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OFFICE OF REPORTS AND ESTIMATES  
EASTERN EUROPE/USSR BRANCH

18 August 1947

MEMORANDUM FOR: Chief,  
Estimates Group

SUBJECT: Probable Soviet and Soviet-inspired reactions to the  
SWNCC recommendations of US aid to Spain

REFERENCE: Memorandum, Chief, Intelligence Staff, ORE,  
ORE 38/D, 1p. dated 24 July 1947

The enclosure is forwarded in accordance with the above  
reference.

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Chief, EE/USSR Branch

*Ref. B -  
memo of 8/15  
AUG 20 1947  
Est. Grp., ORE*

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PROBABLE SOVIET AND SOVIET-INSPIRED REACTIONS

TO THE SWNCC RECOMMENDATIONS

OF US AID TO SPAIN

Both the Soviet and Soviet-inspired reactions to US assistance to Spain as recommended in reference SWNCC study may be expected to be violent inasmuch as the reclamation of Spain to the position of a healthy, responsible nation in the international community will add to the solidarity of Western Europe and the Western Hemisphere -- a condition unacceptable to Soviet desires or aims of Communist domination of Spain.

The initial Soviet and Soviet-inspired response to the proposed US assistance to Spain will be confined to propaganda. The basic premise of US aid -- that the Franco regime will have been removed, and that Communist representation in the successor regime will be limited or non-existent -- will be the first target, for it is believed that the immediate Soviet aim is, as the SWNCC study points out, the retention of Franco, and the continued isolation of Spain from any sources of foreign aid, until internal political and economic conditions are ripe for revolution. To prove their point, Soviet propagandists probably will claim (1) although

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Franco has been removed, the fascist clique which supported him remains and actively supports the new regime; (2) the successor government, supported by reactionary US imperialists seeking expanded outlets for investment and export, is not a true government of the people; (3) the new government will not be any more capable of raising the standard of living of Spanish workers than was Franco, because it will perpetuate the same economic inequality; (4) Spain, in accepting any US assistance, will have substituted the dictatorship of the US for the dictatorship of Franco; (5) US assistance, if it comes at all, will not be sufficient to help Spain, because the US economy itself is nearing collapse, and Spain will be abandoned.

Further opposition to the US program, should a satisfactory post-Franco government be established, probably would be manifest in extensive Soviet pressure in the General Assembly of the UN to block the rescission of measures which have excluded Spain from UN participation. The USSR would also attempt to take advantage of any aspect of the governmental change which could be considered grounds for even more drastic international action against Spain than has yet been proposed in the UN

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by the Kremlin or its agents. In any event, it is expected that the USSR will not recognize a new Spanish government satisfactory to the US, that it will encourage its satellites also to withhold recognition, and that it will encourage European states not to accord Spain an equal place in regional arrangements of a political or economic nature.

Active opposition on the part of the Spanish Communists to the US aid program probably will take the following form: (1) acts designed to discredit the program not only in Spanish eyes, but also before the US and the rest of the world; (2) physical sabotage of the emergency shipments of food and raw materials either by Communist dockworkers or by Communist-sponsored guerrilla raids on the transportation facilities; (3) utilization of these "incidents" in propaganda to arouse popular dissatisfaction over the distribution of the supplies; (4) continuous harping on the fact that the increased investment of private US capital is not designed to help Spain but merely to satisfy the appetites of US imperialists.

Should the transition to a post-Franco government not occur smoothly, renewed civil strife may result, and in the ensuing chaos the

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small but well-organized Spanish Communist Party will, as the SWNCC study indicates, be afforded an exceptional opportunity to extend its influence. However, the ability of the Spanish Communist Party to retain a dominant position is open to question. The majority of Spaniards are anti-Communist and it appears doubtful that the majority group of Spanish Socialists will tolerate a "popular front" union.

Tangible economic aid from the USSR for the actual rehabilitation of Spain in support of a Communist government is considered unlikely in view of (1) the apparent Soviet policy to limit the economic capabilities of Communist-dominated countries so as to enforce dependency on the USSR; (2) Spain's needs, for the most part, are those of the USSR as well; while the Kremlin undoubtedly could order some supplies to Spain, the latter's geographical remoteness would necessitate more extensive control than it is believed the Spanish Communists can provide or than the Kremlin itself would be able to maintain in the face of a more urgent necessity to consolidate its control over Eastern Europe; (3) extensive economic aid for the real rehabilitation of Spain would militate against Communist expansion.

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The USSR would hope, as a result of its opposition to the immediate assistance extended to Spain by the US, to nullify the benefits of this aid and to render impossible of achievement any long-term program such as that suggested in the SWNCC study.

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