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The first postwar crunch with the Soviet Union helps develop an embryo national estimating process.

MARCH CRISIS 1948, ACT I

William R. Harris

The "March Crisis" of 1948, as it is usually called, featured, following a half year of steeply aggravated Soviet hostility, a series of aggressive political acts in Europe, accompanied by military deployments in the Soviet Zone of Germany suggesting a possible armed attack, which culminated in restrictions on access to Berlin at the end of the month. For Allied intelligence services the crisis posed the exceedingly difficult task of assessing Soviet intentions at a time when the separate intelligence agencies in Washington were each anxious for the autonomy of its own estimative machinery. It forced the creation of ad hoc interdepartmental committees which became the forerunners of the present national estimates system.

To the Soviets, the March Crisis consisted of only the second act of what was for U.S. intelligence a two-act play, an act which they consciously precipitated by a decision taken on the 18th and carried out with their troop maneuvers and alerts of the last week of the month. But the first act, where the curtain rose on a March 5 cable from General Lucius D. Clay in Berlin and in effect rang down with the IAC¹ meeting of March 15, was the more critical for U.S. national interest and the development of supradepartmental intelligence. It was also with reference to these ten days that public curiosity was titillated when the Eberstadt report² was released the following December, with its charge that "a mistaken intelligence estimate, prepared by a departmental intelligence agency, stimulated recommendations which, if followed, might well have had serious consequences."

¹ Intelligence Advisory Committee, forerunner of the USIB.

² See first documentary source in note 3 below, third paragraph.

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March Crisis

What follows is a tentative and incomplete account of this first act of the crisis, drawing upon the memories and records of participants, previous reports and surveys, and some additional research.³

³ The author is writing a history of *The Origins of the Berlin Blockade and the Western Response* (TS) for the Historical Office, OSD, and would appreciate any corrections to this account or new information from readers, care of this journal.

For the sake of simplicity in this presentation, detailed documentation is omitted. The principal personal sources of information on the crisis were the following: Lord Alexander of Hillsborough, W. Park Armstrong, Jr., Theodore Babbitt, William B. Ballis, Bernard M. Baruch, Jacob D. Beam, Robert Blum, Gen. Omar N. Bradley, Gen. Sir Nevil Brownjohn, John A. Bross, Alan Bullock, Gen. Charles P. Cabell, Lt. Gen. Marshall S. Carter, Lt. Gen. Steven J. Chamberlin, Brig. Gen. Carter W. Clarke, Gen. Lucius D. Clay, Franklin H. Copp, Adm. Louis E. Denfeld, Lewis W. Douglas, William H. Draper, Jr., Dana B. Durand, Ferdinand Eberstadt, Col. David G. Erskine, Maj. Gen. Joseph C. Haydon, Lt. Gen. George P. Hays, Lawrence P. H. Healey, Lord Henderson, John D. Hickerson, Brig. Gen. Frank B. Howley, Franklin P. Huddle, Lt. Gen. Clarence R. Huebner, Vice Adm. Thomas B. Inglis, Gen. Curtis E. LeMay, David E. Lilienthal, Lord Longford, Robert A. Lovett, Maj. Gen. James McCormack, Ludwell L. Montague, Robert D. Murphy, Lawrence E. deNeufville, John H. Ohly, Lt. Gen. Maurice A. Pope, Col. Claude H. Purkitt, Lord Robertson of Oakridge, Brig. Gen. Peter P. Rodes, Kenneth C. Royall, Peter M. F. Sichel, Lord Strang, Maj. Gen. Sir Kenneth W. D. Strong, Sen. W. Stuart Symington, DeForrest Van Slyck, Maj. Gen. Robert LeG. Walsh, Lt. Gen. Albert C. Wedemeyer, Carroll L. Wilson, and Gen. Robert J. Wood.

The principal documentary studies used were these: [Eberstadt] *Task Force on National Security Organization, Hoover Commission Report, Appendix G*, released December 16, 1948 (Washington: GPO, 1949); Allen W. Dulles, William H. Jackson, and Mathias F. Correa, *The Central Intelligence Agency and National Organization for Intelligence, A Report to the National Security Council* (TS), 1 Jan 49; Memo from DeForrest Van Slyck, Global Survey Cp. ORE, CIA, to the DCI, 23 Dec 48, subj: "CIA Relations With the Air Force on Estimates of Soviet Intentions" (TS); Memo from Robert Blum, Special Assistant, OSD, to the Sec/Def, 23 Dec 48, subj: "The 'March' Crisis" (S), in "The Forrestal Diaries," Princeton, N. J. (TS), entry of 23 Dec 48; Memo from Maj. Gen. S. LeRoy Erwin, Director of Intelligence (G-2), to C/S, U.S. Army, 4 Jan 49, subj: "Intelligence Estimates in March 1948" (TS regraded S); Memo from Col. Robert J. Wood, Aide to the Sec/Def, to the Sec/Def, 10 Jan 49, subj: "Intelligence Estimates on the March 'Crisis'" (TS regraded S), in OSD file CD 12-1-26; John A. Bross & Arthur E. Sutherland, "Report to the Eberstadt Task Force on the Central Intelligence Agency" (Revised), 36pp, in Ferdinand Eberstadt et al., *Report, Vol. I* (1948); G. Jackson, Historical Staff, CIA, "Notes on the 'March War Scare' of 1948," Paper No. 16, 21 May 53 (TS); Arthur B. Darling, *A History of the Central Intelligence Agency to 1950*, Chap. VIII (TS); Vice Adm. Thomas B. Inglis, "The March Crisis of 1948, an Intelligence Episode as Remembered, 18 Years Later, by a Participant," February 1966, 26 pp (S), courtesy of Admiral Inglis; Lawrence P. H. Healey, "The March Crisis of 1948," March 4, 1966, 8 pp (S), courtesy of Mr. Healey.

Cold War Warming

During the fall of 1947 the U.S. military governor in Germany, General Lucius D. Clay, noticed that his Soviet counterpart, Marshal Sokolovskiy, was far more cautious than before in his dealings with the Western powers. The two were still on friendly terms, but Sokolovskiy was unwilling to "wheel and deal," Clay puts it, in the fashion to which he had been accustomed in 1946 and early 1947. As Marshal Sokolovskiy himself said in August, rejecting an American proposal for quadripartite currency reform, "Although I have a very friendly attitude to General Clay, I cannot modify my position." Clay had thought little of Marshal Zhukov's recall to Moscow in early March 1946—without even bidding good-bye to General McNamee or Clay—but by the fall of 1947 he believed that this change was made because Zhukov had tried to avoid squabbles with the Western powers. He knew that Marshal Sokolovskiy wished to avoid another war, but he was apprehensive that decisions in Germany might be taken out from Sokolovskiy's control.

Soviet-Western relations had been marked during the year by U.S. promulgation of the Truman Doctrine, Soviet rejection of the Marshall Plan and launching of an anti-imperialist propaganda campaign, a growing stalemate in the round-robin Conferences of Foreign Ministers, and the creation of the Cominform in September. When in October, following Soviet security measures along the interzonal borders and during Red Army maneuvers in the Zone, it began to be rumored among the public that the West might withdraw from Berlin, Clay cabled his troop commander in Heidelberg that he did not wish to remove dependents of U.S. personnel from Berlin "unless you have intelligence reports not yet available here. This is a war of NERVES, and we must have the stout nerves. Any indication of weakness on our part would jeopardize our position in central Europe . . . We must be as well trained as possible and on the alert to avoid a surprise action. Otherwise, we are airtight."

General Clay recalls having been startled by Marshal Sokolovskiy's speech before the Allied Control Council on November 21; the tone and style were so unusual for him as to arouse the suspicion that his authority in Germany had been undermined. Then on December 12, when he listened to Molotov's attack at the London Foreign Ministers' conference, Clay recognized some phrases and felt sure that Sokolovskiy had been reading a typical Molotov speech on order.

Even after the breakdown of the London CFM, however, General Clay did not expect war. He recalls having discussed the possibility

with Ambassador Lewis W. Douglas and British officials in mid-December. Although he believed that the formation of a West German state allied to the West might possibly cause the Soviets to launch a military attack, he considered it highly unlikely. The Russians were capable of overrunning Europe to the Pyrenees, but they would suffer tremendous destruction at home, especially in view of America's atomic monopoly. As U.S. Commander in Chief in Europe, he was nonetheless keenly aware of the insufficiency of ground forces remaining in his theater. On December 27 he wrote his old friend Al Wedemeyer, the Army's Deputy Chief of Staff for Plans and Operations:

. . . The penetration of Communism has been checked, if not stopped, by the thin American and British screen through the middle of Germany and the middle of Austria. Certainly this military screen is part of a coordinated effort.

With the split-up at London, conditions in Germany, and I am sure in Austria, are tense. While I personally discount the prospects of war, I can not forget for a moment that this is possible and that if it occurs we must not be caught as we were at Pearl Harbor . . .

Over the next two months a number of events gradually modified this position of discounting the prospects of war. From intelligence reports Clay was aware that the highest-level Soviet officials in Germany were shuttling rapidly back and forth between Berlin and Moscow; he viewed the halting of U.S. military trains bound for Berlin as an attempt to probe our steadfastness; and he interpreted the contacting of his political adviser, Robert Murphy, by a General "Georgiev" (who was really Lt. Gen. L. A. Malinin of the MVD) as an additional Soviet effort to gauge American plans for Germany. Most important in altering his feeling about the likelihood of war were his personal contacts with Soviet officials in Germany. In half a dozen lengthy sessions during January and February 1948 he bargained, or argued, with the Soviets about currency reform and other matters. He had infrequent informal meetings with Marshal Sokolovskiy, and he noticed that the Marshal was now surrounded by MVD and MGB "advisers" and appeared unable to make decisions on his own.

When General Clay flew to London on February 22 for the opening of the London conference which would lay the plans for a West German state, he sensed a distinct shift in Soviet attitudes, but he was not sure of the new course which the Soviets would follow. Even when he briefly revisited Germany on February 25, the day follow-

ing the collapse of the non-Communist government in Prague, he was unable to obtain any hard intelligence on prospective Soviet actions in central Europe. Back in London as the Czech coup became accomplished fact, he discussed it with Ambassador Douglas. Both regarded it as a portent of new Soviet aggression; its brazenness startled them.

The Washington End

Because Douglas was planning to return to Washington after the first round of the London conference, Clay thought the Ambassador would be an appropriate messenger to convey his new apprehensions to Secretary of State Marshall. The oral message would be that with the new tensions in Berlin Clay was no longer sure the Soviets would not risk war for a number of years. It had been General Marshall who had first authorized Clay to inaugurate inter-Allied defense planning in April 1947, and the two had corresponded ever since, discussing the state of joint Allied defenses under cover of the state of "Lieutenant Peters' health." Thus it was Clay's first instinct to warn Marshall when he sensed trouble ahead. Clay returned to Germany on March 1, but the conference dragged on, and Ambassador Douglas was unable for another week to leave for Washington.

In Washington it was budget review time, and DoD was preparing its FY 1950 budget, while seeking a supplemental appropriation for FY 1949. On March 2 Senator Chan Gurney, Chairman of the Armed Services Committee, notified Secretary of Defense Forrestal of his plans to hold closed hearings on the budget. Forrestal, the three service secretaries, and the chiefs of staff were scheduled to appear before the committee on Monday morning, March 8.

It must have been during this first week of March that Director of Army Intelligence and Assistant Chief of Staff (G-2) Lieutenant General Steven J. Chamberlin flew in and met with Clay in Germany.⁴ General Clay recalls how he discussed his own apprehensions and asked for Chamberlin's impressions. Chamberlin replied that we did not have any evidence of impending Soviet military action, but spring would be the best time for an attack. Then he asked Clay to cable Washington about his fear of possible war. Clay remonstrated that he had no definite facts which would justify a formal report, that he

⁴This account is based on General Clay's detailed story; General Chamberlin has "no recollection" of such a meeting.

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March Crisis

had already sent a warning informally via Ambassador Douglas, and that Chamberlin, as G-2, could convey these undocumented qualms to the Chief of Staff. But Chamberlin wanted to have, when he got back to Washington, a cable he could show around the Pentagon; word-of-mouth advice wouldn't have nearly so much impact.

On Friday morning March 5, after Chamberlin had flown back to Washington, Clay revealed his doubts to his European Command G-2, Major General Robert L. Walsh. General Walsh remembers having been greatly relieved to learn of his chief's change in attitude; for many weeks he had been urging the reluctant Clay to warn Washington of impending trouble. He now interrupted him, saying "Lucius, if you feel there's a good chance of war, we had better get the word to Washington," and looked around the office for some paper to write on. He did not want to let Clay out of the room until a cable had been prepared, lest he change his mind. Clay began to dictate, his G-2 taking down what he said, as best he could, on a long pad of yellow paper.⁵

General Clay gives his reason for acceding to Chamberlin's suggestion, aside from the possibility of a surprise attack, as the likelihood of trouble in Berlin. He cites his proposal of the preceding December to send armored convoys through obstacles on the autobahn if necessary. He recalls having hoped that his warning might encourage a quickening of rearmament, so that his position vis-à-vis the Russians would be as strong as possible when the crisis broke.

General Walsh recalls that Clay originally began, "Within the last few weeks, I have felt a subtle change in Soviet attitude . . ." But when he read what he had dictated he decided to move to the top a sentence near the end explaining what his previous belief had been. When the cable was ready for transmission they found, in a last-minute check for any confirmatory intelligence, that the Berlin commandant, Colonel Frank L. Howley, who had also sensed trouble, had made a report which was already being sent to Washington via intelligence channels. General Walsh added a reference to this and gave orders that the message be transmitted by "the underground

⁵ A recent history of these events thus errs in its interpretation: "In notifying Washington that something was up, General Clay was acting purely on his own initiative . . . This was one of the rare cases in recent American history when the responsible Commander on the spot has not only sensed something that the intelligence experts had overlooked but also dared to communicate this feeling to his superiors." (Jean Edward Smith, *The Defense of Berlin*; Baltimore, 1963.)

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radio," double-encrypted in a special cipher and sent through Army Security Agency channels.

The Trigger

The transmittal of the message to ASA at Arlington Hall commenced at 3:15 p.m. Berlin time, March 5:

FROM CLAY EYES ONLY TO CHAMBERLIN.
FOR MANY MONTHS, BASED ON LOGICAL ANALYSIS, I HAVE FELT AND HELD THAT WAR WAS UNLIKELY FOR AT LEAST TEN YEARS. WITHIN THE LAST FEW WEEKS, I HAVE FELT A SUBTLE CHANGE IN SOVIET ATTITUDE WHICH I CANNOT DEFINE BUT WHICH NOW GIVES ME A FEELING THAT IT MAY COME WITH DRAMATIC SUDDENNESS. I CANNOT SUPPORT THIS CHANGE IN MY OWN THINKING WITH ANY DATA OR OUTWARD EVIDENCE IN RELATIONSHIPS OTHER THAN TO DESCRIBE IT AS A FEELING OF A NEW TENSENESS IN EVERY SOVIET INDIVIDUAL WITH WHOM WE HAVE OFFICIAL RELATIONS. I AM UNABLE TO SUBMIT ANY OFFICIAL REPORT IN THE ABSENCE OF SUPPORTING DATA BUT MY FEELING IS REAL. YOU MAY ADVISE THE CHIEF OF STAFF OF THIS FOR WHATEVER IT MAY BE WORTH IF YOU FEEL IT ADVISABLE.

Colonel Howley's information arrived in Washington during the afternoon:

Upon failure of London Conference, Soviet Kommandatura representatives at all levels were completely unprepared and acted in routine manner.

After weeks of calm, last 2 Kommandatura meetings, 26 February and 2 March, showed such increased Soviet violence in attacks that it is believed that General Kotikov, Senior Soviet Member, is acting under new instructions. Attacks are thoroughly prepared, unprovoked, and often unrelated to any incidents of meetings.

. . . The apparent pattern, with reference to Soviet intentions in Berlin, which may be temporary or permanent, includes the following elements:

1. Effort to build case that quadripartite government is unable to operate in Berlin.

. . .

5. Complete opposition to agreement of any kind in quadripartite meetings.

As Walter Millis noted in editing *The Forrestal Diaries*, Clay's cable "fell with the force of a blockbuster bomb." One unnamed CIA official unaware of the background of the warning later told the press, "There was a world scare just because General Clay had some bad

apple strudel the night before . . ." General Chamberlin evaluates the warning as "greatly instrumental in bringing the dangerous situation to a focus among those in responsibility in our government and . . . prophetic of what happened a few months later." But he is not "so certain that it succeeded in quickening defense measures."

Chamberlin hand-carried the "war warning," as it was thereafter called in G-2, to General Bradley, interrupting the Chief of Staff in conference. He recalls having distributed it further only as specified by Bradley, but General Bradley does not recall what recipients he authorized. The Secretary of the Army, Kenneth C. Royall, remembers having read it that afternoon, and Secretary of Defense Forrestal entered a copy of it in his diary under the March 5 date. Aside from Forrestal, there is no indication that any non-Army personnel saw it at this time; as General Chamberlin hinted later, it was apparently regarded as "an Army matter" for the first six days after it came in. High officials of the intelligence organizations of the Departments of State, the Air Force, and the Navy and of CIA say that they first received formal notice of it on March 12. And President Truman's first known mention of it on that date suggests that even he may not have been among the original recipients.

Rumors of Wars

In advance of the 4 p.m. cabinet session that Friday, March 5, the G-2 and General Bradley met briefly with Secretary Forrestal, presumably to discuss the Clay cable. Meanwhile, down the corridor from General Chamberlin's Pentagon office, in Room 2E756, a G-2 Intelligence Group under Colonel Riley F. Ennis began work on a "crash estimate" of Soviet intentions.

That evening Secretary of the Army Royall was the host at a buffet dinner for the service secretaries, Secretary Forrestal, and the AEC commissioners. Unaware of the warning cable, AEC Chairman Lilienthal was surprised by the tenor of the conversation:

When I came into Royall's office, he was asking (and later we all explored the question): How long would it take us to get a number of "eggs" to, say, the Mediterranean? The idea of using them, Royall said, disturbed him a great deal. Symington said the American public was completely misinformed about how quickly we could go into action and what we could do. And so on; it was a rather grim hour of this kind of talk.

On Saturday Ennis's Intelligence Group reported on its deliberations to Secretary Royall and top Army officers. The key paragraphs of its estimate read:

It is unlikely that the Soviets will take military action either to drive us out of Berlin, or Germany, although they have the undoubted capability of initiating offensive operations in Europe and the Middle East without appreciable warning. However, we have no evidence that they intend to do so at this time.

It remains our estimate that the Soviets will continue their expansionist policy taking care to avoid war . . . The possibility remains that such action might inadvertently touch off a general war.

The following Monday, March 8, at the closed hearings of the Senate Armed Services Committee, Secretary Forrestal told the Senators about Clay's warning in order to emphasize that we could not assume any "safe" period of years but must prepare for the contingency of war so as to reduce its likelihood. Also on March 8, Ambassador Douglas flew in from London and probably gave Secretary of State Marshall General Clay's message.

On Tuesday, the day after Forrestal's closed-door testimony on the Hill, rumors spread around Washington about a Clay "letter" warning of war, and on Wednesday, at Forrestal's news conference, there were questions about "a certain Clay letter to you in regard to a change in the evaluation of the international situation with regard to the possibility of war . . ." and about "a report that it was said before a Senate committee in closed session that this Government or the military chiefs no longer felt we were safe for a decade." Forrestal tried to answer these in general terms.

CIA's Office of Reports and Estimates, under Theodore Babbitt, sent an issue of its periodic *Review of the World Situation* to press on March 10, having heard nothing about Clay's warning:

. . . The Communist coup in Czechoslovakia has created widespread apprehension. We do not believe, however, that this event reflects any sudden increase in Soviet capabilities, more aggressive intentions, or any change in current Soviet policy or tactics . . .

Also on March 10, Army intelligence sent out a revised collection directive to 59 military attachés and six army commands around the globe:

. . . Indications are that, after period of deliberation since breakup of CFM last December, Soviets may have decided upon policy for 1945. Historically, spring or early summer has been the season selected for initiation military operations Western Europe. Therefore, information bearing on Soviet intentions next four to six months of vital and immediate interest to Dept. of Army.

On March 11 the morning papers carried stories about the mysterious "suicide" of Jan Masaryk, the Czech Foreign Minister, raising the question whether his knowing too much may have precipitated his death. By this time Air Force intelligence had learned informally of the Clay cable. (G-2 had maintained, General Chamberlin and the then deputy A-2, General Cabell, agree, a somewhat "paternalistic" attitude toward A-2 during this period, sometimes providing it with information withheld from other departments.) It is not known, however, whether this knowledge had any causal relationship with the Air Force's commencing on that date the first short-range atomic war planning since World War II. Informal knowledge of the cable or indirect repercussions had already caused reviews of war preparedness outside the Department of the Army. The Director of Naval Intelligence, Admiral Inglis, writes:

To the best of my recollection the existence and contents of this [March 5] despatch were not made known to me by General Chamberlin for several days thereafter. However, indications reached me that there was increased tension and anxiety in high places. Therefore, I was not completely surprised when General Chamberlin disclosed the despatch to a meeting of Intelligence Chiefs in his office on March 12, 1948.

Interdepartmental Coordination

On March 11 the service chiefs of staff flew to Key West for a weekend meeting with Secretary Forrestal, in an effort to improve interdepartmental cooperation, delineate service roles and missions, review possible requirements for a supplemental FY '49 budget, and set guidelines for the FY '50 budget. Secretary Forrestal's effort to create an interdepartmental "spirit of Key West" may have triggered General Bradley's wish to have an interdepartmental review of Clay's warning. Moreover, a sound appraisal of Soviet intentions would greatly assist the JCS and Secretary Forrestal in deciding what budget requests to make of President Truman and the Congress. And there was the question of other defense measures: prior to the formal sessions of March 12-14 at Key West, there were discussions of whether to ask for the immediate restoration of selective service and of "whether or not now is the time for turning custody of [atomic] weapons over to the Armed Services."

Whatever the precise motivation, before leaving for Key West General Bradley, possibly on Forrestal's suggestion, appears to have asked Chamberlin to obtain a combined estimate on the "war warning." Bradley and Chamberlin are unable to recall the circumstances

for sure. The late Robert Blum summarized most of what was known back in December 1948:

In the course of the [Dulles-Jackson-Correa] Intelligence Survey, I have gathered some information . . . and since the publicity given to [the March Crisis] by the Eberstadt Committee, I have tried to collect more. Reports as to what actually happened are quite divergent and no two people tell the same story. There are, however, some points which seem to emerge. In the first place, the messages received from General Clay were not examined in an orderly coordinated manner in order to arrive at an agreed intelligence estimate. There was some cooperation between the Departments, but I am not yet certain whether this was by the Army or Air Force. Finally, CIA did not come up with a correct evaluation when the others were wrong, although eventually and after considerable delay, there was coordinated interdepartmental examination of the situation under the auspices of CIA.

These observations now require slight modification: there appears to have been some mutual exchange between Army and Air Force intelligence; and although CIA did not "come up with a correct evaluation when the others were wrong," it did reach a correct evaluation when the warning was made available to it.

One additional reason that General Chamberlin resorted to the IAC as an estimating forum appears to have been his fear that CIA estimates, written without knowledge of the Clay cable and consistently minimizing the likelihood of war, would be given undue weight:

. . . I do not recall that I was so disturbed over an immediate probability of war in the Spring of 1948 . . .

. . . I do remember that we had some hesitancy of taking an all around strategic estimate from the CIA because of the comparative youth: I felt that only by using the resources of all intelligence agencies could a sound estimate be attained.

On March 11 or early on the 12th, Chamberlin telephoned the DCI, Admiral Hillenkoetter, and asked whether he would mind convening a special session of the IAC in Chamberlin's office. When Hillenkoetter asked why, Chamberlin cited without further specification an "important Army matter." Although IAC meetings were usually held in the CIA headquarters, Hillenkoetter agreed to a special meeting at the Pentagon, and it was scheduled for the morning of Friday, March 12.

The State Department intelligence chief, W. Park Armstrong, Jr., recalls having thought, during the ride out to the Pentagon, about

the precedent which was being set, with its appearance of subjecting the IAC to the control of a departmental service, rather than CIA. He wondered what the meeting would be about; had he known that it would involve estimating Soviet intentions, he would have brought along OIR's Eastern Europe chief, William B. Ballis.

Director of Naval Intelligence Admiral Inglis was also puzzled by the meeting in General Chamberlin's office. Mr. Armstrong remembers that during a prolonged discussion about procedure before the meeting reached the substantive issue, Inglis wanted to know what was happening: was this a meeting of the IAC, in which case Admiral Hillenkoetter should be at the head of the table, or was it just an informal get-together? Chamberlin immediately offered to turn the chairmanship over to Hillenkoetter, but the DCI declined on the grounds that it was General Chamberlin's meeting and in his office. Finally it was agreed to be not a formal IAC meeting but a "Meeting of the IAC Directors," chaired by Chamberlin.

Chamberlin then opened the meeting and tabled as the subject for discussion Clay's cable, which he read aloud to the assembled directors. The reactions were varied, but again the subject of immediate discussion was procedure. Admiral Inglis relates:

This disclosure immediately raised two questions: (1) the weight to be attached to the substance of the despatch and (2) the manner in which it had been handled. As presented at that meeting, I was not satisfied with either.

Army G-2 and Air Force A-2 were taking the contents at face value—so seriously that the possibility of immediate national mobilization in preparation for a full scale shooting World War III was mentioned.

My first reaction was to take the substance of the message with a grain of salt, but in any case to subject it to thorough staff evaluation before arriving at a conclusion. My second reaction was dismay that the despatch had not been referred to CIA forthwith for coordination and correlation.

This was the very function for which CIA had been established . . .

When the discussion turned to the substance of the cable, no one voiced an expectation that war would "come with dramatic suddenness," but there were distinct differences of view: Hillenkoetter, Inglis, and Armstrong were inclined to doubt its likelihood, while Chamberlin, with General McDonald of A-2, was less confident that peace could be maintained. Some of the participants thought that Chamberlin considered war imminent. General Chamberlin himself, however, recalls having been primarily concerned about the inadequacy of U.S. preparedness. In his view a major and immediate

buildup, primarily of land forces, would serve both as a warning to the Soviets and as insurance against their launching an attack.

Procedural Milestone

Admiral Inglis suggested establishing an ad hoc committee under CIA chairmanship to study the matter of Soviet intentions, and this was at once agreed. Its estimating procedure would be different from the usual one wherein CIA's Office of Reports and Estimates would assess a situation, prepare an estimate, send it around to the IAC agencies to get criticisms or proposed additions, revise the draft, and then let the other agencies either concur or attach dissents.

This is what had been used on the standing ORE estimates which predicted hostile Soviet actions but nothing likely to culminate in a deliberate war. The new procedure would give the other agencies the feeling of being centrally involved in the estimating process and encourage their disclosure of information which they had previously kept for their own departmental use. Thus the IAC chiefs' agreement on March 12 was a milestone in interdepartmental cooperation and a forerunner of the system of a national estimates introduced in 1950. The report of the Dulles-Jackson-Correa survey later in 1948 observed:

The most significant exception to a rather general failure to coordinate intelligence opinion in national estimates was a series of reports on Soviet capabilities and intentions, beginning in March, 1948, by an ad hoc committee . . . This case illustrated that, when properly used, the existing interdepartmental arrangements can, under the leadership of the Central Intelligence Agency, provide the President and top policy-makers with an authoritative intelligence estimate.

After some initial delay following the receipt by the Army of a disturbing message from General Clay, the President on March 16, 1948 received . . . a brief short-range estimate . . . The importance of this procedure, particularly in an emergency situation, is difficult to overemphasize.

After the March 12 meeting each agency sent out requests to the field for information useful in clarifying Soviet intentions. Admiral Hillenkoetter returned to his office and asked his Assistant Director for Reports and Estimates, Theodore Babbitt, to prepare for a follow-up session of the IAC directors, accompanied by their experts, to be held that same evening. ORE was organized along geographic lines, but there was one general section, a "Global Survey Group" to which Mr. Babbitt turned for the forthcoming task. The "group" consisted of only two people, Ludwell L. Montague and DeForrest

Van Slyck; the latter was to become chairman of the proposed ad hoc committee.

Mr. Lawrence P. H. Healey of ONI's Estimates Staff recalls learning of the Clay cable at Main Navy late in the afternoon that Friday:

... when the March crisis of 1948 suddenly appeared, the Estimates Staff was ... primed for such a situation and further aided by the fact that ONI was small and consequently easy to coordinate. The most important factor was that Admiral Inglis was always available to all hands if the subject was one of importance.

I remember vividly that Admiral Inglis summoned me to his office ... late in the afternoon ... He told me that General Chamberlin of G-2 had set up a special briefing on the Soviet threat and had invited attendance from Navy, Air Force, and CIA. [Also State.] ... Admiral Inglis asked me to go along with him ... I believe it was at this point when Admiral Inglis showed me the Clay dispatch that appears in *The Forrestal Diaries*.

General Chamberlin's ... officers and analysts ... covered all pertinent aspects of the Soviet condition and then sat by. As I recall, there were probably about 20 guests listening. After the presentation, General Chamberlin—who appeared quite tense—asked for comment. Admiral Inglis stated ... that the G-2 people had arrived at the same position that ONI held.

General Chamberlin ... stated that he did not [entirely] agree with his people and gave his own opinion to the effect that the impending situation could be dire. General McDonald of the Air Force (A-2) ... strongly supported General Chamberlin. He also introduced General Cabell, who was to succeed him in a matter of days.

... As I recall, the first CIA speaker (probably Mr. Van Slyck) gave a rather diplomatic summary of his views which agreed with the substance of what Admiral Inglis had said. Shortly after, however, Dr. Samuel A. D. Hunter of the CIA Western European group stood up to say that the G-2 presentation admirably presented the known capabilities but he felt that many intangibles changed the picture (what he called "the logic of the situation") to one of grave concern. ... [Generals Chamberlin and McDonald] rushed over to him, asked his name again, shook hands and congratulated him.

The presentation and comments over, Admiral Inglis and I rode back from the Pentagon with a feeling that we were going to have to spend some time on what we used to call "intelligence in reverse," i.e., the ordeal of undoing a faulty intelligence picture which had been [circulating] ... in "the front offices" around town.

The members of the ad hoc committee under Van Slyck prepared for their first formal session on Saturday morning, the 13th. The State Department representative, William B. Ballis, recalls having to tell his wife of the Saturday meeting, without much satisfaction, but knowing that the President—whom Hillenkoetter had presumably

briefed on Friday—expected word on Soviet intentions by Monday morning. Van Slyck had not been given a copy of the Clay cable, but he at least knew it was Clay's opinion that war might be imminent and that this was why his committee had been convened.

On Friday each of the armed services had sent to its field headquarters a request that the readiness of current emergency plans be reviewed:

Recent developments in world situation make it advisable for all addresse[e]s to survey carefully your current emergency plans and insure that such implementing instructions as might be required to expedite placing these plans into effect are prepared.

This message is based on general situation and not on any new developments not known to you. The Navy and Air Force have dispatched similar messages.

Also Friday and Saturday, U.S. intelligence officials around the globe—at embassies, military intelligence headquarters, and CIA stations, undertook to reassess Soviet intentions. The CIA station chief in Berlin and his deputy, Dana B. Durand and Peter M. F. Sichel, for the first time learned of General Clay's March 5 warning. They visited the OMCUS intelligence chief, Colonel Peter P. Rodes, and his R&A deputy, Lawrence E. deNeufville, to make an informal estimate, and all four agreed that the Soviets were not ready for war. In December 1947 Durand and Sichel had predicted a major Soviet drive to oust the Western powers from Berlin; this warning had led in Washington to a CIA Special Evaluation forecasting that the Soviets would use "every means short of armed force" to compel the Allied withdrawal. As they now reviewed the situation, these two were convinced that the Soviets were planning further measures, short of war, to the same end. OMCUS intelligence had reached the same conclusions, although Colonel Rodes' chief, Major General Walsh, considered war a distinct possibility and had therefore made arrangements to evacuate his family from Berlin.

Other reports for the ad hoc estimating committee came from the Heidelberg, Pullach, Wiesbaden, and Karlsruhe headquarters, from the embassy in Moscow, and from London, where Winston M. Scott, Major General Clayton L. Bissell, and their staffs obtained information from British intelligence. In Washington, each agency had key personnel working overtime to assemble the material. One interdepartmental committee, chaired by Captain Samuel B. Frankel of ORE's Eastern European branch, provided an excellent compendium of

information on the USSR. This committee of Soviet experts had developed from an informal series of weekly lunches; it now served as a convenient clearing-house for material on the Soviet Union.

Estimative Tug of War

On Saturday morning the ad hoc committee met at CIA headquarters with Van Slyck in the chair. State Department representative Ballis remembers that the two major "protagonists," as he called them, were Van Slyck of CIA and Colonel Ennis of G-2, whose respective organizations would have the bulk of relevant field-source information. Colonel Ennis was under instructions to get backing for the Army's efforts to obtain passage of a selective service act and universal military training, as Van Slyck later reported to the DCI:

... the G-2 representative had stated that General Chamberlain [sic: Chamberlin] wanted to have included in the estimate a recommendation for the draft and universal military training, which I emphatically refused to consider.

Van Slyck declared, he recalls, that he was "running an intelligence estimates committee, not an appropriations committee," and the group then limited its enquiry to its mandate from the IAC respecting Soviet intentions. The effect of a selective service program or UMT would be considered, if at all, in a separate estimate. It was not until the IAC meeting of the following Monday that G-2 again stressed the need for an estimate supporting the draft and UMT.

According to participants' recollections, the committee's proceedings that Saturday involved a prolonged debate over semantics and whether war could be called "unlikely," "improbable," or whatever. Although none of the members argued that war was likely, the G-2 and A-2 representatives opposed any direct statement that it was improbable or unlikely, as Van Slyck, Ballis, and Healey regarded it. During the drafting sessions officials from the several departments came in from time to time with additional data. Admiral Hillenkoetter stopped in occasionally to ask, as Van Slyck remembers, "Van, is there anything I can do for you?" or, as Ballis recalls, to bring everyone a cup of coffee.

Van Slyck produced a preliminary draft estimate which underwent revision during the sessions on Sunday, March 14. Mr. Ballis notes the importance of this procedure, of the fact that "Van Slyck wrote the estimate, and we reacted to it. He was the key man in the

drafting." By the final session on Sunday, unanimous agreement had been reached on a draft estimate that war was improbable over the next 60 days. This conclusion was supported by details concerning Soviet activities, military and political, in which the absence of any of the usual indicators of impending hostilities was presumably controlling.

While the committee was drafting this joint estimate over the weekend, the several departmental intelligence organizations were preparing their own drafts, in order to help their representatives contribute to the joint estimate and also to highlight differences with it or bring out nuances lacking in it. General Chamberlin improved the weekend by preparing, for General Bradley to read upon his return from Key West, a major review of the international situation, the possibility of war, and the inadequacy of U.S. forces. The memorandum ran eight pages of single-spaced type, 312 lines in all. Its tenor can be gauged by the following excerpts:

14 March 1948

Memorandum to the Chief of Staff
Subject: Estimate of World Situation

1. World Military Imbalance.

The Soviet Armed Forces, reorganized and largely reequipped during the past year, overshadow the whole of Europe and most of Asia.

. . . The Soviet Armed Forces have weaknesses . . . These weaknesses, however, . . . do not appreciably affect the short-range capabilities of quickly overrunning great expanses of the European continent.

The United States has no forces in being which could prevent the Soviet overrunning of most of Eurasia. . . .

. . . Present forces which might oppose Soviet aggression throughout the world are incapable of offering more than a weak and unorganized delaying action in any of the likely theaters.

2. Increasing International Tension.

The world is now divided into two camps, heightening the element of strain and making it possible that otherwise trivial incidents may be magnified into the spark that touches off war. . . . The advent of spring, coupled with coming elections in Italy, . . . afford no prospects of an early lessening of the tension which prevails . . .

3. U.S. Armed Forces Unequal to Commitments.

. . . .

4. War Increasingly Possible.

. . . .

All intelligence agencies believe . . . that a general war might be precipitated through mischance or through a miscalculation on the part of either the Soviets or the United States . . . This examination . . . does not offer

any evidence which is more conclusive now than was the case six months or a year ago. However, the risk of war is greater now . . . In the light of the current increase of international tension, war will become increasingly probable.

5. Summary.

United States policy . . . without the backing of adequate armed strength is not proving successful in stemming the Soviet advance . . . The Soviets could overrun much of continental Europe and the Middle East before our latent strength could be brought to bear . . . The armed forces can no longer base their strength and plans only upon their estimate of future Soviet military action. Continuously prepared, the USSR can determine upon war whenever she deems it necessary.

6. Conclusions.

. . . To an extent not approached by the other Services, the Army is carrying the burden of military occupation duties and overseas commitments . . . [but it] is the least prepared of the services to fulfill its national defense mission . . . The Army must immediately prepare itself . . . along the following general lines . . .

- a. Intensify . . . planning world-wide.
- b. Bring the Regular Army to . . . strength . . . by resorting as necessary to compulsory military service.
- c. Augment the size of the Regular Army . . .
- d. Bring our machinery for general mobilization to an alert status . . .
- e. Limit the acceptance . . . of further foreign commitments . . .

General Chamberlin did not mention our small but significant stockpile of atomic weapons or the Army Plans & Operations consensus that after initial setbacks the Western powers would be able to re-conquer western and central Europe and cause irreparable damage to the Soviet economy. He did cogently argue the need for rearmament, more than a year before the Soviet atomic bomb and events leading to the Korean War. This was more a policy than an intelligence paper, though it was the "departmental intelligence estimate" which the Eberstadt Task Force, without having seen it, thought might have had "serious consequences." General Chamberlin's concern was the improvement of U.S. military capabilities; his deputy on the ad hoc committee, Colonel Ennis, had just agreed that the Soviets were not planning to launch an attack.

Admiral Inglis thought that the hysteria which might attend some degree of mobilization could result in "serious consequences" and might possibly trigger an accidental war. In the second act of the March Crisis, however, we shall find that the Soviets, in launching an elaborate deception operation on March 18, accompanied it by measures of troop discipline and control designed to minimize the

risk of accidental war and that in fact the March confrontation at no time came close to war. And if a personal opinion is allowable, it is this writer's belief after five years of contemplating the March situation that even a major mobilization program as recommended by General Chamberlin would not have triggered war. It is always tempting to dramatize the brink-of-war situation; in Thomas Hardy's words, "War makes rattling good history, but Peace is poor reading."

Among the agreements reached during Forrestal's meetings with the JCS at Key West was one to press the President and the Congress for a supplemental appropriation for FY 1949. By any of the several possible measures, the defense budget for FY 1948 was the lowest of those between World War II and the present. The Joint Chiefs of Staff, returning from Key West, were wary of any intelligence estimate which might be used, in an election year, as an argument against the supplemental FY 1949 appropriation and the increment in the FY 1950 budget which they considered essential to the nation's security. In advance, therefore, of the IAC meeting on Monday March 15, the chiefs of staff made known their apprehensions to their respective intelligence chiefs. Admiral Inglis recounts:

While the Intelligence staffs were deliberating, and thereafter, outside pressures were building up. I was called by A-2 (I believe it was General Cabell, then Deputy A-2) and possibly by General Chamberlin, who tried to convince me that ONI's estimate was too conservative; that it should be more in line with the purport of General Clay's message. I consulted Healey again. We stood firm.

Admiral Inglis recalls having been also under some internal Navy pressure to adjust the estimate with a view toward budgetary considerations:

I was told that the other services, especially the Air Force, were using General Clay's message to obtain more Congressional appropriations, especially for the 70 groups of bombers; that the Army would use it to obtain the draft and/or Universal Military Training; that the Secretary of Defense was also advocating UMT. The Navy was being placed at a competitive disadvantage. Would I change ONI's estimate to something threatening impending war? The Navy needed more appropriations, too.

I stood firm, explaining the reasons for ONI's estimate.

But didn't I realize that this was March? In Central Europe the harvests were in and the ground was drying and firming. This was the logical time to expect the Russians to "march."

My reply was to the effect that if . . . the Navy needed more appropriations it would have to make its case with reasons other than a phony war-

scare from ONI. Quite gratuitously, and outside the scope of Intelligence, I may have added that if anyone really expected war, he had better recommend an immediate, full-scale crash mobilization rather than a ponderous time-consuming UMT.

The dialogue ended.

It was this stand of the DNI which ultimately set the pattern for the other service intelligence chiefs at the IAC meeting on Monday morning, when they and their top advisers, including the members of the ad hoc committee, held a formal session at CIA chaired by Admiral Hillenkoetter.

Agreement

Van Slyck presented the conclusions of the ad hoc committee. With its detail and showing the effects of a compromise effort to sit the fence on the likelihood of war, the draft estimate was unacceptable to the IAC. The following is Admiral Inglis' recollection:

The IAC, including CIA of course, then debated at some length the semantics of the joint estimate which was to go to the President and NSC. I believe A-2 wanted to include a reservation that "the possibility of war could not be ruled out." ONI did not concur. G-2 may have offered a plug for UMT . . . If so it was probably voted down as being beyond the scope of an intelligence report.

But Hillenkoetter, who had seen the President again, required an answer for him that morning regarding Soviet intentions. The ONI representative on the ad hoc committee, Lawrence Healey, has reconstructed the scene:

. . . our draft was so late and split that Admiral Hillenkoetter decided to narrow the issue and strongarm the indecisive . . . Hillenkoetter said something to the effect that the President wanted flat Yes or No answers to three questions *with no elaboration of answers*. The questions were:

- (1) Will the Soviets deliberately provoke war in the next 30 days?
- (2) In the next 60 days?
- (3) In 1948?

These questions were rather poorly hectographed on a plain sheet of paper. Their informality, brevity and bluntness had the effect of an unexpected ice-cold shower on the participants . . . it is my impression that at least the majority answered No.

As there was general agreement that war was unlikely for at least the next 60 days, it was decided to consolidate the answers to questions

(1) and (2), deferring (3). An estimate was drafted on the spot which summarized Soviet intentions in two paragraphs:

I. An examination of all pertinent available information has produced no reliable evidence that the USSR intends to resort to military action within the next 60 days.

II. It is not believed that the USSR will resort to military action within the next 60 days . . .

While argument continued about a "Nevertheless . . ." clause, the DCI handed this statement to Theodore Babbitt, and Babbitt hand-carried it as a CIA estimate of March 15, without any other concurrence, to President Truman at the White House. Later in the day the IAC directors reached agreement on the full text. As a concession to the Air Force a third paragraph contained a "Nevertheless . . ." clause, and as a concession to the Army a separate estimate was drafted on UMT and selective service.

With slight variations, the estimate was distributed under several different covers on the morning of Tuesday, March 16: to the President as CIA Intelligence Memorandum 17 without other concurrence; to the President, the NSC, and other recipients of CIA's *Daily Summary* as Special Evaluation No. 27, with unanimous concurrence of State, Army, Air Force, and Navy; and with notice of the concurrences, to the President as Intelligence Memorandum 21. As it was finally hand-carried to the White House:

Memorandum for the President

Reassessment of Soviet Intentions for the Next Sixty Days

a. An examination of all pertinent available information has produced no reliable evidence that the USSR intends to resort to military action within the next sixty days.

b. The weight of logic, as well as evidence, also leads to the conclusion that the USSR will not resort to military action within the next sixty days.

c. There is, nevertheless, the ever present possibility that some miscalculation or incident may result in war.

In an even briefer Intelligence Memorandum, IM-18, the IAC disposed of the effects of UMT or the draft upon Soviet intentions:

Memorandum for the President

The Central Intelligence Agency and the intelligence organizations of the Departments of State, War [*sic*: Army], Navy, and Air Force agree that if the Congress passes a universal military training act and/or selective service act these measures, taken singly or together, will not of themselves cause the USSR to resort to military action within the next 60 days.

Although the formal estimates were not distributed until Tuesday, the "crisis"—to the extent that there was a crisis—was over by Monday morning. Admiral Inglis has summarized the situation as of March 15:

So far as U.S. Intelligence was concerned the "March Crisis of 1948" ended with the meeting of the IAC on March 15, 1948. It was then generally accepted that intelligence must be correlated, that CIA had the authority and responsibility to do the correlating, that CIA must be provided quickly with all information from all sources, and that all the other agencies must be consulted and all information exchanged except when the item was obviously technical and of interest to only one department.

Other war scares followed but henceforth they were taken in stride. The procedure had been established.

There were strong temptations to allow our judgment to be warped. As regularly as the cherry blossoms bloom in Potomac Park, every spring in Washington witnesses a scramble for Congressional appropriations. A little war scare recurs at this time of year, not every year perhaps, but often enough to be more than a coincidence.

The easy way for us might have been to "Remember Pearl Harbor" and push the panic button . . .

However, had we succumbed to these temptations and given face value to the message, it might have led to an ill-conceived and enormously expensive general mobilization. This would have put the whole world in an uproar. It might even have precipitated a war.

It took a measure of intestinal fortitude to stand up against the pressures . . .

The procedures facilitating interdepartmental teamwork in the estimating process, thus established by March 15, were to prove invaluable during the last days of March, when the second phase of the crisis reached its climax. What appears to have been a well-planned Soviet deception program led to a flurry of excitement, but with the estimating procedures built up under the tensions of early March the Soviet activities were correctly assessed and reported, so that the highest policy makers in Washington could concentrate upon the local challenge, a threat to the Western presence in Berlin. These steps in March 1948 were small but crucial ones in the development of a genuine intelligence community.