations General Assembly, volume VI, pages 1079 ff.; interest of the United States in increasing the effectiveness of the United Nations: the Interim Committee and the question of voting in the Security Council, Part 1 of this volume, pages 205 ff.; United States policy regarding the question of admittance of new members into the United Nations, *ibid.*, pages 173 ff.; the Berlin crisis, volume II, pages 867 ff.; and the United States position regarding proposals for a General Assembly appeal to the Great Powers to renew their efforts to compose their

differences and establish a lasting peace, Part 1 of this volume, pages 89 ff.

800.24/9-2948

The Acting Secretary of State to the Director of the Bureau of the Budget (Webb)

TOP SECRET

WASHINGTON, September 29, 1948.

MY DEAR MR. WEBB: This refers to your letter of August 10, 1948,¹ in which you stated that the Bureau of the Budget is prepared to consider requests for care and handling allocations, supported by the necessary justifications, for the Iranian program.

Your letter also referred to the general problem of treatment of foreign military assistance programs, particularly in connection with the basic factor of availabilities in the light of our own expanded military program, and enclosed a copy of your letter of the same date to the Secretary of Defense,¹ which noted the question of priorities as between foreign nations and as between our own and foreign requirements, recognizing that strategic and foreign policy considerations are involved, and suggested several type questions pertinent to an examination of the subject of availabilities.

I am in complete agreement that the solution of foreign military assistance problems should be undertaken from the overall viewpoint, with the connotations emphasized in your letter. The necessity for balancing availabilities with strategic and national policy considerations has guided the formulation of Department of State policies in these matters, and has been stressed in discussions with the Departments of the National Military Establishment concerning projects for military aid abroad.

A SANACC study concerning priorities for military aid² has been completed and is now in the hands of the Joint Chiefs of Staff to whom it was referred for comment from a military point of view prior to SANACC action. The following excerpt from the Conclusions of this paper is pertinent to the questions raised in your letter:

"The needs of the National Military Establishment should be accorded continuing highest priority. Therefore, an essential step in reaching decisions as to projected military aid for any country should be an evaluation by the Joint Chiefs of Staff of that project with reference to materiel requirements and operations of the National Military Establishment."

¹ Not printed.

² Reference is to SANACC 360/11, approved by the State-Army-Navy-Air Force Coordinating Committee on March 15, 1949, as amended.

This study, developed over a period of months by representatives of the Department of State and the Service Departments reaches definite conclusions as to priorities for United States military assistance to foreign countries.

You are doubtless aware of other policy documents concerned with military assistance problems. I may cite SANACC 360/5³ which deals with the question of continuing support of military aid programs (the maintenance and furnishing of replacement items), and has been approved for appropriate implementation by the Department of State and the Departments of the National Military Establishment. Para. 4 c of the Conclusions of this paper is quoted:

"The size and cost (present and continued) of a military assistance program should be carefully studied *in relation to its economic feasibility to avoid an unremunerative dissipation of U. S. resources*, excessive foreign commitments or contributing to an undue burden upon a friendly nation." (Emphasis added)

SANACC 382/6⁴ is likewise in point. It establishes policy criteria in cases of transfer of military supplies abroad when in the interest of the United States, and refers to the factors of availability and the effect of such transfers on our economy.

The Department of State is guided in these problems by the controlling statement of policy in the report of the National Security Council, NSC 14/1,⁵ approved by the President July 10, 1948. This study lays down covering considerations to safeguard the minimum materiel requirements of the United States services as determined by the Joint Chiefs, and embodies an important general priority statement which, so far as I am aware, is the only overall military assistance priority directive yet considered and approved by the President.

The paper includes a recommendation for essential legislation to broaden the executive authority with respect to providing military assistance to foreign nations.

It is noted that, in addition, certain current National Security Council studies and reports, approved by the President, concern the military assistance problems of specific foreign areas or nations (e.g. NSC 8,⁶ NSC 28,⁷ NSC 31⁸). In connection with the implementation of NSC 8, very thorough study of the strategic requirements of the National Military Establishment in the theatre concerned is being made. NSC 28/1,

³ July 26, p. 597.

⁴ June 18, p. 577.

⁵ July 1, p. 585.

⁶ For text of NSC 8, The Position of the U.S. with Respect to Korea, April 2, 1948, see vol. vi, p. 1163.

⁷ NSC 28, The Position of the U.S. with Respect to Scandinavia, August 26, 1948, is not printed; for the conclusions of NSC 28/1, September 3 (NSC 28 as amended), see vol. iii, p. 232.

⁸ For text of NSC 31, Equipment for Three French Divisions, September 14, 1948, see *ibid.*, p. 648.

while approving the present furnishing of small amounts of equipment to Norway or Denmark, requires that further provision of military assistance in the Scandinavian area be contingent upon participation in regional agreements as contemplated in the Vandenberg resolution, as well as consistent with availabilities and subject to the priorities established by NSC 14/1. NSC 31 is in effect an implementation of para. 13 of NSC 14/1.

Your letter notes the importance of availability studies. It has been brought to my attention that under Army directives of last April and May (letter AGO, Subject: Disposition of Excess Supplies and Return of Supplies to the Zone of Interior, dated 22 April 1948, and letter, Chief of Ordnance, Subject: Ordnance Items Required in the Zone of the Interior, dated 7 May 1948) effective measures have been taken to secure up-to-date data on the location and availabilities of Army ordnance stocks. I am informed that these directives were issued with a view to auditing and supplying our own needs and to determining, in some measure at least, availabilities for foreign requirements.

In June, 1948, a regular procedure was established in this Department covering policy determination in cases of foreign military assistance proposals, and providing for coordination with the services in the implementation of approved projects. The views of the services were and are invariably secured and thoroughly considered with reference to policy advisability in each instance.

The concerned offices of this Department and of the National Military Establishment are now studying the procedural requirements involved, in the light of experience with military assistance proposals to date, and appear to be in general preliminary agreement, both as to policy factors and as to implementation of approved projects by an inter-departmental executive group.

Sincerely yours,

ROBERT A. LOVETT

S/S Files : Lot 63D351 : NSC 33 Series

*Report to the National Security Council by the Chairman of the
National Security Resources Board (Hill)*

TOP SECRET
NSC 33

WASHINGTON, October 13, 1948.

NOTE BY THE EXECUTIVE SECRETARY ON OUTLINE OF BASIC UNITED STATES SECURITY RESOURCES ASSUMPTIONS, 1948 THROUGH 1952, AND 1953 THROUGH 1965

The attached memorandum by the Chairman, National Security Resources Board, together with its two enclosures¹ is submitted here-

¹ The enclosures to the annex (two outlines) are not printed.

with for consideration by the National Security Council and for discussion at its next regular meeting of the proposal by the Chairman, National Security Resources Board, "that the National Security Council assume the responsibility for developing integrated basic security resources assumptions and that after their development, the President be advised of their contents and informed that they will be subject to periodic review and revision".²

SIDNEY W. SOUERS

[Annex]

The Chairman of the National Security Resources Board (Hill) to the Executive Secretary of the National Security Council (Souers)

[WASHINGTON,] October 12, 1948.

MY DEAR ADMIRAL SOUERS: During the past several months, considerable effort has been devoted to determining the best means of securing integrated basic security resources assumptions for mobilization planning in the politico-military and in the domestic and foreign economic fields. Such basic security resources assumptions constitute a prerequisite for the National Security Resources Board's mobilization planning. Urgency in this matter stems from the generally accepted assumption that there will be a continuation of the present uncertainties of neither war nor peace, and war with the USSR, if not a probability, is a definite risk. Predicated upon such an assumption, this Board is currently engaged in the preparation of an Emergency Mobilization Plan for 1949, to be completed by December of this year.

The broad comprehensive judgment and knowledge essential to the preparation of integrated assumptions with their complex and inter-related facets, does not appear to be within the capabilities of any single governmental agency. However, using the competence of all appropriate agencies, under carefully conceived sponsorship and monitorship, I believe the assembling of basic security resources assumptions can be accomplished and should be attempted. It must, however, be a continuing operation subject to periodic review and

² In accordance with discussion at the 25th Meeting of the National Security Council, October 21, 1948, Souers directed a memorandum to Arthur M. Hill, Chairman of the National Security Resources Board, informing him that "the National Security Council notes the importance of obtaining basic national security resources assumptions for mobilization planning; that the member Departments of the National Security Council and the Central Intelligence Agency will be glad to assist the National Security Resources Board in the latter's responsibilities in connection with the program outlined, and that, if appropriate, the National Security Council will consider and concur in any statement of assumptions prepared by the National Security Resources Board and its member departments and agencies, but that the National Security Resources Board itself should sponsor and monitor the program outlined in NSC 33." (S/S Files: Lot 63D351: NSC 33 Series)

revision and closely attuned to the constantly changing pattern of national and international events.

In exploring the means of best formulating basic security resources assumptions, there have been informal discussions with several of the agencies concerned. As a result of these discussions, the attached outlines have been developed on the basis that: The National Security Council could monitor the politico-military assumptions; the National Security Resources Board could monitor the economic assumptions; and, the National Security Council could provide the overall sponsorship and monitorship required for integration.

Formulation of assumptions within the exact framework of the enclosed outlines is neither intended nor implied. These outlines have been developed only as a tentative framework, within which assumptions would be valuable. Amplification, supporting comment, and elaboration are believed essential. It is particularly desirable for mobilization planning purposes that U.S. objectives or positions, where appropriate, and known facts and estimated factors in the various fields, be clearly stated as a point of departure for assumptions.

Actually, the NSC 20 series will provide the basis for many of the answers required. Also, the recently completed Joint Chiefs of Staff strategic plan—part of which has been made available to me—should be helpful in providing a basis for answers in the military field. This Board, with the assistance of the several departments represented thereon, together with the Council of Economic Advisers, the Economic Cooperation Administration, and the Bureau of the Budget, can provide the domestic and foreign economic portions of the outlines.

I therefore propose that the National Security Council assume the responsibility for developing integrated basic security resources assumptions and that after their development, the President be advised of their contents and informed that they will be subject to periodic review and revision.

Sincerely yours,

ARTHUR M. HILL

761.00/10-1348: Circular instruction

*The Acting Secretary of State to Certain Diplomatic and Consular Offices*¹

SECRET

WASHINGTON, October 13, 1948.

PATTERN OF SOVIET POLICY IN FAR EAST AND SOUTHEAST ASIA

SIRS: The Department refers to London's telegram No. 2778 of June 23, 1948,² requesting an indication of the Department's thinking

¹ Sent to London, Moscow, Nanking, Shanghai, Singapore, Bangkok, Saigon, Rangoon, Seoul, Tokyo.

² Not printed.

with respect to the pattern of Soviet policy in the Far East and Southeast Asia, and to Moscow's telegrams No. 3310 of December 2, 1947 (repeated to London as 363)³ and No. 1214 of June 30, 1948 (to London as 74)⁴ on this same subject.

The matter has been given careful consideration by the political and research divisions dealing with the areas mentioned and the memorandum enclosed with this instruction presents their current views in this connection.

Although treated in more detail, the analysis of Soviet policy in the enclosed memorandum corresponds in general to that contained in the telegrams of the Embassy at Moscow referred to above. The major point of difference concerns opinion as to whether or not Soviet policy envisages active support of the Chinese Communists in attaining their object of domination of all China in the face of the risk that a Communist regime in China might present a "Tito"⁵ problem by rejecting Moscow's authority.⁶ As a corollary, the question arises as to whether or not the Soviets might be reluctant to foster the expansion of Chinese Communist influence in Southeast Asia for the same reason. In brief, although citing the risk, the Embassy in Moscow feels that active support of the Chinese Communists along these lines is still a cardinal factor in Soviet policy, whereas the Department is inclined to give more weight to the disturbing effect of Tito's recalcitrance to the confidence of the Soviet leaders in their ability to control a Communist regime ruling all China.

A factor favoring the U.S.S.R. not mentioned by the Embassy in Moscow is the potential exploitation by the Soviets of their domination of areas in Northeast Asia upon which Japan is, to a large extent, economically dependent in the long run.

The attached memorandum should be useful (*to London only*) as background material for discussion of this subject with appropriate officials of the Foreign Office. Any significant divergence of opinion either on their part or on that of the Embassy in London should, of course, be reported.

This instruction is being sent to London, Moscow, Nanking, Shanghai, Singapore, Bangkok, Saigon, Rangoon, Seoul, and Tokyo for comment.

Very truly yours,

For the Acting Secretary of State:

JOHN D. HICKERSON

Director for European Affairs

³ Not printed.

⁴ *Ante*, p. 583.

⁵ Josip Broz-Tito, Prime Minister and Minister of Defense of the Federated People's Republic of Yugoslavia.

⁶ For documentation on the interest of the United States in the dispute between Yugoslavia and the Communist Information Bureau, see vol. iv, pp. 1054 ff.

[Enclosure]

Memorandum Prepared in the Department of State

BASIC FACTORS IN SOVIET FAR EASTERN POLICY

In the Far East and Southeast Asia, the USSR pictures itself as engaged in a struggle with the US, each country striving to extend its influence throughout the area and to restrict the advance of the other and in so doing to take advantage of the following basic factors:

- (1) The defeat of Japan, which created a power vacuum in the Far East;
- (2) The struggle between the Kuomintang and the Chinese Communists for control of China;
- (3) The decline in the influence of the colonial powers in Southeast Asia and India.

From the Soviet viewpoint, factors favoring the US, which Soviet policy will endeavor to counteract or neutralize, are:

- (1) American domination of Japan and South Korea;
- (2) American economic strength which enables the US to aid Kuomintang China;
- (3) The development by the US of strategic bases in the Far East.

Factors favoring the USSR, which Soviet policy will attempt to develop and exploit are:

- (1) Soviet acquisition of the Kurile Islands and Southern Sakhalin and occupation of North Korea;
- (2) Special privileges for the USSR in Manchuria growing out of the Yalta Agreement and given legal basis by the Sino-Soviet Treaty of August 1945;
- (3) The strength of the Chinese Communist Party;
- (4) The organized drive of colonial peoples for independence from political domination by the European metropolitan powers;
- (5) Differences among FEC powers on policies to be pursued in Japan.

Japan

The defeat of Japan and the elimination of the threat of Japanese aggression from Northeast Asia together with the postwar territorial gains and special privileges secured by the USSR in this area would be considered by Moscow as at best a partial victory if Japan were to re-emerge as a strong power with or without the backing of any third power. To counteract this possibility the Soviet Union will continue its attempts not only to strengthen the Soviet Far East but to increase its influence and control in the adjacent areas of Manchuria and Korea as well as the penetration of Japan itself by means of the Communist

Party. But so long as the US exercises control of Japan, the USSR is largely restricted to the employment of only such indirect measures as the encouragement of left-wing elements in Japan, the indoctrination of Soviet-held Japanese prisoners of war, the development of Soviet-Japanese cultural relations, and the limited restrictive powers available through Soviet participation in the Far Eastern Commission and the Allied Council. Soviet propaganda will continue its endeavors to exploit among other Asiatic nations fears of renewed Japanese aggression and economic competition in the hope thereby to enlist support for its attacks on American occupation policy.

The USSR would like to see the American-dominated occupation of Japan brought to an early conclusion but probably would not be party to any peace settlement which left the US in an overly advantageous position in Japan. Furthermore, the Soviets may find it to their advantage to remain outside any peace settlement for, by so doing, it could retain a belligerent status with Japan, postponing indefinitely the implementation of certain provisions of the Sino-Soviet treaty on Dairen, Port Arthur and the Chinese Changchun railway; exploit differences among the Allies on post-treaty control of Japan; and refuse to cooperate with any action taken by the future control authority over Japan.

The interest that the USSR has already evinced in trade with Japan assumes added importance from the fact that Manchuria, North China, and Korea, upon which Japan formerly depended for much of its trade, are likely to come under indirect Soviet control. This situation might enable the USSR to tie Japan economically to the Soviet Far East, a development that would have obvious political implications.

Korea

In view of Korea's strategic value to the USSR, Moscow will be extremely reluctant to withdraw until satisfied that Korea will be united under a government with an attitude fundamentally friendly toward the Soviet Union. Hence, the USSR will continue to resist all efforts to unite Korea on any but a pro-Soviet basis and if necessary will not hesitate to recognize its North Korean puppet regime or to continue its occupation in some form or other in order to keep the northern zone within the Soviet sphere. The USSR may hope that in the event of American troop withdrawal from South Korea, the superior organization and military strength of the northern regime plus Communist domination of adjacent Manchuria and the proximity of the Soviet Union proper will eventually force South Korea, however reluctantly, into the Soviet orbit. For this reason, Moscow will continue to advocate an immediate withdrawal of all occupation forces.

China

Soviet policy in China is directed against the emergence of a strong, unified China—particularly if such a China were not Communist-dominated—and toward the establishment of Soviet hegemony in Manchuria and Sinkiang, and possibly Inner Mongolia and the extension of Soviet influence throughout China through the medium of the Chinese Communist Party. So long as the present civil war continues and the Chinese National Government has little prospect of victory, the USSR can afford to continue its policy of “non-intervention” in Chinese affairs. Should the present balance of forces in China swing in favor of the National Government, the USSR would probably attempt to furnish sufficient support to the Chinese Communists to redress that balance. Should the Chinese Communist forces assume a decisive ascendancy in the civil war and move through their own efforts toward the control of all China, the minimum general aims of the USSR vis-à-vis China would seem to be fulfilled in as much as the Chinese Communists would be expected to take no action or adopt no policy in the international field which would be contrary to Soviet interests. The USSR may be expected to continue its efforts towards encouragement of movements directed toward the separation from Chinese control of peripheral areas, such as Sinkiang and Inner Mongolia. Failure of the Chinese Communists to oppose or at least take a stand against such Soviet encroachments would be harmful to the Chinese Communist movement in China in view of the strength of the forces of nationalism in China and this circumstance might serve to slacken the pace of Soviet efforts to detach peripheral areas from a Communist-dominated China. Although the Soviet position in Manchuria is legally assured through the provisions of the Sino-Soviet Treaty of August 1945, which give to the USSR the use of Port Arthur as a naval base, special rights in Dairen and joint administration with China of the main trunk railway lines, ultimate Soviet objectives in Manchuria probably look toward the establishment of a Communist regime which will be, in fact, answerable to Moscow and not to a national government of China, even though it is Communist-dominated. However the Chinese Communists may regard the Soviet legal position in Manchuria, they may be expected to accept it and justify it by pointing to the Yalta Agreement and the Sino-Soviet Treaty, in neither of which they participated. Recent Soviet interest in mediation of the civil war in China probably arises from a belief that such mediation constitutes, under present conditions, the most effective means for advancing the cause of the Chinese Communist Party and at the same time embarrassing the United States. Probably the USSR and the CCP reason that, in view of the greatly weakened bargaining position of the present National Government, mediation

by the USSR would secure to the Chinese Communists a dominant position which could later be exploited by proven Communist methods to eliminate opposition. It is possible, however, that Soviet overtures with respect to mediation arise from a desire to preserve some kind of balance in China and thus prevent the emergence of a unified nation. In this the Soviets may be governed by a fear of increasing National Government strength resulting from the U.S. aid program or, conversely, by apprehension that the Chinese Communists might become sufficiently strong to emulate Tito in defying Moscow's authority.

Southeast Asia

Soviet policy in the various countries of Southeast Asia has but a single goal, to substitute the influence of the USSR for that of the western powers in such manner and degree as to ensure Soviet control being as surely installed and predominate as in the satellite countries behind the Iron Curtain. That policy is manifested in both covert and overt activity and its implementation is along definite lines: (1) weakening of the ties between areas which now are or recently were colonies and their metropolitan powers through the encouragement of nationalism and by capitalizing on the discontent caused by long periods of "colonial oppression," and (2) disrupting the economy of the areas still under colonial control by armed action or by labor disorders so that the metropolitan powers will be deprived of revenue and resources and the USSR will be able to fish profitably in the troubled waters of economic chaos.

In logical sequence the Soviet policy is formulated to encourage nationalist aspirations by overlooking no opportunity to denounce the western powers as exploiters of native peoples, to lessen the ability of the western powers to resist realization of those aspirations by making the cost in Southeast Asia and at home too great a price, and to seize control of the nationalist movements by organized militant methods which include eventual elimination of truly nationalist leaders. In all this, up to the final denouement, Moscow will move with circumspection in order to prevent any awakening of latent suspicions as to its motives.

Hitherto, implementation has been chiefly by indirection and Moscow appears to have relied almost exclusively upon Chinese Communist guidance of Southeast Asian Communist movements. In this Moscow was assisted by the fact that large Chinese communities exist in every country of Southeast Asia and that a substantial number of these Chinese are Communists and, more fortuitously for Moscow, in control of influential labor unions. The nationalist movement in Indochina is led by Communists who appear to be steadily consolidating their control due to the French failure to satisfy the basic demands

of the Vietnamese people. The military power of the elements resisting the French has steadily improved over the past three years. In Indonesia, a Communist offensive has recently been launched. Strengthened by amalgamation with other left-wing parties, the Communists under Muso (an Indonesian recently returned from Moscow) have seized control of the city of Madiun, in central Java, and declared the formation of a Soviet Government. Communist-inspired outbreaks have also taken place in Surakarta, also in central Java, and reportedly in some areas of Sumatra. The Republican Government has announced that it will take all steps to restore its authority.

But Moscow could not permit direction by indirection to continue indefinitely and the recently established Soviet Legation in Bangkok, with numerous Russian personnel, is undoubtedly taking an increasingly greater part of the direction of Soviet policy implementation into its own capable hands. Through direct contact Moscow probably hopes to bring about greater control of the Communist elements in the countries of Southeast Asia and to create new diplomatic and trade relations, all of which will provide channels of typical Communist infiltration.

811.20/10-3148

*The Secretary of Defense (Forrestal) to the Secretary of State*¹

TOP SECRET

WASHINGTON, October 31, 1948.

MY DEAR MR. SECRETARY: As you know, we have been engaged for a number of months in the preparation of a statement of forces on which to base a military budget for fiscal 1950.²

At the risk of over-simplification, I would say that we have two basic problems with respect to the size of the military establishment: One is the problem with which the Joint Chiefs of Staff have been dealing—namely, ascertaining the forces which we need in order to combat possible acts of aggression. Over and above this—and of greater importance in my opinion—is the problem with which you are concerned—namely, that we maintain sufficient strength to assist you in your difficult international negotiations, in order that peace may be maintained.

As you know, last spring the President set a limit of fifteen billion dollars as the tentative ceiling for the military budget for fiscal 1950.³

¹ On October 31, the text of this letter and its enclosure were transmitted by the Department of State through military channels to the Secretary of State at Paris, where he was attending the Third Session of the United Nations General Assembly.

² In regard to interdepartmental discussions in 1948 with respect to the military budget, see Millis, *The Forrestal Diaries*, pp. 412-450 *passim*, and 492-511 *passim*.

³ For an account of the White House meeting of May 13, 1948, at which the President announced the \$15 billion ceiling, see *ibid.*, pp. 435-438.

In point of fact, the ceiling is actually 14.4 billion because of the practice of charging funds for stockpiling against the military ceiling—and the stockpiling appropriation for the forthcoming fiscal year is on the order of six hundred million dollars.

You are, of course, familiar with the international background when this decision of last spring was reached. You will recall that you and I and the Secretary of the Treasury talked over the matter with the President, and at that time you made the statement that our plans should be predicated on the assumption that we were *not* preparing for a state of war.

I think it is important to note that the ceiling of 14.4 billion will not be adequate to maintain the level of forces which we are scheduled to attain at the end of the current fiscal year. I am attaching a memorandum which gives the strengths previously planned for the current year—and some examples of the strength reductions that will flow from a 14.4 budget.

What I should like to have from you is your judgment on the following matters:

(a) Has there been an improvement in the international picture which would warrant a substantial reduction in the military forces we had planned to have in being by the end of the current fiscal year?

(b) Has the situation worsened since last spring and should we, therefore, be considering an augmentation of the forces that we were planning at that time?

(c) Is the situation about the same—that is, neither better nor worse?

On 10 July 1948, I addressed a letter to the National Security Council asking for guidance which would be of assistance to me in the formulation of my own views on the budget strengths that should be maintained.⁴ Up to the present time the National Security Council has not been able to give me a reply. I fully realize, of course, that these are questions which involve many imponderables, and that a letter in precise language is not an easy one to draft. I do feel, however, that I must seek every avenue of judgment to supplement my own.

My reason for all of the foregoing can be summed up as follows:

In addition to submitting a budget within the President's tentative ceiling of 14.4 billion, I feel an obligation to inform him of the weakening of our strength which this budget entails, in the opinion of the Joint Chiefs of Staff—and I am also considering sending the President, as my own recommendation, a proposal that he lift the ceiling to approximately 17½ billion—which, in my opinion, while involving some risks, would provide us with forces capable of taking effective action in the event of trouble.

⁴ NSC 20, July 10, 1948, p. 589.

I am writing this letter to obtain from you as much guidance as possible in determining the degree of vigor with which I should support the recommendation which I propose to submit, as outlined above.

Sincerely yours,

JAMES FORRESTAL

[Enclosure]

Memorandum Enclosure for Letter to Secretary of State

[WASHINGTON,] 31 October 1948.

In view of the present world situation it was decided on 14 October that the final determination as to the forces that should be maintained during fiscal year 1950 would be made at the latest practicable date that would still permit development and inclusion of the necessary budget data in the budgetary program of the President for the coming year. There was made public as a result of the hearings before the committees of the Congress last spring on the subject of selective service and the supplemental appropriation request required to support the program for augmentation of the military forces, the fact that funds were being provided which would provide year end (30 June 1949) strengths of 790,000 for the Army, 474,000 for the Navy, 92,000 for the Marines, and 446,500 for the Air Force—organized into 66 Groups. If the program for fiscal year 1949 were fully implemented, the total military personnel at June 30, 1949, would total 1,803,500, and *in addition* 161,000 one-year trainees—or an overall total of 1,964,500.

The tentative fiscal limitation for the National Military Establishment, exclusive of such items as stockpiling of critical materials, is \$14.4 billion. Present estimates indicate that within this limitation an aggregate strength of about 1,625,000 *including* one-year trainees could be maintained during fiscal year 1950. For purposes of comparison the military personnel and support that could be allocated to the Air Force within the 14.4 budget would provide for about 51 Groups as compared with a present program calling for 66 Groups at the end of fiscal year 1949.

Our present estimates are that to construct forces with a capability of effective reaction immediately at the outset of a war would require military personnel for the three services approximating 1,975,000, *including* one-year trainees. Again for purposes of comparison the personnel and funds and support under these estimates would provide for a 70 Group Air Force with comparable relative readiness on the part of the other forces. Cost of this program for fiscal year 1950 would approximate \$21 billion. Specifically, these estimates are based upon a war plan which—in the event of hostilities—would contemplate

securing of the Mediterranean line of communications and the use by us, in conjunction with our allies, of the Cairo-Suez area.

At present we are attempting to develop and evaluate a strategic concept which could be implemented with forces between the lesser strengths and the greater strengths indicated above. The tentative fiscal limitation we are using as a target for this intermediate force comes to approximately \$17.5 billion. The aggregate forces under this intermediate target approximate the year and strengths previously planned for the current fiscal year.

811.20/11-48

Memorandum by the Acting Secretary of State to the Secretary of State in Paris

TOP SECRET EYES ONLY

[WASHINGTON,] November 1, 1948.

On Sunday, 31 October, Forrestal called me for the purpose of discussing his budget problem.¹ He said that he and the military leaders had consulted General Marshall regarding the tentative top limit put on the military budget for the fiscal year 1950 since he felt that the 15 billion dollar figure (he referred to it as 14.4 billions actually, available) would be too small to permit the development of defensive forces agreed on last spring. He was aiming to have those ready by July 1, 1949.

Without going too much into the detail, Forrestal said that one of the complications in arriving at a decision was the degree of importance attached to an adequate military establishment in connection with our present foreign policy and the negotiations now taking place.

I told him that that was obviously a very difficult question and that it was not my understanding that the State Department should be put in a position of expressing judgment on the size of the defense forces which this country needed for its national security. I referred to this topic, which I had discussed at lunch with him on 26 October, and he agreed that his questions to you should not be so much on the size of the budget or the amount of military strength needed, but rather should be requests for an opinion as to whether or not the international situation was static or deteriorating as compared with the conclusions reached last spring.

He said he was writing a letter to you enclosing a memorandum and raising several questions along the line mentioned just above and that the most important one related to whether or not matters had gotten sufficiently better internationally to permit a reduction in the mili-

¹ For Forrestal's account of the discussion, see Millis, *The Forrestal Diaries*, p. 511.

tary forces previously planned as being ready by the middle of next year.²

He said he had to start talks with the Budget on November 8 and that he realized the time was very short to get an indication of your views. In these circumstances he asked if I would make a guess as to the answer to the principal question. I told him that my opinion would be of little value but that, if he wanted a personal estimate pending receipt of word from you, I would guess that the situation was not changed much since the spring and certainly I could see no substantial improvement in the world situation, particularly in the light of the Stalin speech³ and the growing complications in the Middle East.

I also suggested that one of the elements he would probably wish to take into account was the inevitable requirement for some method of providing assistance to the Brussels signatories in connection with any regional association or otherwise.

Forrestal said that, in order to carry out the targets agreed to earlier this year, he thought the military establishment budgets would have to be increased. Last Tuesday he mentioned a figure of something under 18 billions as a middle figure between the requests from the military establishment and the budgeted ceiling of 15 billions.

The conversation ended in a discussion of the possibility of the urgent need for economies in the overhead costs of the military services and in the avoidance of unnecessary duplication.

L[OVETT]

² The letter and memorandum are printed *supra*.

³ Reference is presumably to the interview published by *Pravda* on October 28 in which Stalin was highly critical of Western policy with respect to Berlin; for documentation on United States policy regarding the Berlin crisis, see vol. II, pp. 867 ff.

711.5/11-248

The Acting Secretary of State to the Secretary of State in Paris

TOP SECRET EYES ONLY

WASHINGTON, November 2, 1948.

DEAR GENERAL MARSHALL: I attach to this letter two documents, the first, marked (A), being a memorandum of conversation with Secretary Forrestal,¹ and the second, marked (B), being a letter from Forrestal to you received yesterday.² The memorandum I wrote you was based on two conversations I had with Forrestal at his request and which were apparently in the nature of a prologue to his letter mentioned above.

Because of the nature of Forrestal's letter, I discussed the matter

¹ *Supra*.

² *Ante*, p. 644.

with Kennan and we decided that it might be of some use to you in preparing your reply if we passed on a composite of our recollections of the genesis of this matter with a few comments which might have a bearing on our exodus.

Forrestal states that when you and he and Secretary Snyder³ talked over the matter covered by his letter with the President,⁴ you stated that "our plans should be predicated on the assumption that we were *not* preparing for a state of war". This, it seems to us, must be a considerable over-simplification of what you actually said. Kennan's group prepared on June 23 a paper designed to clarify the relation of U.S. defense preparations to the political situation which lay before us.⁵ The conclusion of that paper was that

"... a U.S. defense policy based on the maintenance of a permanent state of adequate military preparation meets better the requirements of the situation, insofar as these arise out of Soviet policies and attitudes, than a defense effort pointed toward a given estimated peak of war danger."

I have a faint recollection that in one of these conversations the question came up as to whether the maximum military strength should be aimed at the year '51, '52, '53, etc. These dates apparently had some relation to the guesses being made as to the earliest time at which the Soviets might reasonably be expected to have an effective atomic bomb.

It has occurred to Kennan and myself that possibly it was the thought expressed in the above quotation, against the background of an attempt to select a particular year for ultimate defense readiness, that you were expressing and which Forrestal has quoted so summarily. If our guess is right this might be brought out in the reply.

The specific questions (*a*, *b*, and *c*) which Forrestal asks of you seem to reflect two assumptions which we think may be open to question. The first of these is that there is such a thing as an objective world situation, independent of our own policies, to which our defense preparations are only a reaction.

The second is that the Secretary of State has the special and exclusive facilities for analyzing this world situation and the sole responsibility for describing and interpreting it as a basis for our defense policy.

The first of these assumptions appears to be wrong because the question as to whether or not we will need to use our armed forces, in an international sense, at any given time lies to a large extent with our-

³ John W. Snyder, Secretary of the Treasury.

⁴ For an account of the White House meeting of May 7, 1948, attended by Marshall, Forrestal, Snyder, and others, see Millis, *The Forrestal Diaries*, pp. 431-432.

⁵ The document under reference is printed as NSC 20/2, August 25. 615.

selves. If, therefore, Forrestal wants to know whether the world situation is developing in a way which means that there is an increasing likelihood of war, the answer would seem to be that that depends in considerable part on the decision of the President, acting on the advice of the National Security Council, of which Mr. Forrestal is a member.

To the extent that events outside of our control or influence do alter the international background against which our defense policies must be formed, we do not think that the military establishment is entitled to place, by implication, the entire onus of analyzing and interpreting this situation on the Secretary of State. The intelligence which the Secretary of State has at his disposal concerning world events is substantially the same as that which is available to the President and to the other members of the National Security Council, and his voice is only one of those whose advice the President would wish to hear in making the decisions which involve an estimate of future developments affecting national security.

We have attempted to frame answers to Forrestal's specific questions in the light of the background given above. For what little they may be worth, I set them out below:

Q. (a) Has there been an improvement in the international picture which would warrant a substantial reduction in the military forces we had planned to have in being by the end of the current fiscal year?

A. Obviously there has been no such improvement in the international picture.

Q. (b) Has the situation worsened since last spring and should we, therefore, be considering an augmentation of the forces that we were planning at that time?

A. There is no sign that the basic Soviet policies have undergone any change since last spring. However, we must recognize that the Berlin conflict has produced a worsening of the situation, since it has placed us in an awkward position from which we may not be able to extricate ourselves except by a strong show, or use, of armed strength. This increased danger relates, of course, to our immediate needs for the coming winter and spring. Needs for fiscal 1950 cannot now be accurately estimated. They will depend to an important extent on what happens between now and next July. In these circumstances, we should prepare for the least favorable of possible developments. This would certainly call for no planned diminution of the strength we are now aiming at for the end of this year, and probably for an actual increase.

Q. (c) Is the situation about the same—that is, neither better nor worse?

A. See answer to (b) above.

I hope our thinking is not too far off the beam and that these hasty comments may be of some use in saving your already over-crowded time.

With best regards always, I am

Very sincerely yours,

ROBERT A. LOVETT

S11.20200(D)/11-348

*The Acting Secretary of State to Certain Diplomatic and Consular
Offices*¹

SECRET

WASHINGTON, November 3, 1948.

The Acting Secretary of State refers to the information and educational exchange programs and in particular to the Department's instruction of July 20, 1948² concerning United States information policy with regard to anti-American propaganda.

Attention is directed to paragraph 6 of enclosure one of the reference instruction wherein it is stated that, within the framework established by the full text of both enclosures, one of the objectives of the information policy with regard to anti-American propaganda is: "To gain acceptance, among the people of third countries, of the truth about the policies and actions of the USSR and its satellites with a view to strengthening opposition to the USSR and to Communist organizations." Attention is also directed to paragraphs 6 and 9 of enclosure two of the reference instruction wherein it is stated that in the information program: "We should expose Soviet policies and actions that directly or indirectly jeopardize the interests of third countries, their independence or the aspirations of free men in those countries . . ." and "We should expose the discrepancy between professed Soviet and Communist aims and actual Soviet and Communist practices on all major issues which illustrate the distinction between democratic and totalitarian government . . ."

In order to assist officers in the field responsible for the information and educational program to implement the above objectives, the Department is prepared to provide such officers, on a continuing basis, with factual studies specifically aimed at exposing discrepancies between professed Soviet aims and actual Soviet practices.

These studies are prepared by a special section of the Office of Intelligence Research of the Department, in consultation with other appropriate offices of the Department and in accordance with suggestions of the Embassy in Moscow. These studies are based on concrete and documented sources, liberally using quotations from Soviet sources. They avoid a polemical tone, and hold editorializing to a minimum, on the assumption that the evidence alone is more effective than argumentation. Subject matter of the studies is selected primarily in accordance with current developments in Soviet policies and activities. Each study is complete in itself, though most are related to a few important central themes. Besides their primary purpose in implementing the information program, it is hoped that they will be helpful to the members

¹ Sent to 85 United States Embassies, Legations, Consulates, and Political Advisers.

² *Ante*, p. 593.

of the mission for their own information and to enable them more effectively to present an informal point of view in their local contacts.

Copies of the first several numbers in the series of studies are enclosed both for immediate use, if appropriate, and to serve as examples of the scope and nature of the entire project. Others will be forwarded as prepared.

The studies may be used by Information Officers and other members of the Mission at their own discretion for best effect. In order to avoid defeating our purposes, however, officers are urged to use reserve and discrimination, it being particularly desirable to avoid any widespread knowledge that US agencies are engaging in this activity.

The Department will appreciate suggestions and comments, to be submitted by cable at the earliest possible date, regarding the entire project, the materials enclosed, and subjects for future studies peculiarly appropriate for dissemination in particular areas. General and specific reports concerning the use made of the studies should be included in the regular monthly reports of USIS offices.

Enclosures: Soviet Affairs Notes ³—

1. The "New" Soviet Housing Law.
2. Legal Penalties for Refusal of Soviet Officials to Return from Abroad.
3. The Soviet World Outlook; a Handbook of Quotations from Soviet Sources.
4. Enter Communists—Exit Boy Scouts.
5. Soviet Troops Make Ready to Withdraw from Korea.
6. Vyshinsky's Disarmament Proposal.
7. The Soviet Standard of Living.
8. How Well Off is the Soviet Worker.
 - (1) Work Time Required in the USSR and Great Britain for the Purchase of Certain Consumers' Goods;
 - (2) Work Time Required in the USSR and Sweden for the Purchase of Certain Consumers' Goods;
 - (3) Work Time Required in the USSR and Belgium for the Purchase of Certain Consumers' Goods.
9. Soviet Claims for Priority in Scientific Discoveries.

³ Enclosures not reproduced.

811.20/11-748

*Memorandum by the Counselor (Bohlen) to Marshall S. Carter,
Special Assistant to the Secretary of State*

TOP SECRET

[PARIS,] November 7, 1948.

Since this is peculiarly a subject on which the Secretary would have his own personal views I do not believe that there is much that I can

add to the general views worked out in Washington by Lovett and Kennan¹ with which I am in entire agreement.

I give below, however, a tentative draft reply to Forrestal's question.

DRAFT REPLY

There has been no improvement in the international situation which would warrant any reduction in the military forces planned for the end of the current fiscal year. There has as yet been no indication of any basic change in the policy of hostility towards the non-Soviet world, and in particular the United States, pursued by the Soviet Union.

The responsibility which this country bears in the world today cannot be expected to diminish until there has been a substantial return of strength and stability to the free nations of Europe. There are no grounds for expecting any decisive accretion of strength to the natural Allies of the United States by the end of the current fiscal year.

The responsibilities of the United States as a factor restraining aggressive action on the part of the Soviet Union will remain unchanged insofar as any present estimates are concerned.

The only new element in the European situation since last spring is the situation in Berlin and the continuance of the Soviet blockade. As long as the Berlin situation continues in its present form—and there are no adequate grounds as yet for believing that a settlement is in sight—while not in itself an inevitable cause of armed conflict, given certain developments such as a possible failure of the airlift during the winter months it can result in a condition in which the United States might be compelled to employ armed force in order to maintain its position in Berlin.

In short, I would say that while there are certain optimistic portents for the long-range future, we must expect for the current fiscal year a situation which is neither better nor worse than that which we have faced in 1948 in so far as it affects the ceiling of our military establishment.

The larger question of the relationship of our military establishment to our responsibilities in the foreign field is, as you say, not a question susceptible of an easy answer. A variety of factors must be brought into relationship with the ultimate decision.

In my opinion there are two factors, however, which bear directly on the question which you put to me.

I regard it as essential, in order that we may continue to exercise the restraint upon possible Soviet aggressive action, that we should be in such a state of continuous readiness as to cause the Soviet Union to fear immediate retaliation on our part. This would involve the mainte-

¹ See Lovett's letter to Marshall, November 2, p. 648.

nance of a striking force, particularly in the field of air power with the necessary concomitants throughout the national defense establishment, which would permit us the possibility of swift and effective retaliation.

The second factor which must be considered is that in the last analysis it is the productive potential of the United States which constitutes the general restraining factor in the world today. It would be, in my opinion, unwise for the United States to devote such a proportion of our national production to the maintenance of an existing military establishment so as to impair the potential productivity of our national economy.

It is impossible for me from here to enter into any discussion as to the ceiling figure which would accomplish the first objective without impairing the second. I can only repeat that there is nothing in the world situation which, in my opinion, would justify the United States in reducing below the planned level the size of its military establishment. The psychological effect abroad of a reduction at this time would, I am confident, bring dismay to our friends and supporters in Europe who are looking to us to hold the line during the period in which their defense capabilities are brought up to the level which would permit a restoration of a natural balance of forces on the continent of Europe.²

C[HARLES] E. B[OHLEN]

² The following handwritten postscript appears on the source text:

"There is a further consideration which relates to the two factors just mentioned. Our policy should be to build up Western Europe ground forces which means the provision of munitions. We should not at this stage, proceed to build up U.S. ground forces for the express purpose of employing them in Western Europe."

711.00/11-848 : Telegram

The Secretary of State in Paris to the Acting Secretary of State

TOP SECRET URGENT

PARIS, November 8, 1948—11 p. m.

Martel 116. Personal and eyes only for Lovett from Marshall. My immediately following message¹ contains proposed reply to Forrestal's budget letter.² If it meets with your approval, please see that he gets it. I agree with the views expressed in your memorandum to me,³ but am not disposed to make a particular point with Forrestal as to existence of an objective world situation independent of our own policies, or as to my responsibilities for analyzing the world situation for military budget purposes.

¹ *Infra.*

² October 31, p. 644.

³ November 2, p. 648.

Last spring when Forrestal, Snyder, and I talked to the President, the discussion was designed to give some semblance of order (some attempt to recoup our lost military stature), to the dilemma we found ourselves in without even a token military establishment in being. You will recall that UMT was the keystone of this effort. I told Forrestal then that he should plan on building his forces within a balanced national economy, and that the country could not, and would not, support a budget based on preparation for war. This view still holds. It has nothing to do with the international situation as such—it is designed to get the most security without putting the nation on a war-time footing.

MARSHALL

711.00/11-848: Telegram

The Secretary of State in Paris to the Acting Secretary of State

TOP SECRET URGENT

PARIS, November 8, 1948—11 p. m.

Martel 117. Personal and eyes only for Lovett from Marshall. Please pass following message to Forrestal:

"Dear Forrestal: Reference your letter of 31 October,¹ repeated to me in radio message WAR-91804, my views follow:

The responsibility which this country bears in the world today cannot be expected to diminish until there has been a substantial return of strength and stability to the free nations of Europe. There are no grounds for expecting any decisive accretion of strength to the natural allies of the United States by the end of the current fiscal year.

The responsibilities of the United States as a factor restraining aggressive action on the part of the Soviet Union will remain unchanged insofar as any present estimates are concerned. The only new element in the European situation since last spring is the situation in Berlin and the continuance of the Soviet blockade.

In short, I would say that while there are certain optimistic portents for the long-range future, we must expect for the current fiscal year a situation which is neither better nor worse than that which we have faced in 1948 insofar as it affects the ceiling of our military establishment.

There is a further consideration which relates to the two factors just mentioned. Our policy should be to build up Western Europe ground forces which means the provision of munitions. We should not, at this stage, proceed to build up US ground forces for the express purpose of employing them in Western Europe."

MARSHALL

¹ *Ante*, p. 644.

S/S-NSC Files : Lot 63D351 : NSC 35 Series

*Report to the National Security Council by the Secretary of Defense
(Forrestal)*

TOP SECRET
NSC 35

WASHINGTON, November 17, 1948.

NOTE BY THE EXECUTIVE SECRETARY TO THE NATIONAL SECURITY COUNCIL ON EXISTING INTERNATIONAL COMMITMENTS INVOLVING THE POSSIBLE USE OF ARMED FORCES

- References: A. Memo for the NSC from the Exec. Sec., subject, "U.S. Objectives With Respect to the USSR To Counter Soviet Threats to U.S. Security", dated November 16, 1948.¹
B. NSC 20 Series.²
C. NSC Action No. 88b.³

The enclosed memorandum on the subject to the Secretary of Defense from the Joint Chiefs of Staff, referred to in reference A, is circulated herewith for the information of the National Security Council and referred to the NSC Staff for use in the preparation of a report, pursuant to reference C, on a program of specific measures, in the light of our existing commitments and capabilities, to achieve the current U.S. objectives with respect to the USSR, as adopted by the Council and approved by the President in the NSC 20 Series.

SIDNEY W. SOUERS

[Annex]

*Memorandum by the Joint Chiefs of Staff to the Secretary of Defense
(Forrestal)*

WASHINGTON, November 2, 1948.

Subject: Existing International Commitments Involving the Possible Use of Armed Forces.

There is enclosed herewith a catalog of commitments* involving the use or possible use of armed forces which has been prepared in response to your request dated 25 May 1948.⁴

¹ See NSC 20/4, same title, dated November 23, *infra*.

² See footnote 1, 662.

³ See footnote 2, p. 616.

*The "Catalog of Commitments" is being circulated by separate memorandum to Council members and Staff outside of the National Military Establishment. [Footnote in the source text. The Catalog of Commitments (as of 1 September 1948) summarized in the present memorandum, 42 pages, is not printed.]

⁴ Forrestal's request to the Joint Chiefs of Staff, May 25, has not been found in the files of the Department of State.

In order to make the catalog comprehensive and fully responsive to your request, the Joint Chiefs of Staff have considered the term "commitment" in its broadest sense. Thus, there have been included not only actual assignments of forces, such as military occupation commitments, but also commitments of a less tangible nature, such as those implicit in pledges, pacts, contingent military action and our foreign policies.

Since the less tangible commitments, although in many cases potentially enormous, are not susceptible of measurement in other than general terms, no effort has been made to tabulate all of the armed forces involved. For information and ready reference, the current troop bases† for major actual (occupational) commitments are listed, but other commitments are not expressed in figures. Other commitments are either potential (not measurable, but varying in importance from small to vast) or minor actual (measurable, but not of great relative importance). Therefore, the sum of all measurable commitments would be misleading. The current deployment of all of our armed forces can be set forth if and when required, however, as a separate matter.

For convenient reference the catalog has been tabulated under the following headings:

- a. Military requirements essential for the support of United States policies.
- b. Predetermined United States military actions to be undertaken if certain events should transpire, and
- c. United States pledges of military aid and assistance.

Since it has not been practicable to make all of the listings of the catalog mutually exclusive, there is some overlapping, particularly with regard to the matter of implications. For the purposes of this paper, however, the implications involved in each requirement, predetermined action or pledge have been considered in connection with the military responsibilities on which they are based.

Some of the very large number of international arrangements which involve possible security commitments and some of the numerous military requirements for the support of United States foreign policy may have been omitted from the catalog. Any such omission, however, is of a minor nature and involves military interest only as a remote possibility.

While the catalog is necessarily voluminous, its major commitment implications, a number of which are currently very great, can be readily summarized and this has been done hereunder. This summary

†The term "troop basis" as used in this memorandum is defined as an approved list of the number of military personnel required for the performance of a particular mission. [Footnote in the source text.]

forms a basis for conclusions (following the summary) which the Joint Chiefs of Staff consider to have bearing of the highest importance on the position of the National Military Establishment with respect to the threatening world situation and to the trends of our international policies.

The summary of major commitment implications follows:

a. Military Requirements Essential for the Support of United States Policies.

(1) Military support is required for our major United States policies, which include maintenance of the security, not only of the United States, its territories, possessions, leased areas and trust territories, but also of the other American states. These policies further include assistance to other free nations, the security of which is of critical importance to the United States, if they are to present effective resistance to Communist aggression. The implications of this latter commitment, in view of the current attitude and capabilities of the USSR, can easily and rapidly extend to global warfare.

b. Predetermined United States Military Actions to be Undertaken if Certain Events Should Transpire.

(1) There has been approved a policy of supporting the security of the Eastern Mediterranean and the Middle East, assisting in maintaining the territorial integrity and political independence of Italy, Greece, Turkey, and Iran and being prepared in connection therewith to make full use of United States political, economic, and, if necessary, military power in such manner as may be most effective. . . .

c. United States Pledges of Military Aid and Assistance.

(1) Military Occupation Commitments.

(a) The United States has military occupation commitments in Germany, Austria, Trieste, Japan, and Korea totaling approximately 255,000 men. Except in Korea, there is no early prospect of any reduction in these requirements. The implications of our European occupation commitments are very great in that the current cold warfare with the USSR can extend at any time to global warfare.

(b) There are numerous commitments with respect to our use of bases in connection with maintenance of lines of communication to Europe and Asiatic military occupation areas. The implications of these commitments, though potentially great, appear at present to be minor.

(2) United Nations Commitments.

(a) The United States is committed to full support of the United Nations Charter, including the provision of its quota of United Nations armed forces at such time as these forces are established. The implications of this commitment can be very extensive, since any nation providing a quota must be prepared to

employ its full military strength if necessary to carry out such enforcement action as may be undertaken by the United Nations. Lack of progress to date in negotiations regarding United Nations armed forces indicates, however, that this commitment is not a matter of immediate concern with respect to provision of a United States quota.

(b) The United States is committed by the United Nations Security Council Resolution of 15 July 1948⁵ to consider the employment of armed forces in Palestine to restore peace and security. The implications of this commitment are very great, since peace enforcement in Palestine, once undertaken, can lead to general war involvement extending throughout the Middle East and eventually to global warfare.

(3) Aid and Assistance Pacts.

(a) In addition to international aid and assistance agreements by the United States to assist any American nation in meeting armed aggression or attack from either without or within the Western Hemisphere, the United States is specifically committed to the defense of Brazil and Greenland and is committed, by treaty or agreement implications, to the defense of Canada, Iceland, Newfoundland (including Labrador), Mexico, Cuba, Panama, the British West Indies, and British Guiana. The implications of these commitments are potentially but not at present great.

(b) The United States Senate in the "Vandenberg Resolution" (Senate Resolution 239, 80th Congress) states in part that this country should pursue as objectives: "Association of the United States, by Constitutional process, with such regional and other collective arrangements as are based on continuous and effective self-help and mutual aid, and as affect its national security" and "Contributing to the maintenance of peace by making clear its determination to exercise the right of individual or collective self-defense under Article 51 should any armed attack occur affecting its national security." Although the Vandenberg Resolution has not yet become literally a commitment, its implications are, nevertheless, very great and can extend to United States involvement in global warfare.

(c) Military assistance is being provided to China. The implications of our China policy are not now great, but can become of great importance.

(d) There are no specific United States pledges for military aid in Africa but military assistance there can become essential.

(e) United States protection is pledged to the Philippines. This is not an unduly heavy commitment at present. Its implications can become important in the event of global warfare.

The foregoing summary leads to the following conclusions, which are intended to set forth the relationship, from the military viewpoint, between our state of readiness and our international commitments,

⁵ For text, see vol. v, Part 2, p. 1224.

together with the action in connection therewith which will best safeguard our national security.

a. It is clear from the above summary of commitments and their implications and from the attitude and capabilities of the USSR, together with the determination of the United States to resist communist aggression, and over-all commitment which in itself is all-inclusive and with which the Joint Chiefs of Staff are firmly in agreement, that it is essential to our national security to bring our military strength to a level commensurate with the distinct possibility of global warfare.

b. As to this possibility, the Joint Chiefs of Staff, while recognizing the probability that the USSR does not intend at present to resort to war as a means of aggression, must recognize also the likelihood that the USSR will resort to war when, in terms of their comparative readiness and their need to exert overt force, it best serves their purpose. The Joint Chiefs of Staff recognize further that unforeseen developments, internal conditions in the USSR, miscalculation by the Soviets as to the degree of our determination to resist further encroachment by them, or miscalculation by ourselves as to the degree of opposition the Soviets will accept without concluding that initiation of war is mandatory, may singly or together result in early major hostilities.

c. In either case—the probability of war in a few years or the possibility of war soon—the Joint Chiefs of Staff are convinced that their previous views with respect to steps that should be taken for improving our military strength and state of readiness are sound and that developments since these views were first expressed make it more than ever essential to continue with their early implementation. For ready reference these views may be summarized as follows:

Measures that should now be taken should provide not only for increased military manpower (not limited to present peacetime strength) but also for increased appropriations necessary for strengthening our National Military Establishment. With respect to initiation of civilian and industrial mobilization, because of the inherent and quite possibly critical length of time required for legislative action, the necessary statutory authorizations should be sought now for civilian and industrial readiness, such authorizations to correspond to those found essential during World War II and to be invoked as and to the extent required.

If political considerations should result in determination that this step is not now practicable, every possible effort should be devoted now to advance planning directed toward reduction to a minimum of the time lag between decision and action when legislative steps of this nature do become politically possible.

In essence, the basic objectives should be that measures taken now for strengthening promptly the National Military Establishment should meet at least the requirements for effective emergency action, and that, to every practicable extent, provision should be made for extending the scope of such measures to all-out war effort without avoidable delay.

d. Our military strength and state of readiness are being improved. Not all necessary steps have been taken, however, and it is not to be expected that anything can eliminate the inherent and dangerous time interval, even should there be inauguration of full mobilization, before adequate preparedness for major war effort can result.

e. Thus, it remains true, as stated previously by the Joint Chiefs of Staff, that, from the standpoint of national security, every effort should be made to avoid actual United States military commitment, in the sense of committing any of our armed forces to military action, unless and until *preceded* by adequate preparedness. This was further discussed in the enclosure to a memorandum to the Secretary of Defense dated 18 August 1948 † in which the Joint Chiefs of Staff pointed out that implementation of our potential commitment regarding peace enforcement in Palestine would, as in the case of implementation of many of the other commitments summarized above, result in non-availability of troops for emergency deployment to any other area, seriously delay the military strengthening now being undertaken, and jeopardize our national security because of our inability to meet, for some time to come, the further military demands that would inevitably develop from any initial, actual commitment of our armed forces to action.

f. The extreme inadvisability, as set forth above, of any actual commitment to action of our armed forces at this time is accentuated by the fact that, as a corollary, no other such commitment elsewhere would then be practicable, whereas the scope of our obligations and the present state and trend of the world situation demand our readiness to back up these obligations in numerous areas. A pertinent case is the Berlin situation, which in itself demands not only every effort to expedite the strengthening of our military posture but also the husbanding of every military resource we now have.

g. As the Joint Chiefs of Staff have previously stated, the great importance to our national security of keeping our military capabilities abreast of our foreign commitments and their implications cannot be over-emphasized. This is to be construed not as non-concurrence with any phase of United States foreign or international policy but simply as recognition of the responsibility of the Joint Chiefs of Staff for national security, together with recognition of the fact that current United States commitments involving the use or distinctly possible use of armed forces are very greatly in excess of our present ability to fulfill them either promptly or effectively. The importance of this view is confirmed in the National Security Act of 1947, which states that it is the duty of the National Security Council "to assess and appraise the objectives, commitments, and risks of the United States in relation to our actual and potential military power in the interests of national security"

h. From the military viewpoint and as evidenced by the consistent trend of the Soviet attitude, our *potential* military power and our determination to resist further Soviet encroachment have not caused the Soviets to cease their aggressions. On the other hand, lack of readiness constitutes, apparently, actual encouragement to aggression while also jeopardizing our national security in the event of war.

†NSC 27. [Footnote in the source text. For text, see vol. v, Part 2, p. 1321.]

i. Therefore, as current ominous trends in international relations continue, our potential will become less and less important as a war deterrent and improvement of our state of readiness will become more and more important, not only as support for firm and effective foreign policy, but also as prudent insurance against disaster.

For the Joint Chiefs of Staff:

WILLIAM D. LEAHY

Fleet Admiral, U.S. Navy,

Chief of Staff to the

Commander in Chief of the Armed Forces

S/S-SNC Files : Lot 63D351: NSC 20 Series

Report to the President by the National Security Council

TOP SECRET
NSC 20/4

WASHINGTON, November 23, 1948.

NOTE BY THE EXECUTIVE SECRETARY ON U.S. OBJECTIVES WITH RESPECT
TO THE USSR TO COUNTER SOVIET THREATS TO U.S. SECURITY

References: A. NSC 20, 20/1, 20/2 and 20/3¹
B. CIA Report, ORE 60-48²

At its 27th Meeting,³ the National Security Council considered a draft report on the above subject (NSC 20/3) and adopted it, subject to amendment of paragraph 22-d, in the revised form enclosed herewith.

The National Security Council recommends that the President approve the Conclusions contained herein and direct that this report be disseminated to all appropriate officials of the U.S. Government for their information and guidance.⁴

SIDNEY W. SOUERS

¹ NSC 20 and NSC 20/2 are printed p. 589 and p. 615, respectively. For the summary of conclusions of NSC 20/1, see p. 609. NSC 20/3, November 2, an antecedent draft of the present paper, prepared by the NSC Staff on the basis of NSC 20/1, and NSC 20/2, is not printed.

² Not printed.

³ November 23.

⁴ President Truman approved the conclusions of NSC 20/4 on November 24 and directed that it be disseminated to all appropriate officials of the U.S. Government for their information and guidance. Members of the National Security Council received copies the same day. In a memorandum of December 3, the NSC was informed by its Executive Secretary that the report was being made available by the President to the following additional officials: the Secretaries of the Treasury, Interior, Agriculture, Commerce, and Labor; the Attorney General; the Postmaster General; the Economic Cooperation Administrator; the Director of the Bureau of the Budget; and the Chairman of the Council of Economic Advisers. President Truman circulated NSC 20/4 at the December 3 meeting of the Cabinet. (Policy Planning Staff Files)

[Enclosure]

REPORT BY THE NATIONAL SECURITY COUNCIL ON U.S. OBJECTIVES WITH
RESPECT TO THE USSR TO COUNTER SOVIET THREATS TO U.S. SECURITY

THE PROBLEM

1. To assess and appraise existing and foreseeable threats to our national security currently posed by the USSR; and to formulate our objectives and aims as a guide in determining measures required to counter such threats.

ANALYSIS OF THE NATURE OF THE THREATS

2. The will and ability of the leaders of the USSR to pursue policies which threaten the security of the United States constitute the greatest single danger to the U.S. within the foreseeable future.

3. Communist ideology and Soviet behavior clearly demonstrate that the ultimate objective of the leaders of the USSR is the domination of the world. Soviet leaders hold that the Soviet communist party is the militant vanguard of the world proletariat in its rise to political power, and that the USSR, base of the world communist movement, will not be safe until the non-communist nations have been so reduced in strength and numbers that communist influence is dominant throughout the world. The immediate goal of top priority since the recent war has been the political conquest of western Europe. The resistance of the United States is recognized by the USSR as a major obstacle to the attainment of these goals.

4. The Soviet leaders appear to be pursuing these aims by:

a. Endeavoring to insert Soviet-controlled groups into positions of power and influence everywhere, seizing every opportunity presented by weakness and instability in other states and exploiting to the utmost the techniques of infiltration and propaganda, as well as the coercive power of preponderant Soviet military strength.

b. Waging political, economic, and psychological warfare against all elements resistant to communist purposes, and in particular attempting to prevent or retard the recovery of and cooperation among western European countries.

c. Building up as rapidly as possible the war potential of the Soviet orbit in anticipation of war, which in communist thinking is inevitable.

Both the immediate purposes and the ultimate objective of the Soviet leaders are inimical to the security of the United States and will continue to be so indefinitely.

5. The present Soviet ability to threaten U.S. security by measures short of war rests on:

a. The complete and effective centralization of power throughout the USSR and the international communist movement.

b. The persuasive appeal of a pseudo-scientific ideology promising panaceas and brought to other peoples by the intensive efforts of a modern totalitarian propaganda machine.

c. The highly effective techniques of subversion, infiltration and capture of political power, worked out through a half a century of study and experiment.

d. The power to use the military might of Russia, and of other countries already captured, for purposes of intimidation or, where necessary, military action.

e. The relatively high degree of political and social instability prevailing at this time in other countries, particularly in the European countries affected by the recent war and in the colonial or backward areas on which these European areas are dependent for markets and raw materials.

f. The ability to exploit the margin of tolerance accorded the communists and their dupes in democratic countries by virtue of the reluctance of such countries to restrict democratic freedoms merely in order to inhibit the activities of a single faction and by the failure of those countries to expose the fallacies and evils of communism.

6. It is impossible to calculate with any degree of precision the dimensions of the threat to U.S. security presented by these Soviet measures short of war. The success of these measures depends on a wide variety of currently unpredictable factors, including the degree of resistance encountered elsewhere, the effectiveness of U.S. policy, the development of relationships within the Soviet structure of power, etc. Had the United States not taken vigorous measures during the past two years to stiffen the resistance of western European and Mediterranean countries to communist pressures, most of western Europe would today have been politically captured by the communist movement. Today, barring some radical alteration of the underlying situation which would give new possibilities to the communists, the communists appear to have little chance of effecting at this juncture the political conquest of any countries west of the Luebeck-Trieste line. The unsuccessful outcome of this political offensive has in turn created serious problems for them behind the iron curtain, and their policies are today probably motivated in large measure by defensive considerations. However, it cannot be assumed that Soviet capabilities for subversion and political aggression will decrease in the next decade, and they may become even more dangerous than at present.

7. In present circumstances the capabilities of the USSR to threaten U.S. security by the use of armed forces* are dangerous and immediate:

*Soviet military capabilities as set forth in this paper, while constituting potential threats to U.S. security which must be recognized, do not represent an evaluated estimate of Soviet intentions to utilize these capabilities, do not take into account the effect of counter action, and are based upon the assumption of no important change in the territory under Soviet control or in the type of that control. [Footnote in the source text.]

a. The USSR, while not capable of sustained and decisive direct military attack against U.S. territory or the Western Hemisphere, is capable of serious submarine warfare and of a limited number of one-way bomber sorties.

b. Present intelligence estimates attribute to Soviet armed forces the capability of over-running in about six months all of Continental Europe and the Near East as far as Cairo, while simultaneously occupying important continental points in the Far East. Meanwhile, Great Britain could be subjected to severe air and missile bombardment.

c. Russian seizure of these areas would ultimately enhance the Soviet war potential, if sufficient time were allowed and Soviet leaders were able to consolidate Russian control and to integrate Europe into the Soviet system. This would permit an eventual concentration of hostile power which would pose an unacceptable threat to the security of the United States.

8. However, rapid military expansion over Eurasia would tax Soviet logistic facilities and impose a serious strain on Russian economy. If at the same time the USSR were engaged in war with the United States, Soviet capabilities might well, in face of the strategic offensives of the United States, prove unequal to the task of holding the territories seized by the Soviet forces. If the United States were to exploit the potentialities of psychological warfare and subversive activity within the Soviet orbit, the USSR would be faced with increased disaffection, discontent, and underground opposition within the area under Soviet control.

9. Present estimates indicate that the current Soviet capabilities mentioned in 7-a above will progressively increase and that by no later than 1955 the USSR will probably be capable of serious air attacks against the United States with atomic, biological and chemical weapons, of more extensive submarine operations (including the launching of short-range guided missiles), and of airborne operations to seize advance bases. However, the USSR could not, even then, successfully undertake an invasion of the United States as long as effective U.S. military forces remained in being. Soviet capabilities for overrunning western Europe and the Near East and for occupying parts of the Far East will probably still exist by 1958.

10. The Soviet capabilities and the increases thereto set forth in this paper would result in a relative increase in Soviet capabilities vis-à-vis the United States and the Western democracies unless offset by factors such as the following:

a. The success of ERP.

b. The development of Western Union and its support by the United States.

c. The increased effectiveness of the military establishments of the United States, Great Britain, and other friendly nations.

d. The development of internal dissension within the USSR and disagreements among the USSR and orbit nations.

11. The USSR has already engaged the United States in a struggle for power. While it cannot be predicted with certainty whether, or when, the present political warfare will involve armed conflict, nevertheless there exists a continuing danger of war at any time.

a. While the possibility of planned Soviet armed actions which would involve this country cannot be ruled out, a careful weighing of the various factors points to the probability that the Soviet Government is not now planning any deliberate armed action calculated to involve the United States and is still seeking to achieve its aims primarily by political means, accompanied by military intimidation.

b. War might grow out of incidents between forces in direct contact.

c. War might arise through miscalculation, through failure of either side to estimate accurately how far the other can be pushed. There is the possibility that the USSR will be tempted to take armed action under a miscalculation of the determination and willingness of the United States to resort to force in order to prevent the development of a threat intolerable to U.S. security.

12. In addition to the risk of war, a danger equally to be guarded against is the possibility that Soviet political warfare might seriously weaken the relative position of the United States, enhance Soviet strength and either lead to our ultimate defeat short of war, or force us into war under dangerously unfavorable conditions. Such a result would be facilitated by vacillation, appeasement or isolationist concepts in our foreign policy, leading to loss of our allies and influence; by internal disunity or subversion; by economic instability in the form of depression or inflation; or by either excessive or inadequate armament and foreign aid expenditures.

13. To counter threats to our national security and to create conditions conducive to a positive and in the long term mutually beneficial relationship between the Russian people and our own, it is essential that this government formulate general objectives which are capable of sustained pursuit both in time of peace and in the event of war. From the general objectives flow certain specific aims which we seek to accomplish by methods short of war, as well as certain other aims which we seek to accomplish in the event of war.

CONCLUSIONS

Threats to the Security of the United States

14. The gravest threat to the security of the United States within the foreseeable future stems from the hostile designs and formidable power of the USSR, and from the nature of the Soviet system.

15. The political, economic, and psychological warfare which the USSR is now waging has dangerous potentialities for weakening the

relative world position of the United States and disrupting its traditional institutions by means short of war, unless sufficient resistance is encountered in the policies of this and other non-communist countries.

16. The risk of war with the USSR is sufficient to warrant, in common prudence, timely and adequate preparation by the United States.

a. Even though present estimates indicate that the Soviet leaders probably do not intend deliberate armed action involving the United States at this time, the possibility of such deliberate resort to war cannot be ruled out.

b. Now and for the foreseeable future there is a continuing danger that war will arise either through Soviet miscalculation of the determination of the United States to use all the means at its command to safeguard its security, through Soviet misinterpretation of our intentions, or through U.S. miscalculation of Soviet reactions to measures which we might take.

17. Soviet domination of the potential power of Eurasia, whether achieved by armed aggression or by political and subversive means, would be strategically and politically unacceptable to the United States.

18. The capability of the United States either in peace or in the event of war to cope with threats to its security or to gain its objectives would be severely weakened by internal developments, important among which are:

a. Serious espionage, subversion and sabotage, particularly by concerted and well directed communist activity.

b. Prolonged or exaggerated economic instability.

c. Internal political and social disunity.

d. Inadequate or excessive armament or foreign aid expenditures.

e. An excessive or wasteful usage of our resources in time of peace.

f. Lessening of U.S. prestige and influence through vacillation or appeasement or lack of skill and imagination in the conduct of its foreign policy or by shirking world responsibilities.

g. Development of a false sense of security through a deceptive change in Soviet tactics.

U.S. Objectives and Aims vis-à-vis the USSR

19. To counter the threats to our national security and well-being posed by the USSR, our general objectives with respect to Russia, in time of peace as well as in time of war, should be:

a. To reduce the power and influence of the USSR to limits which no longer constitute a threat to the peace, national independence and stability of the world family of nations.

b. To bring about a basic change in the conduct of international relations by the government in power in Russia, to conform with the purposes and principles set forth in the UN charter.

In pursuing these objectives due care must be taken to avoid permanently impairing our economy and the fundamental values and institutions inherent in our way of life.

20. We should endeavor to achieve our general objectives by methods short of war through the pursuit of the following aims:

a. To encourage and promote the gradual retraction of undue Russian power and influence from the present perimeter areas around traditional Russian boundaries and the emergence of the satellite countries as entities independent of the USSR.

b. To encourage the development among the Russian peoples of attitudes which may help to modify current Soviet behavior and permit a revival of the national life of groups evidencing the ability and determination to achieve and maintain national independence.

c. To eradicate the myth by which people remote from Soviet military influence are held in a position of subservience to Moscow and to cause the world at large to see and understand the true nature of the USSR and the Soviet-directed world communist party, and to adopt a logical and realistic attitude toward them.

d. To create situations which will compel the Soviet Government to recognize the practical undesirability of acting on the basis of its present concepts and the necessity of behaving in accordance with precepts of international conduct, as set forth in the purposes and principles of the UN charter.

21. Attainment of these aims requires that the United States:

a. Develop a level of military readiness which can be maintained as long as necessary as a deterrent to Soviet aggression, as indispensable support to our political attitude toward the USSR, as a source of encouragement to nations resisting Soviet political aggression, and as an adequate basis for immediate military commitments and for rapid mobilization should war prove unavoidable.

b. Assure the internal security of the United States against dangers of sabotage, subversion, and espionage.

c. Maximize our economic potential, including the strengthening of our peace-time economy and the establishment of essential reserves readily available in the event of war.

d. Strengthen the orientation toward the United States of the non-Soviet nations; and help such of those nations as are able and willing to make an important contribution to U.S. security, to increase their economic and political stability and their military capability.

e. Place the maximum strain on the Soviet structure of power and particularly on the relationships between Moscow and the satellite countries.

f. Keep the U.S. public fully informed and cognizant of the threats to our national security so that it will be prepared to support the measures which we must accordingly adopt.

22. In the event of war with the USSR we should endeavor by successful military and other operations to create conditions which would permit satisfactory accomplishment of U.S. objectives without a pre-

determined requirement for unconditional surrender. War aims supplemental to our peace-time aims should include:

a. Eliminating Soviet Russian domination in areas outside the borders of any Russian state allowed to exist after the war.

b. Destroying the structure of relationships by which the leaders of the All-Union Communist Party have been able to exert moral and disciplinary authority over individual citizens, or groups of citizens, in countries not under communist control.

c. Assuring that any regime or regimes which may exist on traditional Russian territory in the aftermath of war:

(1) Do not have sufficient military power to wage aggressive war.

(2) Impose nothing resembling the present iron curtain over contacts with the outside world.

d. In addition, if any bolshevik regime is left in any part of the Soviet Union, insuring that it does not control enough of the military-industrial potential of the Soviet Union to enable it to wage war on comparable terms with any other regime or regimes which may exist on traditional Russian territory.

e. Seeking to create postwar conditions which will:

(1) Prevent the development of power relationships dangerous to the security of the United States and international peace.

(2) Be conducive to the successful development of an effective world organization based upon the purposes and principles of the United Nations.

(3) Permit the earliest practicable discontinuance within the United States of wartime controls.

23. In pursuing the above war aims, we should avoid making irrevocable or premature decisions or commitments respecting border rearrangements, administration of government within enemy territory, independence for national minorities, or post-war responsibility for the readjustment of the inevitable political, economic, and social dislocations resulting from the war.

811.20/12-148

The Secretary of Defense (Forrestal) to the President

SECRET

WASHINGTON, 1 December 1948.

DEAR MR. PRESIDENT: In accordance with the instructions contained in the memorandum of July 16, 1948 from the Director of the Bureau of the Budget,¹ I have today made a formal submittal of a proposed national security budget, calling for new obligational authority within

¹ Not found in the files of the Department of State.

the tentative ceiling figure of 15 billion dollars, details of which have been forwarded to the Bureau of the Budget over the past several weeks. The tentative ceiling of 15 billion dollars included approximately 600 million dollars for other items—as, for example, the 525 million dollars for stockpiling funds to be appropriated to the Treasury Department—leaving a net amount of 14.4 billion dollars for military activities of the National Military Establishment.

As I have previously informed you orally, the Joint Chiefs of Staff do not believe that our national security can be adequately safeguarded with the forces which can be maintained under this 14.4 billion dollar budget. It is their recommendation that forces are needed which would require that an amount approximating 23 billion dollars be appropriated for the maintenance of our national security during fiscal year 1950.

For purposes of ready comparison, the military strengths that can be maintained under the 14.4 billion figure and under the 23 billion figure can be summarized as follows:

	<i>14.4 Budget</i>		<i>23 Budget</i>	
Army	677,000 men	10 divisions	800,000 men	12 divisions
Navy (including Marines)	527,000 men	287 combatant ships	662,000 men	382 combatant ships
Air Force	412,000 men	48 groups	489,000 men	70 groups
	Limited procurement		Relatively substantial procurement for regular, reserve and Natl. Guard forces	
	Nominal reserve forces		Strong reserve and Natl. Guard forces	
	Restrictive maintenance standards		Normal maintenance standards, plus some previously deferred maintenance	

I have, as you know, devoted a number of months to a most thorough and detailed study of the military budget for 1950. It is my profound conviction that the budget which you should recommend to the Congress falls somewhere between the extremes of the 14.4 billion figure, which represents the tentative fiscal limitation contained in the July 16 memorandum, and the 23 billion figure which is based on the forces recommended to me by the Joint Chiefs of Staff.

In the light of existing international conditions, in the light of the impact of rising prices on the Military Establishment, and after giving long and serious consideration to the fiscal impact of national security requirements and to the effect of such requirements on scarce materials and civilian production, it is my belief that you should recommend to the Congress a national security budget for military activities in the amount of 16.9 billion dollars.

The Joint Chiefs of Staff have unanimously agreed on the increase in the forces that should be maintained by each Service, and the funds

needed by each Department to support such forces, if a budget of 16.9 billion should be enacted—but the Joint Chiefs of Staff do not consider that the forces provided by such a budget will furnish the strength necessary for our national defense under present international conditions. However, after taking into account the fiscal and economic impact on the country of additional appropriations for military purposes, I do not believe I can conscientiously recommend a budget larger than 16.9 billion, unless the international situation should become more serious.

While the 16.9 budget is closer to Mr. Webb's² figure of 14.4 than it is to the Joint Chiefs' figure of 23, I believe that this intermediate amount will permit us to so arrange our plans that we can obtain a maximum benefit from funds provided for military activities—with the result that strength figures under this 16.9 billion budget (as worked out by the Joint Chiefs of Staff) will be as follows:

Army	800,000 men	12 divisions
Navy (including Marines)	580,000 men	319 combatant ships
Air Force	460,000 men	59 groups
	Reasonably adequate procurement.	
	Maintenance standards near normal levels.	
	Reasonably adequate reserve and National Guard forces.	

I want to emphasize that all three of these budgets which are outlined in some detail in the attachment are based on mutual support of the Services by one another—part of the strength of each of the Services representing forces which must be maintained in order to make possible the effective utilization of forces of another Service.

The attachment which I enclose³ spells out in some detail the strengths which can be maintained under the three budgets I have mentioned. The strength of the different forces and the implications of each have a very definite impact on the strategic concepts which would be utilized in any war situation. As I have indicated to you orally, I stand ready, along with the Departmental Secretaries and the Joint Chiefs of Staff to give you an oral presentation on just what each of these three budgets means when translated into terms of our ability to protect throughout the world the interests of the United States.⁴

The Secretary of State has authorized me to state that the forces provided by the budget I am recommending would provide a military

² James E. Webb, Director of the Bureau of the Budget.

³ Not printed.

⁴ The oral presentation occurred at the White House on December 9. President Truman was not convinced of the advisability of expanding the military budget (Millis, *Forrestal Diaries*, p. 536). For text of the President's budget address to Congress for Fiscal 1950, January 10, 1949, see *Public Papers of the Presidents of the United States: Harry S. Truman, 1949* (Washington, Government Printing Office, 1964), p. 44.

posture and state of readiness better calculated, during the difficult diplomatic negotiations that lie ahead, to instill the necessary confidence in democratic nations everywhere than would the reduced forces in a more limited budget.⁵

Sincerely,

JAMES FORRESTAL

⁵ On December 1, by telephone, Secretary of the Army William H. Draper, Jr., solicited and obtained the agreement of Acting Secretary of State Lovett for inclusion of this final paragraph.

811.30/12-648

The Secretary of the Navy (Sullivan) to the Secretary of State

TOP SECRET

WASHINGTON, December 6, 1948.

MY DEAR MR. SECRETARY: The uncertainties engendered by the existing world situation are such as to cause concern over the possibility of another "Pearl Harbor".

The Navy has unavoidable normal peace time concentrations of Reserve and Active Fleet vessels in the Reserve Fleet Berthing Areas and at the main "home port" operating bases which are vulnerable to surprise attack.

The types of attack on these concentrations of our naval vessels considered to be within present Soviet capabilities are:

(a) *Surprise air attack by long-range bombers from land bases*—The Reserve Berthing Areas in the Bremerton-Tacoma Area are estimated to be within range of Soviet long-range bombers operating from fields which it is estimated the Soviets have the capability of developing in the East Cape Area of Siberia. In the Bremerton-Tacoma Reserve Berthing Areas are 5 battleships, 6 carriers, 14 cruisers and 28 escort carriers berthed in close proximity.

(b) *Sabotage in inactivated vessels or in industrial facilities required for their reactivation*—There is considered to be, under peace time operating conditions, the possibility of sabotage at all Reserve Fleet concentrations, and, to a lesser extent, in Active Fleet units.

(c) *Surprise submarine attack*—Concentrations of major units of the Active Fleet at their normal "home port" anchorages are considered to present worth while targets which are vulnerable to submarine attack, especially so to attack by midget submarines specially designed for that purpose.

The measures now being taken by the responsible Fleet Commanders to safeguard our ships provide security watches capable of meeting anticipated emergencies, and guarding against sabotage and surprise attack to a limited extent. It is impossible to extend the scope of these measures to guard effectively against surprise attack without disrupting normal Fleet upkeep and training routine and causing public alarm.

To guard effectively our concentrations of naval vessels against surprise attack would require the continuous maintenance of an air early warning and fighter interceptor alert; and the protection of our harbors by air and surface patrols, netting, mining, installing and operating Harbor Entrance Control Posts and underwater detection devices. To insure against sabotage all visiting to naval vessels and to those naval activities whose facilities are required for the rapid reactivation of the Reserve Fleet should be prohibited.

The serious impact of the implementation of such stringent measures as those outlined above upon the public peace of mind and upon the capabilities of the Naval Establishment to maintain essential training and upkeep schedules within the limitations of a peace time budget are obvious.

The Navy Department would appreciate greatly advice as to whether the State Department believes that there is sufficient likelihood of surprise attack, under the existing international conditions, to warrant effecting now the stringent measures outlined above to effectively guard our Fleets against such an attack, regardless of the consequent public alarm.

Sincerely yours,

JOHN L. SULLIVAN

811.30/12-648

The Acting Secretary of State to the Secretary of the Navy (Sullivan)

TOP SECRET

WASHINGTON, December 20, 1948.

DEAR MR. SECRETARY: I have received your letter of December 6¹ in which you inquire whether this Department believes that there is sufficient likelihood of a surprise attack against concentrations of naval vessels in United States ports to warrant effecting now stringent precautionary measures.

As the intelligence available to the Secretary of State concerning world events is substantially the same as that which is available to the President and to the other National Security Council members, judgments involving an estimate of future developments affecting the National defense would seem to be properly ones for the National Security Council as a whole. With this explanation, I should like to set forth the following points which I believe are pertinent to your inquiry:

1. Attacks of the sort described in your letter would not likely be launched against concentrations of our naval vessels unless the Soviet Government had decided to start a third world war, and there is as yet no evidence that Soviet intentions run toward launching a sudden

¹ *Supra.*

military attack on the Western nations at this time. It would not be in character with the tradition or mentality of the Soviet leaders to resort to such a measure unless they felt themselves either politically extremely weak, or militarily extremely strong. I would invite your attention, in this connection, to NSC 20/2 of August 25, 1948, "Factors Affecting the Nature of the U.S. Defense Arrangements in the Light of Soviet Policies"² and despatch No. 315 of April 1, 1948, from the Embassy at Moscow, enclosing a report prepared by a joint intelligence group within that Mission.³

2. The events of the last few months and weeks do not appear to have changed anything in this situation, so far as evidences of Soviet intentions are concerned. However, it must be recognized that the Berlin situation is one which increases the risk of war, and accordingly the danger of sudden military developments. Furthermore, the wide attention and publicity being given to the project of a military alliance among Western countries may well increase Soviet nervousness and strengthen the arguments in Soviet councils of those, if there are any such, who favor preventive action before the military strength of the West can be further developed.

3. While generally improbable, it is not impossible that the Soviet Government should decide to take measures of the sort you have suggested. There is nothing entirely predictable, and nothing which can be completely excluded as a possibility, in the international behavior of a totalitarian regime.

Sincerely yours,

ROBERT A. LOVETT

² *Ante*, p. 615.

³ For portions of this despatch, see *ante*, pp. 550-557.

840.20/12-2148

*Memorandum by the Joint Chiefs of Staff to the Secretary of Defense (Forrestal)*¹

TOP SECRET

WASHINGTON, 21 December 1948.

Subject: Base Rights for the United States in Return for Military Aid to Foreign Nations.

Since the submission on 2 August 1948 of their memorandum to you regarding Over-all Examination of United States requirements for Military Bases and Base Rights,² the Joint Chiefs of Staff have given further consideration to this matter in the light of various international developments and of current emergency planning. They

¹ For Forrestal's letter of December 31 transmitting this memorandum to Under Secretary of State Lovett, see vol. III, p. 347.

² *Ante*, p. 603.

believe that the general trend of events makes it more important than ever that needed bases and base rights be obtained to the fullest extent that may be practicable and without avoidable delay.

The Joint Chiefs of Staff have also become increasingly aware of the inherent fact that lack of needed bases and base rights can, because of its limiting effect on the capabilities of our armed forces for both offensive and defensive operations, constitute an indirect but definite and possibly very great weakening of the National Military Establishment. Thus, it is apparent that the degree of success that may be had in negotiations for base rights can be a factor of perhaps momentous influence with respect to budgetary dividends in terms of expenditure effectiveness, in planning, in actual war strategy, and even on both the length and the outcome of war.

At the same time, the Joint Chiefs of Staff recognize that the diplomatic problems of negotiations for base rights are both difficult and time-consuming and that their complexities and obstacles have made it impossible to date to arrive at successful solution in many cases. But, since the military implications of the situation are so pronounced, the Joint Chiefs of Staff offer the suggestion that both success and speed might be served to an important extent by use in negotiations of two points:

First, that it would be a wholly logical extension of mutual military aid for the recipients to make our *combat* aid in war emergency more effective by granting appropriate base rights;

Second, that it would, accordingly, seem appropriate that normally the granting of military aid should be coupled with negotiations for the consideration of United States base rights requirements.

While there may be overriding political considerations which would make it impracticable to adopt the above suggestion, the Joint Chiefs of Staff note that such a course is not without precedent and they believe that it has high potentialities in terms of its overall effect on our national security. If the principle of *quid pro quo* in the form of base concessions is favorably considered it would apply primarily to the members of Western Union and to those other countries who may become parties to the proposed North Atlantic Pact, since it is assumed that these countries will be the primary recipients of military aid and since they control many of the more important base rights that are required.

The Joint Chiefs of Staff consider that approval of this principle is in consonance with the broad principles approved by the President in NSC 14/1 (The Position of the United States with Respect to Providing Military Assistance to Nations of the Non-Soviet World)³

³ July 1, p. 585.

which states in part that countries participating in military assistance programs should be encouraged so far as consistent with the progressive stabilization of their economies to compensate the supplying nation for the military assistance which they receive whenever and to what extent feasible.

With the foregoing discussion in mind, the Joint Chiefs of Staff will review the situation with respect to needed base rights and submit detailed recommendations regarding those applicable to their suggestion on advice from you that the second of the points listed above is accepted in principle.

For the Joint Chiefs of Staff:

WILLIAM D. LEAHY

Fleet Admiral, U.S. Navy,

Chief of Staff to the

Commander in Chief of the Armed Forces