

May 7
1952

25X1A

SECRET

APPENDIX 1

The Soviet Bloc

(Survey 1950 and 1951)

Item and Unit	Soviet Bloc 1950	%	USSR 1950	%	Rest of European Soviet Bloc	%	USSR 1951
Coal, million tons	552	100	264	48	287.5	52	290
Black coal	319	100	200	63	118.4	37	
Brown coal	233	100	64	27	169.1	73	
Coke	40	100	30	75	10.3	25	
Crude oil	45	100	38	85	6.98	15	42 - 43
Liquid fuels and lubricants	43	100	35.6	82	7.7	18	
Synthetics	2.3	100	0.9	39	1.4	61	
Electric power, bill. kilowatt hours	124	100	90	73	34	27	104
Pig iron, mill. t.	24	100	19.5	81	4.37	19	22.2
Crude steel, "	35	100	27.1	78	7.93	22	31.1
Rolled products, "	27	100	22*)	81	5.38	19	25*)
Light metals, 1,000 tons	340	100	300**)	88	40	12	
Motor vehicles***)							
1,000 units	620	100	550	89	71	11	
Tractors, 1,000 units	137	100	112	74	35	26	137
Sulphuric acid 1,000 tons	3,640	100	3,000	82	640	18	
Synthetic rubber 1,000	279	100	240	86	39	14	288

*) Presumably includes both forged and pressed products.

***) Of this, 270,000 tons are aluminum (200,000 t. primary, 70,000 t. secondary) and 30,000 tons are magnesium.

***) Includes motorcycles.

SECRET

25X1A

SECRET

APPENDIX 16

Strengths of the Most Important Combat Units of the Soviet Army

Unit	Strength		Tanks	Assault Guns	Guns, 37mm and up
	Wartime	Peacetime			(Guns, 100mm and up)
Mechanized Army	59,000	47,000	924	172	1032 (336)
Infantry Army	65,000	52,000	543	240	1338 (432)
Armored Division	10,400	7,700	254	21	168 (54)
Mechanized Division	14,100	9,400	208	65	280 (78)
Motorized Infantry Div.	10,800	8,500	52	34	237 (66)
Artillery Division	9,000- +) 10,500	8,000- +) 9,500	-	-	298 (226)
Antiaircraft Division	2,400	1,900	-	-	64 (48)

+) Depending upon their strengths and organization.

SECRET

25X1A

SECRET

Appendix 20

Type of Locomotive	Operational Park				Total	Damaged Locomotives	Total	Remarks
	Ready to Operate	Under Repair At Backshop	At Repair yard	Waiting to be Taken to Repair Yard				
Reichsbahn locomotives	3,083	465	523	753	4,824	697	5,503	
Coal-dust locomotives	(38)	(7)	(13)	(17)	(75)	(-)	(75)	
Column locomotives	315	12	31	12	370	-	370	Including 23 of type 01 86 " " 50 261 " " 52 <u>370</u>
Foreign locomotives	13	2	-	2	17	1,055	1,072	
Narrow-gauge locomotives	151	22	30	6	209	6	215	Including 17 for 60-cm ga 147 " 75-cm " 5 " 90-cm " 46 " 100-cm " <u>215</u>

SECRET

25X1A

SECRET

APPENDIX 21

Freight Car Inventory

as of 15 November 1951

Type of Car	Number Available	Number of Cars to be Returned by the USSR by 31 December 1954
Box cars	28,640	5,830
Gondola cars	49,350	9,060
Flat cars	13,730	4,200
Tank cars	12,300	--
ZMW type	(2,363)	--
Refrigerator cars	790	--
Total	104,810	19,090
Foreign cars	8,700	890
	113,510	19,980

NOTE: ZMW-type tank cars are tank cars for carrying engine fuel (benzine, benzene, diesel oil, petroleum).

SECRET

CLASSIFICATION

25X1A

SECURITY INFORMATION

INFORMATION REPORT

REPORT NO. [REDACTED]

CD NO.

DATE DISTR.

NO. OF PAGES

COUNTRY

SUBJECT

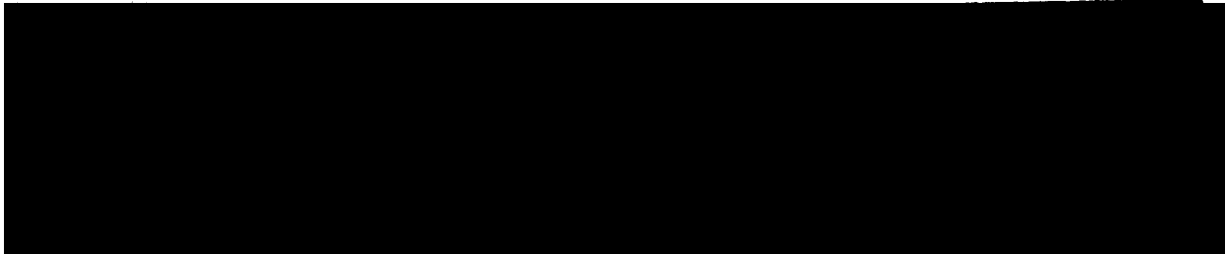
DATE OF INFO.

PLACE ACQUIRED

NO. OF ENCLS.
(LISTED BELOW)

SUPPLEMENT TO REPORT NO.

25X1X



SOURCE

25X1A



*Covering memo
put in by [unclear]
[unclear]*

CLASSIFICATION

STATE	NAVY	NSRB	DISTRIBUTION							
ARMY	AIR	FBI								

ADSO	STC	FDP	DISTRIBUTION			CFD			
DADSO	STD	FDR	FDW	CONMO					
STA	FDB	FDS	FDZ	TRD					
STB	FDH	FDT	TGS	OAD					

25X1A

SECRET

DESCRIPTION AND ESTIMATE OF THE SITUATION WITHIN THE EASTERN
BLOC AT BEGINNING OF 1952

- A. Evaluation of the World Political Situation
 - I. 1951 Developments
 - II. The Situation at the Beginning of 1952
 - III. Evaluation of the Situation
- B. Economic Status of the Eastern Bloc
 - I. Economic Development During 1950 and 1951
 - II. Coal
 - III. Petroleum
 - IV. Power Supply
 - V. Iron and Steel
 - VI. Motor Vehicles and Railroad Rolling Stock
 - VII. Tanks and Assault Guns
 - VIII. Air Armament
 - IX. Outlook and Evaluation
- C. Evaluation of the Military Situation
 - I. Military Personnel Potential
 - II. Army
 - III. Air Arm
 - IV. Navy
 - V. Supply in East Germany
- D. Transportation in East Germany
- E. Over-all Evaluation of the Situation

SECRET

SECRET

- 1 -

A. EVALUATION OF THE WORLD POLITICAL SITUATION

I

1951 Developments

1. In the field of "high policy", the year 1951 was marked by the United States' attempt to catch up with the political and military advances made by the Soviet Union in Europe and Asia by reinforcing its own armed forces, by assisting in the armament of the free countries of Europe (including Turkey), by negotiating a Japanese peace treaty, and by concluding military security agreements with Japan, Australia, New Zealand, and the Philippine Islands.

The USSR, on the other hand, tried to strengthen its position in Europe, to lay the political and strategic preliminary groundwork for a showdown in the Near East, and to consolidate its gains in the Far East. At the same time, the USSR took all-out measures to thwart United States and West European efforts toward the creation of a balance of power.

2. At the beginning of 1951, the question of West Germany's participation in the defense measures of the West occupied the center of attention in Europe. The Soviet Union took numerous diplomatic steps to prevent German participation. In notes to the United States, Great Britain, and France, it reproached these countries with violations of their agreements. Poland and Czechoslovakia, the satellite states bordering on Germany, presented notes to Holland, Belgium, and Denmark, in which they expressed a warning of the danger of Germany's recovery. Citing the Potsdam Agreement, the USSR also insisted that a Four-Power Conference be called to debate the problem of Germany.

The Soviet representatives permitted the preliminary conference to end in failure, because the question of Germany's contribution to the defense effort lost much of its practical aspect during the first six months, and the Russians believed they were in a position to avert imminent danger by resorting to other means, especially by influencing the peoples of western Europe by means of propagands.

For this purpose the Soviet Union mobilized the West European Communist Parties and the international mass organizations controlled by them, such as the World League of Trade Unions, the World Peace Council, the World League of Democratic Youth, the International Federation of Democratic Women, the European Labor Union, etc. A world-wide collection of signatures "for peace" was directed against the "remilitarization of Germany" and against the "aggressive" Atlantic Pact.

The projected rearming of Germany was countered by the East with the demand for a re-unified Germany. This demand, as expressed in Grotewohl's letter of 30 November 1950, has been given unremitting propaganda support. The East German régime tried to create the impression that it was seriously concerned with reunifying Germany on a democratic basis. It maintained that the arming of West Germany would make reunification impossible and that it contained the threat of a fratricidal war. This argument was refuted, however, by the ever-increasing adaptation of East Germany to the Soviet orbit system.

3. In the satellite countries, the Soviet Union tried to make its position more secure by means of extensive purges. The most significant of these was the arrest in November 1951 of Rudolf Slansky, Secretary-General of Czechoslovakia's Communist Party, whose omnipotence had been undisputed up to that time, and of a large number of his followers. The arrest of former Czech Foreign Minister Clementis preceded this event by a few months.

These purges prove that, even among the ranks of the Communist Parties themselves, there is great disappointment in the system enforced by Moscow. Nevertheless, there are no indications of a threat to the rule of the Kremlin in the satellite countries, although the Soviet leadership has reason to doubt the reliability of these countries in the event of war.

Some signs, particularly in Poland, indicate that the Soviet despots are changing their method of terror and compulsion to one of persuasion and guidance, since they realize that the satellites must not be merely forced, but also convinced.

4. In the Far East, the Soviet Union tried to intensify its close political relations with Red China. It extended economic and military aid to the Chinese "volunteers" in the

SECRET

- 2 -

Korean War, but avoided direct involvement in the conflict. The impetus for the initiation of armistice negotiations came from the Soviet camp. At this time it is not clear whether the USSR really wants to bring about an armistice, or whether it merely wants to gain time to supply Communist China with weapons, ammunition, military equipment, and economic goods; or to exert pressure toward the achievement of its political aims.

The Soviet Union's position regarding the revitalization of Japan parallels its antagonistic attitude toward the strengthening of West Germany. The Japanese Peace Treaty which was concluded in San Francisco was a serious political blow to the USSR.

The Soviet Union is also making every effort to appear to the peoples of Asia and Africa as the champion of their national liberty. It is trying its utmost to create difficulties for the western powers in Indochina, Malaya, Burma, Indonesia, the Philippine Islands, the Middle East, and North Africa. The USSR has warned the Arab countries and Israel against agreeing to the proposal submitted by the three western powers and Turkey for a joint Near East command. The USSR also expressed its sympathy with Persia's action against the Anglo-Iranian Oil Company and with Egypt's demand for the cancellation of its 1936 agreement with England concerning the Suez Canal Zone, and of the Agreement of 1899, which calls for the two countries' joint exercise of government in the Sudan.

II

The Situation at the Beginning of 1952

1. Although the armament program is making progress, western Europe is not yet in a position to withstand an attack from the East.

The United States is reproaching some of the West European countries with negligence in the reinforcing of their armaments, and urges a speeding up of the process. These countries, on the other hand, are afraid that compliance with the defense tempo asked for by the United States would result in economic repercussions, especially in inflation, with all attendant consequences, such as social unrest, radicalization of the masses, etc. The problem of coordinating West European defense activities has been placed in the hands of United States Special Ambassador Averell Harriman.

The North Atlantic Treaty Organization (NATO) was considerably stronger at the beginning of 1952 than it was a year earlier. Appreciable progress has been made in the internal organization of NATO, thanks to the energetic approach of General Eisenhower. The integration of Greece and Turkey into the NATO, and the lifting of armament restrictions under the Italian Peace Treaty strengthen the position of the western powers in the Mediterranean and in the Near East. Even beyond the sphere of the NATO, this position has been strengthened considerably. The US arms agreement with Yugoslavia, and the material assistance rendered that country by the United States, have made it an important factor in the current defense plans of the western powers. The stability of this factor is a matter of conjecture. The arming of Turkey is progressing satisfactorily. A military agreement between the United States and Spain is impending. United States air bases in Morocco are being reinforced steadily, and the newly created Libyan state has assumed a not insignificant importance as a Mediterranean base for the western powers, as a result of agreements with the US, Great Britain, and France granting these three powers the right to maintain bases in that country.

2. The Arab nationalism of the Middle and Near East countries exploded in conflicts with the old colonial powers. The Soviet Union, which supported these actions with adroit propaganda, made use of the same tactics it applied in Southeast Asia to create the impression that it is a friend of these countries. Although the Moslem countries are hardly fertile soil for communism, the development of extreme nationalist groups, into various of which the MGB, well disguised, has apparently succeeded in penetrating, has created a favorable situation for the eastern bloc and a correspondingly unfavorable situation for the western powers. It will take all the skill of Western diplomacy, and a broad understanding of the problems of the oriental countries and peoples, to take action, within the confines of neutrality, to prevent the Near East from becoming dominated by the eastern bloc, not just for the moment, but for a long time, to come. The significance of this source of danger can hardly be overestimated.

SECRET

25X1A

SECRET

- 3 -

3. Attempts to unite western Europe have not progressed beyond the experimental stage. Partial economic integration, such as the Schuman Plan (coal and steel), and the achievements in connection with setting up a European Army, with a view to bringing about a political merger as well, have developed very slowly. Thus far it has been impossible either to eliminate the political difficulties (formation of political bodies for the control of the Army of Europe) or to create a substantial financial basis [for unification].

In West Germany, the "Ohne-mich-Bewegung" (Without-Me Movement) has slowed down; however, as the result of consistent propaganda, the Soviets have succeeded in creating a sympathetic reaction, among large circles of West Germans, to the thesis that there are only two alternatives for Germany, namely, rearmament and the subsequent threat of a civil war, or reunification. This fact is borne out by Pastor Niemöller's trip to Moscow, former Chancellor Josef Wirth's trip to East Berlin, and the founding of the Notgemeinschaft für den Frieden Europas (Emergency League for the Peace of Europe) by Heinemann, former Federal Minister for Internal Affairs, and Helene Wessel, former chairman of the Zentrum Party.

4. Meanwhile, the battle for eastern Asia continues to be waged with all weapons of diplomacy, of political and economic pressure, of civil war, and of propaganda. The military conflict in Korea almost came to an end, because the opposing forces reached a balance of power. Both sides showed interest in an armistice, but it is quite possible that they have only been sparring for time. United States efforts to end the Korean War, or at any rate to localize it, are apparent. The requests of Great Britain and France for increased US assistance for suppressing the Communists in southeastern Asia (Indochina, Burma, Malaya) have been viewed by the United States with a certain reserve, which is probably based on the desire to avoid another "Korea", if possible.

III

Evaluation of the Situation

1. The policy followed by the USSR since the end of the war has resulted in both successes and failures. The satellite countries and China were won over to the eastern bloc; Yugoslavia, originally won over, was lost again; Greece and Turkey could not be won over; the blockade of Berlin proved a failure; and Korea did not result in the dynamic victory which had been anticipated.

Nevertheless, the Soviet Union's intensified political activity in the Far East and in the Near East has been responsible for many successful achievements, the fruits of which the Soviet Union hopes to reap in the future without much further effort.

Long-range planning is likely to characterize Soviet foreign policy. Much to the surprise of the Soviet Union, no doubt, the Korean entanglement has evoked the threat of a third world war. The Soviet Union has learned its lesson. As a result of the sober realization that its military potential, while adequate for attaining initial successes, could not cope with the considerably superior economic and defense potential of the Western world, it is likely that the Kremlin has restricted its aims and has extended the time limit for achieving these aims. In view of the foreign political situation, it is highly improbable that the Soviet Union will launch a deliberate offensive war in the near future. This opinion is supported by the following observations and considerations:

The Soviet leadership and the Soviet mentality tend to give preference to political methods, before resorting to military measures.

The Soviet leadership believes -- in accordance with Communist doctrine -- that time works in its favor and that, with the increasing recurrence of economic crises (caused especially by defense efforts), capitalism is bound to destroy itself.

The Soviet leadership, which has a firm grip on the satellites in time of peace, must expect to encounter all sorts of difficulties in these countries in the event of a long war and possible Western military victories.

SECRET

25X1A

SECRET

- 4 -

In 1952, the Soviet Union will continue the "battle for time," which it began to wage in 1951, by undertaking "Peace Campaigns" to incite the population of the capitalist countries to revolt against their "warmongering" governments; by spreading hatred of "outsiders" in the Asiatic areas, in order to close off these areas to the West to an increasing extent; by sowing "disunity" among the countries and peoples of the West, in order to weaken the defensive powers of the Western alliance (in the future it will exploit the UNO to achieve this end).

The Soviet Union will not hesitate to start or support operations of limited scope designed to split up the military potential of the West, provided it runs no risk of conjuring up World War III.

2. The West, in 1952, will continue its efforts toward a unified Europe and toward strengthening the defense potential, thereby provoking the East into employing all tricks of diplomacy and cold-war in order to doom these efforts to failure. According to all available evidence, it is doubtful whether the Soviet Union will be prepared, as early as 1952, to look upon the growing military defense of the West and West Germany's participation in the European Army as a casus belli. The frequent delays in Western plans and the presumably slow tempo of West European armament are apt to indicate, even to the soberly calculating Stalin, that the USSR's fear of attack by the Atlantic Pact nations is unfounded.
3. Critical situations, which might turn into serious threats to peace, could come about if the USSR were to effect any measure or measures which would be incompatible with the prestige and authority of the western countries, particularly of the United States; if Communist China were to extend active aid to the rebels in Indochina; if developments in the Near East, and above all in Iran, were to take another unfavorable turn for the West.

Any evaluation of the political situation, moreover, must take into account the fact that the world situation may still be likened to a powder keg that could be exploded by an unexpected spark which neither side would have wished to set off.

4. The western powers are well aware of these dangers. It is possible, therefore, although it is not very probable, that they will make another attempt, at top level, to negotiate a provisional political armistice in the cold war between East and West. However, Moscow would hardly agree to a conference unless the actual political and military potential of the western powers were such as to make the success of a military attack by the Soviet Union questionable at the outset. Hence the West must not fail to carry out, with all means available to it, and at an accelerated pace, the policy of expanding its power potential vis-à-vis the eastern bloc, not only in Europe, but in Asia as well.

SECRET

SECRET

- 5 -

B. ECONOMIC STATUS OF THE EASTERN BLOC

I

Economic Development During 1950 and 1951

1. The development of the world economy in 1950 was characterized by a sharp increase in industrial production, which showed a gain of 13 percent over that of 1949. This increase was due chiefly to the great rise in production in the United States, the USSR, Great Britain, and West Germany. In the United States the increase in the output of industrial goods amounted to 20 percent, and in the USSR, 23 percent; thus, by the end of 1950, the USSR's industrial production was 73 percent higher than in 1940. In the eastern-bloc countries, with the exception of the USSR (but including Yugoslavia), there was a 22-percent rise in industrial output. The rate of increase in industrial production in the entire Soviet bloc was about equal to the increase rate in the United States. In western Europe the rates of expansion were particularly high only in Great Britain and Germany; as far as the other countries were concerned western Europe lagged considerably behind the eastern bloc in its rate of industrial expansion. However, in western European countries, agricultural production recovered far more rapidly from the effects of the war than was the case in the eastern European satellites, whose productive powers were utilized in the heavy industrialization program.

In 1950, the increase in the output of raw materials lagged behind the rise in the production of finished goods throughout the world economy, including the eastern bloc.

2. In 1951 the rate of production increase in the industrial phase of the world economy lagged somewhat behind that of 1950. Only a few figures for steel production will be mentioned as typical of the development during 1951, since an over-all view of the industrial production is not yet available. The relative rise in steel production in 1951 amounted to 9 percent in the United States, and about 15 percent in the USSR and the satellites. The increase in the East was achieved partially by an improvement in the technical utilization of the available installations, and partially by putting new installations into operation.
3. It has been determined that there was a considerable relocation of industry from West to East within the USSR during 1950 and 1951. Industrial centers were established thereby established in various parts of the country, which would facilitate conducting a war on several fronts.
4. In comparison with the pre-war position, there has been a sharp decline in Eastern dependence on the West. This is especially true of heavy industry, of the machine-tool industry, and, in the field of raw materials, of copper, lead, and sulphur.
5. Since the expiration of the last Five-Year Plan on 31 December 1950, no new Five-Year Plan for the USSR has become known. The reason may be that the USSR intends to wait until (around 1955?) the satellites are on the same level, so that it will then be able to issue plans which are applicable to the entire area of the eastern bloc.
6. A table of statistics on the production of the eastern bloc is given in Appendix 1.

II

Coal

1. In 1951 about 290 million tons of coal were mined in the USSR, a yield which was somewhat above the plan figure.

Coal for the production of power is available in adequate quantities in the USSR. However, the supply of metallurgical coke causes considerable difficulties, because the ore-concentrating installations have not been sufficiently developed. Since the supply of metallurgical coke is unsatisfactory both quantitatively and qualitatively, the development of the iron-producing industry may be noticeably retarded.

SECRET

25X1A

SECRET

- 6 -

Since mining output in the eastern districts of the USSR had already begun to increase greatly during the war, the share of the Donets Basin in the total coal output was reduced from the pre-war figure of over 50 percent to about 37 percent in 1951.

The mining output per worker - sharply reduced during the war - had not regained the pre-war level in 1950. This goal may possibly have been reached in 1951.

Nevertheless, the coal supply situation in the USSR is still critical; however, this will not be prejudicial to industrial production, but will affect only the consumption of the population, which is already very low.

2. The coal output of the European eastern-bloc countries, amounting to 310 - 320 million tons, is approximately at the same level as that of the USSR. Of this total, the proportion of coal for coking purposes, as well as that of black coal, is in general, small. Only Poland and Czechoslovakia cover their own requirements for coking coal and coke, partially by Czech deliveries of coking coal to Polish cokeries in exchange for ordinary black coal. As before, Poland, with its coal surplus, assures the eastern bloc a strong position in regard to trade with the western world. In 1951 western Europe was dependent upon coal imports involving about 36 million tons; of this total, 25 million tons were supplied by the United States, and almost 11 million tons by Poland. Western Europe plans to import 38 million tons of coal in 1952, of which 28 million tons will be delivered by the United States, and 10 million tons by Poland.

In Hungary, Rumania, and East Germany, efforts are under way to solve the coke problem. By equipping its Metallurgical Combine "West" with low-shaft blast furnaces, East Germany has made a decisive step in this direction. In these furnaces, brown-coal hard coke can be used to smelt pig iron instead of black-coal coke. This new process would revolutionize the production of pig iron. Particularly the European eastern-bloc countries, which are deficient in black coal, would benefit from it. However, it is yet to be seen whether the furnaces, which were not put into operation until 1951, will give satisfactory results.

3. The total mining capacity in the eastern bloc is adequate in the event of a war. However, 50 percent of the satellites' coal output would be subject to uncertainty because of the overload on transportation facilities in case of war.

III

Petroleum

1. After the war, the rise in petroleum output was slower than the increase in the coal yield and the production of iron and steel. At present, the petroleum output is about 30 percent above the pre-war level. This slow development can be attributed chiefly to the sharp reduction in the petroleum yield of the Caucasus region, and to the fact that output lagged very considerably behind expectations in the Emba region and somewhat behind in the Volga-Ural region. However, as was made known at the end of 1951, the Soviet leaders hope to be able to achieve a petroleum output of 60 million tons annually, the goal designated by Stalin in 1946, before 1960.

Despite the decrease in the petroleum output of the Caucasus region, the output of that area still amounts to more than 50 percent of the total output. A further increase in output is expected in the Volga-Ural region.

In 1950 the following petroleum derivatives were produced:

Aviation fuel	3.4 million tons
Standard gasoline	5.5 million tons
Diesel oil	3.1 million tons
Illuminating oil	6.8 million tons
Gas oil and fuel oil	12.2 million tons
Lubricating oil	3.3 million tons

Total 34.3 million tons

SECRET

25X1A

SECRET

- 7 -

To be added to these quantities are 4.7 million tons of derivatives produced in the satellite countries and East Germany, so that the USSR has at its disposal more than 39 million tons of petroleum derivatives - in 1951, about 43 to 44 million tons - for its own consumption. The petroleum derivatives which remain in the satellites and East Germany barely cover the demand, which has been severely restricted. The goals of the last Five-Year Plan (including stockpiling) could never have been fulfilled without the deliveries from the satellite countries and East Germany.

Whereas the requirements of the Soviet Air Force for high-grade aviation fuel during World War II could be covered only by deliveries from the Western Allies, it was possible after the war to stockpile aviation fuel, as a result of an increase in production. However, the change-over by the Soviet Air Force to jet-propelled aircraft involves such a high consumption of fuel that supply difficulties are bound to arise during a long-term war, after the stockpiled quantities are used up. An increase in the petroleum output and in the production of aviation fuel is, therefore, an urgent necessity.

Fuel Requirements of the Soviet Air Force

(Figures in thousands of tons)

	<u>Gasoline</u>	<u>Kerosene</u>	<u>Total</u>
Annual peace-time requirements	1,080	3,240	4,320
Annual war-time requirements	3,100 - 3,700	5,200 - 6,900	8,300 - 10,600

In time of war, monthly consumption figures during the summer may be 325,000 - 440,000 tons of gasoline and 735,000 - 950,000 tons of kerosene; during the winter, 215,000 - 277,000 tons of gasoline and 485,000 - 705,000 tons of kerosene.

2. Outside of the USSR, the results in the output of crude oil were particularly favorable in Austria. In comparison with a 1950 yield of 1.5 million tons, an output of about 2 million tons was expected for 1951. Furthermore, new supply districts in the Vienna Basin and Marchfeld are being counted on for 1952.
3. As during the entire postwar period, the Rumanian oil output will probably rise slowly; presumably about 6 million tons will be produced in 1951.
4. Czechoslovakia hopes to be able to achieve twice its 1950 fuel output by 1953. The plan provides for a crude-oil output of about 250,000 tons, or a threefold increase over the output of 1950, and a synthetic-fuel output of 375,000 tons, or one and one half times that of 1950. However, a quantity of 600,000 tons of derivatives cannot cover the rising demand, since mechanization is increasing greatly, particularly in agriculture. It should be pointed out in this connection that the Slovakian crude oils have a low gasoline content, and are more suitable for processing into diesel and lubricating oils.
5. Since Poland intends to produce twice its 1950 fuel output in 1955, its crude-oil yield is scheduled to be 394,000 tons instead of 180,000 tons. In 1950 only one fourth of Poland's requirements could be covered by domestic output. Even in 1955, the domestic output will barely exceed 30 percent of Poland's total consumption.
6. A comparison of the petroleum consumption figures of the USSR and the eastern bloc with those of the West leads to false conclusions, since economically unproductive consumption in the East is at a minimum.

The crude-oil output of the eastern bloc is inadequate for the conduct of a war of long duration. Seizure of the Iranian oil would - except for the transportation difficulties solve the problem for the East.

SECRET

SECRET

- 8 -

IV

Power Supply

1. The power supply of the USSR has considerably increased in recent years. The 1950 power output of 90 billion kilowatt hours exceeded the plan by about 10 percent, and in 1951 there was a further increase of 15 percent, to 104 billion kilowatt hours. In recent years the capacity of the installations has increased, particularly through reconstruction in the western regions; through the construction of large-scale power plants, and through advances in agricultural electrification. In spite of this, it is not clear whether the actual goal was attained, namely, to increase the capacity (in kilowatts) by erecting so many new installations that the plants would not continually have to operate at peak load, but would have reserve capacity at their disposal.

The power supply of the Moscow - Upper Volga central industrial region, which at present is still inadequate, is to be guaranteed in the future by power deliveries from the large Kuibyshev power plant, which is still under construction. The realization of this project, expected in the course of the new few years, will mean that the group of armament centers established along the central Volga during the war will be organized into a large-scale, coordinated production effort with regard to power supply also. The two decisive industrial regions, the Moscow - Upper Volga region and the Ural region, will thus be drawn closer together. The power networks of the two regions each comprise one fourth of the total installed capacity in the USSR.

2. As in the USSR, the power supply in the satellites is still relatively weak. However, the differences from country to country are extremely great. The construction of the power-plant network in the agrarian countries is to be accomplished within the framework of very long-range plans.

In 1950 and 1951, considerable progress was made in Poland by the construction of a power-pool network covering the entire country. Thus, in 1950, the industrial regions of Upper Silesia and Łódź, and, in 1951, the regions of Łódź and Warsaw were connected by high-tension lines. A large power plant to supply Upper Silesia is under construction.

In East Germany the construction of power-plant equipment probably lagged considerably behind the plan targets in 1951.

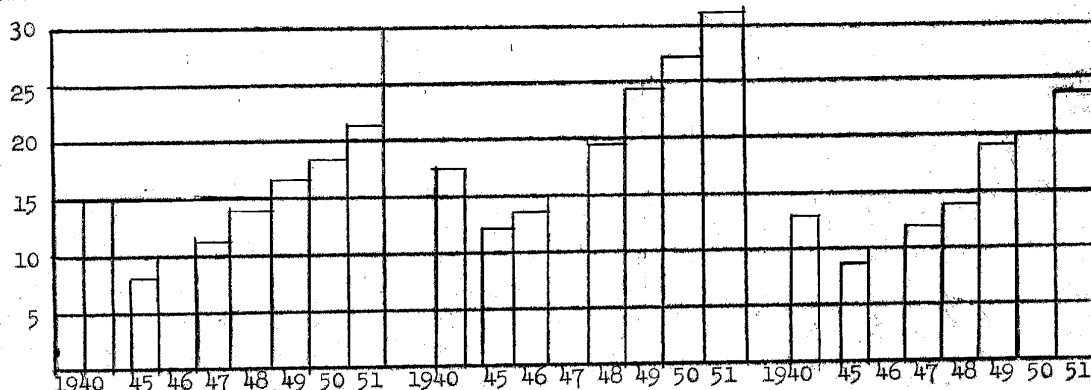
3. Power production in the eastern bloc still constitutes, on the whole, an important point of weakness in the economic structure. The greatly expedited construction of power plants is limited by the resultant load on the machine-building and electrical industries.

V

Iron and Steel

1. The production of pig iron, steel, and rolled stock has risen considerably since the war and is now far above the pre-war level.

Millions of tons



25X1A

SECRET

- 9 -

The eastern areas of the USSR (Urals and eastward) have contributed most to the increase in iron and steel production, just as they have contributed most to the increase in coal production. At present the western areas account for only one half of the total production (70 percent before the war). The greatest centers of production now are the Ukraine and the Urals, with 70 - 80 percent of the total production.

Civilian consumption (construction of homes and household equipment) is negligible. Therefore, as far as armaments are concerned, USSR production must be considered equivalent to almost twice the value of the same production in the West.

Because of the decrease in scrap reserves, the percentage increase in the production of crude steel, and hence also of rolled stock, was probably lower in the USSR in 1951 than in 1950. Also in 1952 one may expect a slower tempo of production increase, unless there is a considerable increase in iron-ore deliveries. These deliveries represent a serious bottleneck, because the expanding iron industry of the satellites depends more and more on Soviet iron ore.

2. In 1951 the USSR produced about 31 million tons of crude steel; the European satellites produced between 8.9 and 9.6 million tons. Satellite production, which is expanding constantly, benefited the USSR largely in the form of finished goods.
3. Pig-iron production in East Germany in 1951 depended almost entirely on the Maxhütte, which produced 365,000 tons. The new metallurgical plants at Fürstenberg and at Calbe were set in operation and together smelted 10,000 tons. In 1952 the two plants are expected to produce about as much as the Maxhütte produced in 1951.

In 1951 East Germany revised its 5-Year Plan in regard to iron and steel. The original plan of achieving the 1955 steel-production goal by using very great quantities of scrap was given up; instead, it was decided to increase ore production. Even if ore production should be increased as planned, East Germany would still have to rely on the import of 2 million tons of high-grade ores, most of which would have to come from the USSR.

4. There may be difficulties in steel and rolled-stock supplies in the USSR at present from the point of view of quality; quantitatively, however, supplies are adequate. In other countries of the Soviet bloc, however, and above all in East Germany, supplies are quite short.

A comparison between East and West shows that the West produced 154 million tons (58,255,000 in western Europe and 95,500,000 in the US) while the eastern bloc produced 40 - 41 million tons. It must, however, be emphasized that since in the West consumer goods still make up a large part of production, two tons of steel in the West equal one ton in the East. This ratio will improve in favor of the West as war production increases.

At the present level of iron and steel production, the eastern bloc can increase its armament production to any level which appears necessary.

For map, see Appendix 2.

VI

Motor Vehicles and Railroad Rolling Stock

1. Motor vehicle construction has increased two and one half times over that of the best prewar year (1938). Under the planned development it may, during the next few years, reach an output three times that of 1938, namely 750,000 vehicles per year.

Trucks accounted for more than 85 percent of the total motor vehicle construction (including motorcycles and motor bicycles). The planned output for 1950 of 430,000 trucks was apparently achieved. In the future, with increased production, one may count on a yearly production of 500,000 - 600,000 trucks.

The inventory of 2 million truck units planned for 1951 -- compared with 1 million truck units in 1940 -- was presumably not reached. The postwar models, which in 1951 accounted for 60 percent of the inventory, show considerable improvement over the

25X1A

SECRET

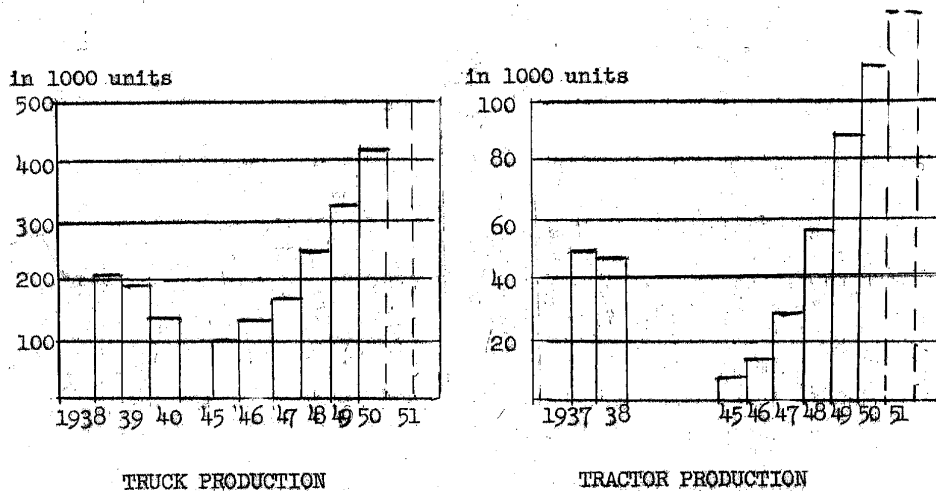
- 10 -

standard types of the war period. In comparison with the considerable increase in capacity (30 percent) and in motor efficiency (25 - 60 percent), fuel consumption rose only slightly (20 percent). By using Diesel motors for the heavy trucks an actual saving of fuel was achieved.

Tractor production has increased considerably over the prewar level, and motor efficiency has been greatly improved. According to the plan, 112,000 tractors were built in 1950; it is planned to increase production to 130,000 units.

In 1950 the inventory of tractors on farms was 550,000 units; during the war, production of tractors stopped completely, and those in service were subjected to harder wear. It is doubtful whether the prewar inventory figure was again reached by the end of 1950.

In the first postwar years practically all the tractors built were put into farm service. Recently, however, an increasing proportion of the production has been turned over to other services (forestry, land improvement, and highway construction). In case of war, tractors employed in the latter services could be withdrawn much more easily than those used on farms.



2. After a slow recovery from the effects of war, locomotive construction reached an output of 2,700 units in 1951; in the course of the next few years an increase to 4,000 units can be expected.

As early as 1947, freight-car production had regained the pre-war level, and at present it has exceeded that level more than two-fold (about 145,000* cars in 1950). One may assume that this figure will increase to 200,000*.

With 1.1*million units the freight-car park is now 30 percent larger than before the war; capacity has increased by 50 percent, because 4-axle cars now make up 40 percent of the total number of cars, whereas in 1940 they made up only 25 percent of the total.

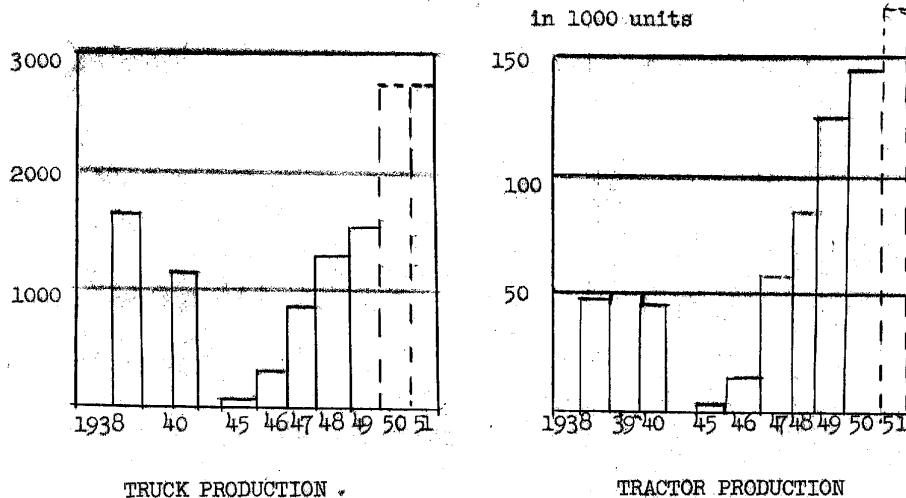
(*Figures are expressed in 2-axle units.)

SECRET

25X1A

SECRET

- 11 -



3. The motor vehicle industry of the satellite countries has a relatively lower output than that of the USSR. Only tractors are produced in rather large number to supply the necessary machinery for collectivized agriculture. The well-developed motor vehicle industry of Czechoslovakia has adapted itself to the Soviet production pattern by increasing truck production at the expense of passenger-car output. Moreover, the Soviets insisted upon a sharp increase in freight-car production. In East Germany, only repair work on locomotives and freight cars was carried out up to 1949. Not until then did new freight-car construction begin on a large scale.

VII.

Tanks and Assault Guns

1. The manufacture of tanks and assault guns reached its highest level in 1944-45, with 37,500 units per year. Production slowed down after the end of the war, and dropped precipitately from mid-1946 on. Production for 1951 is estimated at 10,000 units (about 25 percent of the production at the end of the war).

The production system was changed after the war. The finishing of parts was distributed among a far larger number of supplier plants, and the final assembly was concentrated in a few plants (seven are known). With these manufacturing cells, which can at the same time be regarded as basic production centers for developing models and for training specialists, it would be possible to set up the production of tanks and assault guns on a war-time scale on very short notice. Most of the manufacture is centered in the Ural and Volga areas. Heavy tanks and assault guns have displaced the medium types. The ratio between tanks and assault guns cannot be determined at this time (possibly 25 percent) (sic). In 1944, assault guns made up about 20 percent of the total, in 1947 about 15 percent.

Only improved models developed from the types used in the war are being manufactured. Their essential characteristics are: heavier front armor, improved design and radio equipment, and increased fire power.

SECRET

25X1A

SECRET

- 12 -

On the basis of the high production during the last phase of the war and the period immediately after the war, the number of tanks and assault guns on hand can be estimated at 80,000 units. Of these, about 45,000 tanks and assault guns were made during the last weeks of the war and are therefore of limited use in comparison with the improved types. However, 35,000 tanks and assault guns are modern standard types.

The armament of existing organizations and training installations may amount to about 29,000 tanks and assault guns. The satellite countries probably have another 5,000 units. Accordingly, one can assume a total of about 40,000 45,000 tanks and assault guns in the camps of the military districts and of general headquarters.

2. The satellite countries play no decisive role in tank production.

VIII.

Air Armament

1. The Soviet postwar production of aircraft frames is shown in Appendix 3. The USSR was able to make up its lag in the field of jet propulsion and jet aircraft very quickly. Three factors were responsible for this:
- The machine equipment of the reconstructed plants has been modernized as the result of deliveries made by the Allies during the war and of the acquisition of equipment through plunder or dismantling.
 - The USSR is in a position to exploit not only German designs and production experience, but also German experts.
 - Great Britain had delivered up-to-date jet engines.

Fighter Aircraft

Type	Speed	Tactical Penetration Range	Armament	Useful Load
La-9	600 km/h	700 km	4 x 23 mm	
La-11	600 km/h	750 km	3 x 23 mm	
La-17	1,000 km/h	650 km	1 x 37 mm 2 x 23 mm	
Yak-15	700 km/h	750 km	2 x 20 mm 6 - 8 rockets	
Mig-9	750 km/h	300 km	1 x 37 mm 2 x 23 mm	
Mig-15	1,020 km/h	450 km	1 x 37 mm 2 x 23 mm	

Bombers

PE-2	370 km/h	500 km	2 x 12.7 mm 2 x 7.62 mm	1,800 kg
PE-8	330 km/h	1,500 km	2 x 7.62 mm 2 x 20 mm 2 x 12.7 mm	3,000 kg

SECRET

25X1A

SECRET

- 13 -

Type	Speed	Tactical Penetration Range	Armament	Useful Load
Tu-2	450 km/h	800 km	2 x 20 mm 3 x 12.7 mm	2,000 kg
Tu-4	450 km/h	3,300 km.	9 x 12.7 mm	6,000 kg
Il-4	335 km/h	700 km	1 x 12.7 mm 2 x 7.62 mm	1,500 kg
Il-2TL	750 km/h	850 km	2 x 23 mm 2 x 12.7 mm (with supplementary tanks)	2,000 kg

Attack Aircraft

Il-2	330 km/h	275 km	2 x 23 mm 1 x 12.7 mm 2 x 7.62 mm	400 kg
Il-10	500 km/h	300 km	2 x 23 mm 1 x 12.7 mm 2 x 7.62 mm	500 kg

Transport Aircraft

Li-2	230 km/h	900 km	1 x 12.7 mm 2 x 7.62 mm	2,225 kg
Il-12	330 km/h	750 km	-	3,000 kg
Il-18	425 km/h	1,400 km	-	9,000 kg
Tu-70	450 km/h	2,500 km	-	9,000 kg
Yak-16	300 km/h	500 km		10 Passengers + 200 kg

Types in Development

DFS-346	?	?	?	
P 131/132	850 km/h ?	900 km ?	?	2,400 kg ?
Il-4TL	720 km/h ?	1,000 km ?		4,500 kg ?
P 150	920 km/h ?	1,500 km ?		?

2. The four phases of development in aircraft production are:

- a. From the end of the war to 1946 there was a gradual reduction of war production until an industrial output of 18,300 aircraft per year was reached, without bringing production to a full standstill as was done in other countries. Full employment was maintained in factories by including the manufacture of consumer goods.

SECRET

25X1A

SECRET

- 14 -

In large-scale production:

Aircraft model:

Fighter aircraft	La-9
Attack aircraft	IL-2
Light bombers	PE-2 PE-8 Tu-2 IL-4
Transport aircraft	LI-2

In development:

Fighter aircraft	DFS-346 Mig-9 Yak-15
Medium bombers	Tu-4

- a. Between 1946 and the beginning of 1947 the air armament industry was again brought to full production. German plant capacity and German technicians were drawn on. Without let-up in current production, the industry was converted to new models. Production for 1947 amounted to 17,700 aircraft.

In large-scale production:

Aircraft model:

Fighter aircraft	La-11
Attack aircraft	IL-10
Light bombers	PE-2 Tu-2 IL-4
Medium bombers	Tu-4
Transport aircraft	LI-2 IL-12 IL-18 Tu-70

Production started on:

Jet fighters	Mig-9 Yak-15
--------------	-----------------

In development:

Jet fighters	Mig-15 La-17 Prototypes
Jet bombers	P-131/132 (Built on the model of JU-287) IL-4

SECRET

SECRET

- 15 -

- c. By the beginning of 1947 the conversion of plants was considered completed, and the construction of prototypes and of new models was begun. Most plants worked in three shifts.

Production in 1948 increased to 21,000 aircraft, because of the added production of prototypes of jet fighters. In 1949, despite the added production of prototypes of multi-engine jet bombers and the start of mass production of jet fighters, production dropped to 18,500, because the large-scale production of traditional fighter aircraft with reciprocating engines and of attack aircraft came to an end.

In large-scale production:

Aircraft model:

Jet fighters	Mig-9 Yak-15 Mig-15 La-17
Medium bombers	Tu-4
Transport aircraft	IL-12 IL-18 Yak-16 Tu-70

Large-scale production being terminated:

Fighter aircraft	La-11
Attack aircraft	IL-10
Light bombers	PE-2 Tu-2

In development:

Jet fighter prototypes	
Light bombers	IL-2 (jet)
Medium bombers	IL-4 (jet) P-150

- d. By May 1949 the standard models had been set. Large-scale production of new models, which are now being used by the military forces, was begun, and by 1951 the following yearly production was reached:

Seaplanes	1,000
Trainers	5,000
Multi-engine bombers (B-29 model)	600
Light tactical bombers (jet-propelled)	1,000
Jet fighters	12,500
Total	20,100

SECRET

SECRET

- 16 -

In large-scale production:

Aircraft model:

Jet fighters	Mig-15
Light jet bombers	IL-2
Medium bombers	Tu-4
Transport aircraft	IL-12 Tu-70

In development:

Jet fighters

Further development of supersonic fighters

Medium jet bombers P-150

- The development and production of high-performance aircraft is dependent on the production of jet engines. At the end of the war, the USSR was using only reciprocating engines in its aircraft. In 1951, jet engines with capacities of 2,800 kg. thrust were being mass-produced. Development of engines with capacities of approximately 5,000 kg. thrust is nearly completed.

IX.

Outlook and Evaluation

- Since 1950, the economic plans of the Soviet bloc have been even more systematically coordinated than before. The tempo at which the agrarian countries of the Soviet bloc are being industrialized and the capacities of the more industrial countries are being expanded, in accordance with current five-year plans, forces the USSR to give these countries considerable aid and to forgo, to some degree, drawing upon these countries for goods. The USSR, despite modern plant equipment, is still behind the other large industrial nations in productivity per worker in most industries. In the years 1953-55 the USSR will strive to increase its industrial output by using these "hidden reserves", even though this may result in overloading the plant equipment and in disproportionately heavy wear and tear.
- In the next few years the USSR will slow down the expansion of its own own industries in order to concentrate more on investing in the satellite countries, since it expects, in the long run, to achieve a greater increase in the industrial potential of the Soviet bloc in this way. Particularly in the predominantly agricultural countries, the USSR is attempting, through large-scale farming, to divert more labor to industry. Tractors, which are indispensable for modern large-scale farming, are to be produced in sufficient quantities during the current five-year plans. Without using force at present, the collectivization of farms is to be carried out step by step (as far as possible, without creating too many managerial or psychological difficulties). In East Germany collectivization has at present been halted for political reasons. The forms of "collective economy" vary from "associations for collective working of fields" to out-and-out kolkhozes. From its own experience with collectives, which led to starvation and mass dying, the USSR advises proceeding cautiously, in general. However, the Soviet model is still being followed. In 1950-51 the areas of collective farms were considerably increased. In accordance with the increased tempo of collectivization, the original industrial goals set for the end of the plans were raised considerably.

SECRET

25X1A

SECRET Q

- 17 -

It is still quite difficult to get the necessary labor for industry. Despite some caution, the tempo of industrialization is too fast for the required labor force to keep up with it. In addition, it is impossible to shift more labor from agriculture to industry in either such highly industrialized areas as Czechoslovakia or such slightly industrialized areas as Hungary, without reducing the already low agricultural output even more. In the next few years, the lack of technicians and labor in general will often make the fulfillment of plan quotas difficult, if not impossible. The present food shortages will also increase. Nor will the industrial equipment be ready on time or without difficulty. (See Appendices 4 and 5)

3. The foreign trade of the satellites is dependent on the countries in the Soviet bloc, particularly the USSR. Building up the satellites' industry without raw materials of their own increases their dependence on the USSR. The USSR thus has considerable power to control the economy of its satellites. However, during this decisive and difficult phase of industrializing its western front, the USSR will be careful to steer clear of external political disturbances.
4. The economic condition of the Soviet bloc is at present not strong enough to carry on a world war lasting several years. However, if these countries continue their present development, they will be strong enough by 1957-60.

SECRET

SECRET

- 18 -

C. Evaluation of the Military Situation

I.

Military Personnel Potential

At the beginning of 1952 the armed forces personnel potential, in terms of men of draft age, i.e. between 18 and 49, totaled approximately 38 million men. With only the most essential deferments for service in the defense industries, a mobilization potential of 26 million men can be counted on. In view of the intensified manpower requirements of the armament industry in the event of war, the Soviet leaders will have to limit themselves to placing 12 million men under arms as the initial step in a total mobilization to be carried out in three waves. (The total strength of Soviet armed forces in May 1945 was 10.8 million men.)

II.

Army

1. The Soviet Armya. Total Strength and Grouping of the Soviet Army

Numerous first-hand indications from within the Soviet Union bear out the estimate of the present total strength of the Soviet Army as 3.2 million men and 177 combat divisions, including 27 armored divisions, 45 mechanized divisions, and 12 cavalry divisions. The supporting units are composed of 15 artillery and 50 anti-aircraft divisions. Units equaling the strength of 6 airborne divisions have probably been formed from the airborne brigade and several of the airborne infantry divisions utilized in ground combat during World War II.

In the event of mobilization, the total number of combat divisions of the Army could be raised to 350 (see Section C, I); i.e. the number of peace-time divisions could be doubled. The number of mechanized units, which is particularly high in the peace-time Army, could not be increased by so great a proportion as could the number of infantry units, which have not been so much emphasized in the peace-time Army. With 70,000 - 75,000 tanks and assault guns available, (29,000 utilized in peace-time units), the above-mentioned infantry units, too, can be given strong armored striking power.

This large number of organic tanks is the distinguishing feature of the Soviet postwar divisions, which, although they have a relatively small personnel complement, can bring an astonishing firepower to bear upon the enemy. This fact is apparent from the attached table (Appendix 6), which contains figures on the personnel strengths of the most important combat units.

The Ministry of War, which serves as the planning organ for the Army and Air Force, and which includes the Soviet Army General Staff, directs the Army units within the 21 military districts and the four occupation areas. Army staffs have been installed in the most important of these areas. The High Command for Ground Forces, which is incorporated within the Ministry of War, is charged with training and inspection functions.

The distribution of the Army divisions is shown in Appendix 7. The distribution of the peace-time Army shows, in addition to a concentration of 20 percent of the existing armored forces in East Germany, military concentrations in the most important peripheral areas, such as the Baltic area and the White Russian, Carpathian, and Trans-Caucasus military districts. Of the eight mechanized armies presumably in existence, four are stationed in Germany and one each in the Baltic, the White Russian, the Trans-Caucasus, and the Trans-Baikal-Amur military districts. The creation of these strong points shows that the Soviet dagger is pointed at western Europe, now as before.

SECRET

SECRET

- 19 -

b. The Occupation Forces of the Soviet Army in Germany

A quick glance in retrospect at the development of the situation during 1951 in East Germany, the largest and most transparent window in the Iron Curtain, will serve to give a generally applicable picture of the activity as well as the striking power of the Soviet Army in so far as personnel and materiel are concerned, and will permit an insight into probable future developments.

With a complement of 320,000 men, i.e. 10 percent of the total Army strength, the Soviet occupation troops in Germany, under Army General Chuikov, are the Kremlin's most important concentration of troops and are those stationed closest to western Europe. The positions of the two infantry and four mechanized armies, with their 22 subordinate combat divisions, are given in Appendix 8. The total number of units has not changed since 1947. However, the two rear units, the 3rd and 4th Guards Mechanized Armies, were expanded between autumn 1949 and autumn 1950 from skeleton units containing only one third of the personnel called for by their tables of organization to full-strength units. As a result of this increase in strength, they were enabled to form organic antiaircraft divisions.

As early as February of the 1951 training year, various units were sent on brief assignments to the maneuver areas for range-firing drills. Marching drills were undertaken in the vicinity of the posts. Individual training was carried out in garrison until April. A small number of specialists were brought from the Soviet Union at the beginning of February.

After 10 April 1951, the majority of the combat divisions left their winter quarters for a stay of several months in the forest camps of the maneuver areas. The over-all picture showed a distribution of forces similar to that of the previous year, except for the Letzlinger Heide area. The 7th Guards Tank Division of the 3rd Guards Mechanized Army and the 10th Guards Tank Division of the 4th Guards Mechanized Army were stationed in the vicinity of this former German proving ground, now converted by the Soviets into a tank target range, a deviation from the usual practice of stationing units of a single army there. In addition, the two adjacent divisions of the 3rd Shock Army carried out maneuvers there. The 94th Guards Motorized Infantry Division in Schwerin and the three divisions of the 2nd Guards Mechanized Army in Mecklenburg carried out their summer training in the vicinity of their garrisons.

While platoon and company training was being carried out at the maneuver areas, the engineer units of each army were concentrated, from May on, along various sectors of the middle Elbe, for special training with heavy bridge-building equipment. At the end of June or the beginning of July, some 75,000 replacement troops in the 1930 and 1931 age classes arrived, and after a short period of basic training were sent, in August, to the maneuver areas, where the training ~~had reached company and battalion proportions.~~ At the same time, some 40,000 men and non-commissioned officers of the 1927 age classes who had had previous service were discharged. As a result of this replacement, the army units exceeded their planned peace-time strength (approximately 65 percent of the war-time strength) by approximately 10-15 percent.

At the beginning of July, small units of the 39th Guards Motorized Infantry Division took part in airborne maneuvers between Dresden and Altenburg. Except for staff training exercises for the commands of all six armies, which took place in the Wittenberg-Delitzsch-Halberstadt area at the end of September, the troop units remained in the maneuver areas until the beginning of October, having begun training on a reinforced regimental scale at the end of August. The assemblage in turn, of artillery at Altengrabow, of antiaircraft units at Wustrow, and of engineers in the Elbe area continued during this same period.

The units began to move out of the maneuver areas approximately on 10 October. Before moving to winter quarters, the majority of the units carried out large-scale autumn maneuvers. They were divided into four maneuver areas, as follows:

SECRET

SECRET

- 20 -

Combat units of all three divisions of the 1st Guards Mechanized Army were observed from 20 to 27 October engaged in an exercise covering the area from Oschatz and Riesa as far as the vicinity of Zeithain.

Units of all four divisions of the 8th Guards Army, supported by units of the 6th Artillery Division, Engineers, and Group Transportation units, took part in a river-crossing exercise during the period 20-28 October. During this exercise, the reinforced XXIXth Guards Motorized Infantry Corps, after assembling in the Zerbst-Rosslau area, set up a bridgehead south of the Elbe which was attacked, hemmed in, and destroyed by the reinforced XXVIIIth Guards Motorized Infantry Corps from the Weissenfels-Merseburg area.

A similar problem was assigned for maneuvers of the 3rd Shock Army, whose main body crossed the Elbe to the east from the Letzlinger Heide area and was then attacked by the reinforced 7th Guards Armored Division.

During this same period, 20-27 October, the 4th Guards Mechanized Army staged a final maneuver in the area southeast of Rathenow; the problem of this maneuver was probably to engage and repulse an enemy coming from the west.

The combat units of the occupation troops in Germany returned to their winter quarters at the beginning of November. Thereafter, the rotation of personnel, which had been initiated at the beginning of October, was resumed on an expanded scale. By the time the rotation operation was completed, 10 December 1951, 64 troop trains bearing 77,000 recruits from the 1931 and 1932 age classes had arrived westbound, and 56 troop trains bearing approximately 68,000 discharged men of the 1928 age class had departed for the east.

November and December were devoted to the maintenance of weapons and equipment and to the assignment and basic training of the newly arrived personnel. The relocation, about the middle of December, of the staff of the 3rd Guards Mechanized Army from Luckenwalde to the barracks at Wuensdorf/Zossen completed the transfer, in 1951, of all army and corps staffs from requisitioned civilian buildings to barracks. This gesture vis-à-vis the East German Government served the purpose of isolating the personnel more completely, an action which was first noted in Autumn 1951, when German personnel were replaced by Russian women.

A regrouping of units of the 8th Guards Army took place in Thuringia at the end of November. In the course of this regrouping, the main body of the 39th Guards Motorized Infantry Division was transferred to the Ohrdruf area, and troops of the XXVIIIth Guards Motorized Infantry Corps were transferred from Gera and Zeitz to Rudolstadt and Saalfeld.

It is known that during the winter, as in previous years, small individual units were sent to target ranges for training in marksmanship. Intensive individual training, special courses given by subordinate commanders, and the maintenance of equipment characterized the activity of the Soviet units in garrison at the beginning of 1952. In February, these units will presumably again engage in small-scale exercises in the vicinity of their stations.

c. Estimate of the Present Striking Power of the Soviet Army

With the inductions of the autumn of 1950, the Soviet Army reached the peace-time induction level prescribed in the military service law. The wave of discharges during summer 1951 marked the completion of the transfer of men with military service experience into the reserves. Because of the large size of those age classes (an average of 1,900,000 men each), the personnel potential is now at a postwar high, both as to total number of men and as to age classification and training status of the reserves. The decline in the size of the draft-age groups, which began in 1952 and which will reach a low of 900,000 men in about 1963, will cause the personnel potential to decrease over a period of 15 years, so that it will be possible to maintain a peace-time army of the present strength only by extending the period of military service. Without advertising the fact, the Army has already increased the period of service from 2 to 3 years.

SECRET

25X1A

SECRET

- 21 -

In so far as materiel is concerned, the Soviet Army is still being supplied with weapons produced during the latter years of the war. The weapons developed up to 1945 still make up 80 percent of the standard weapons of the Army. Tanks and antitank weapons form the mainstay of Soviet armament and have been constantly improved in mobility and firepower. They equal in effectiveness and exceed in numbers those of any modern opponent. Materiel shortages still exist with regard to radar equipment and motor vehicles, although the supply of these two items has been increased considerably in recent years.

The status of military training is excellent as the result of unusually strict and intensive instruction. However, because of the close adherence to centralized planning which is peculiar to the Russians, there is bound to be a tendency to schematism.

The actual strength of all units stationed in the border areas of the Soviet Union has reached 65-70 percent of war-time strength. In the zones of occupation it has risen to 70-80 percent of war-time strength. The undermanned units do not impede the immediate readiness for combat.

There are no obvious supply shortages, notwithstanding the fact that the extremely sparing use of gasoline in peace-time may indicate that in the event of a long conflict there would be a shortage of this particular item.

Rigid isolation from non-Soviet surroundings and unusually close surveillance by political and state security organs have made desertion and resistance within the Soviet Army practically impossible. Even in the event of a war, internal subversion is not apt to occur unless the USSR were to sustain a decisive defeat.

To summarize, it is apparent that after the induction of the latest contingents of recruits, approximately in the spring of 1952, the Soviet Army will have reached a postwar high in personnel strength, and that as the result of increased mechanization during the past year, it is capable of engaging in mobile combat with considerable striking power, on short notice.

The armed forces facing western Europe in Germany and in the western peripheral military districts constitute an unusual concentration of armored forces which could engage in initial penetration operations even if the relatively weak infantry and artillery units were not reinforced.

The absence of any indications of preparation for war, the normal passage of the training year, the normal status of supply facilities, the fact that units are below war-time strength, and the discharge of the last group of combat veterans during the summer of 1951 all point to the probability that the Soviet leaders are not planning to carry out offensive action in Europe in the immediate future. Presumably the 1952 training year will be similar to the previous year, and it may be expected that in the most crucial border and occupation areas the Soviet Army will be maintained in a state of readiness for armed attack, even on short notice.

2. Satellite Armies

a. General:

The Soviet influence on all satellite armies was further increased during 1951, although the system varied according to the political and national conditions in the various countries. In Poland, for example, the top military posts have been filled with Russians of Polish extraction. No Soviet officers have been incorporated into the Czech Army, but a large number of troop units, and especially the military schools, are controlled by Soviet officers who serve as advisers.

SECRET

25X1A

SECRET

- 22 -

Considerable progress has been made in the introduction of Soviet weapons and equipment and in the standardization of the military organization and the replacement system. Appendix 9 shows the distribution of the satellite army divisions.

b. Poland:

Since Rokossowski's appointment as Minister of Defense, the Soviet Union has been much more liberal in its shipments of weapons. Tanks of the T-34/85 and JS 1-3 types, as well as assault guns of the JSU 152 type, are appearing in greater numbers in the Polish Army. The artillery utilizes all types of Soviet guns up to 152-mm. caliber. The engineers are utilizing the TMP type of heavy bridge equipment. Mechanization has made additional progress, although the numerous US vehicles have not yet been completely replaced by Soviet types. At present, Poland has at its disposal four or five motorized or mechanized divisions, and 10 or 11 ordinary infantry divisions. In addition, it has available army units equivalent to five or six armored regiments and approximately 15 GHQ artillery regiments. The total estimated strength of the Polish Army, which at present is not in a position to enlist all men subject to the draft, is approximately 200,000 men. The police forces -- the Internal Security and Border Patrol Corps -- are organized and equipped along Soviet lines. Their strength is estimated at approximately 50,000 men. There are in existence approximately 15 border guard brigades, and there is one brigade or one regiment of the Internal Security Corps in each of the 17 wojewodstwow.

c. Czechoslovakia:

The expansion of the Czech Army during the past year was hampered considerably by personnel problems. A large number of officers, including the commanders of two military districts, were arrested or dismissed from the Army in connection with the Clementis trial. As a result of the numerous purges, a critical shortage of active officers and non-commissioned officers has manifested itself. Notwithstanding this fact, considerable progress has been made in the expansion of the Army. The previously weak motorized units have been brought up to strength and reorganized into four mechanized or armored divisions according to Soviet pattern. Mechanization was also greatly improved in the remaining units, so that at present it may be presumed that four of the nine remaining infantry divisions are fully motorized. In addition there is an independent armored corps, and approximately 12 GHQ artillery brigades. The influx of Soviet weapons and tanks is continuing, so that it is likely that only a few of the formerly numerous German and British tanks still remain.

Control of the border was increased considerably. On the Bavarian border alone, there are six border patrol brigades, totaling 12,000-15,000 men. In addition, field fortifications, mine fields, and barbed-wire entanglements have been set up along the border.

Since the draft age was lowered in the fall of 1950, an additional age class was added, so that there are now three age classes on active duty. The present estimated Army strength of 175,000 men cannot be increased appreciably without at least partial mobilization.

d. Hungary:

Hungary was the last of the satellites to begin building up a new army. Because a new officer corps had been trained which hewed to the (Communist) line, the Soviets considered the Hungarian Army more dependable than the armies of the other satellite countries. The delivery of weapons was therefore begun early, at the time the units were organized, and is being continued uninterruptedly. In addition to several partially motorized and infantry divisions, there are in existence one armored division, one mechanized division, presumably two anti-aircraft divisions, and various independent army units. Soviet supervision is exercised by numerous advisory or liaison staffs. The combined strength of the Army may be estimated at approximately 100,000 men, to which may be added some 50,000 police troops. In Hungary, too, this total cannot be measurably increased without mobilization.

e. Conditions in Rumania, Bulgaria, and Albania are similar to those in the above-mentioned countries. It may be presumed that at present Rumania has at her

25X1A

SECRET

- 23 -

disposal 15 divisions comprising 175,000 men, that Bulgaria has 11 divisions comprising 130,000 men, and that Albania has 3 divisions comprising approximately 35,000 men. In addition, these countries also have police troops, as have the other eastern-bloc nations.

- f. To summarize, it has been established that the armies of all the satellite countries are still in process of expansion, despite the fact that the army strengths laid down in the peace treaties have been exceeded by a considerable margin. It may also be presumed that further developments will tend less toward increasing personnel strength than toward even closer emulation of the Soviet pattern, especially in so far as training, organization, and armament are concerned. Even at their present stages of expansion, the satellite armies represent an addition to Soviet military power of 800,000 men, 3,000 tanks and assault guns, and approximately 2,000 heavy guns (artillery), although the combat value of the units is far from equal to that of comparable Soviet units. As auxiliaries to the Soviet Army, the satellite forces could successfully be assigned to secondary operations and to security missions. However, they can hardly be expected to display any penetrative power if assigned to independent offensive operations outside their own borders, against a tough, modern opponent. There were no indications of preparation for war in any of the satellite countries at the beginning of 1952.

III

Air Arm

1. The Air Forces of the Soviet Union

a. Total Strength and Organization

At the end of the war, the Soviet Air Arm demobilized only approximately 40 percent of its war-time units. Of the Air Force regiments in existence at the end of the war, probably 600 are up to war-time strength and ready for action.

The Soviets probably have approximately 24,500 front-line aircraft available (see Appendix 10). These can be broken down approximately as follows: 14,000 fighter aircraft, including 10,000 jet fighters; 5,500 light and medium bombers, including more than 1,000 jet bombers; 3,500 attack aircraft; and 1,500 reconnaissance aircraft. The majority of these units, approximately 18,500 front-line aircraft, are based within the European area of the Soviet Union (including the Soviet occupation areas). The 18,500 aircraft are broken down as follows:

Army Air Force - approximately 12,000 aircraft

Long-Range Bomber Force - 1,500 aircraft

Air-Defense Force - 3,000 aircraft

Naval Air Force - 2,000 aircraft

More than 2,000 twin-engine and four-engine military transport aircraft are available.

b. Organization and Combat Efficiency

1) Organization

The Soviet Air Arm is not an independent component of the armed forces. Nevertheless, it occupies the same relative position within the armed forces as the Army. It comprises various forces, which vary greatly in their assignments and uses.

- a) The Army Air Force serves primarily to support front-line ground operations. It comprises the bulk of the Air Arm, and its training status and combat efficiency are good. It consists of the following units: The 24th, the 59th (formerly the 2nd), and the 4th Air Armies in the occupied areas; nine additional air armies based in the various military districts of the European portion of the Soviet Union; four air armies in the Far East.

SECRET

25X1A

SECRET

- 24 -

- b) The Long-Range Bomber Force (ADD) is employed as a means of tactical aerial warfare. The ADD is composed of eight corps with subordinate regiments. In its present status it is not in a position to carry out its intended mission, which is based on the US pattern. For some time to come, therefore, it is not likely that these units will be employed for any operations other than tactical army support.
- c) Air Defense Force (PVQ) has been furthered by all possible means during the past few years. The PVQ's fighter units, with approximately 3,000 jet fighters, rank second in strength after the Army Air Force.

The antiaircraft artillery in the European sector of the Soviet Union is composed of four PVQ fronts (see Appendix 10), which, together with the adjoining military areas, form air defense areas. Other air defense areas encompass the military areas in the interior of the European sector of the Soviet Union.

With the aid of up-to-date antiaircraft artillery (guided missiles) and a very extensive network of radar stations and airfields in the military areas, the Soviet Air Defense Force will be in a position to offer effective resistance to tactical attack units, although it will be unable to prevent a break-through by high-speed formations, especially at night, in view of the great size of the area.

- d) The Naval Air Force, with approximately 2,000 combat aircraft, is in a position to carry out coastal patrol and escort missions in Europe. Attacks on naval units by combined fighter, bomber, and attack units must be expected. Judging by the present aircraft equipment, it is highly improbable that extensive operations will be carried out, with the exception of long-range reconnaissance. Special significance attaches to the cooperation of the Naval Air Force with the submarine force.
- e) The Parachute and Airborne units are estimated to have a minimum strength of 16 divisions with a total of more than 150,000 men. These units are organized in regiments. The training status for commitment within a heavy weapons division may be evaluated as satisfactory.

c. The Soviet Air Force (24th Air Army) in East Germany

- 1) The distribution of strength of the 24th Air Army up to autumn 1951 was essentially the same as during the second half of 1950. At that time, the Soviet Air Force maintained the following operational units in East Germany (see Appendix 11):

2 fighter corps	with a total of 18 regiments
1 attack corps	with a total of 6 regiments
1 bomber corps	with a total of 6 regiments
2 air reconnaissance regiments	
1 air transport regiment	
1 air transport squadron	

At the beginning of October 1951, this fixed set-up was disrupted by a series of changes which took place between then and the end of 1951 (see Appendix 12).

The most important of these changes was the transfer to the east of the flight personnel of 50 percent of the fighter units, i.e., the personnel of nine regiments. Most of the aircraft of these units were left in East Germany.

Besides this disbanding of old fighter units, two attack regiments were transferred from the Berlin area to the area of the former Province of Saxony, which is closer to the front.

SECRET

25X1A

SECRET

- 25 -

Mid-November 1951 marked the beginning of the reorganization of replacement units for the fighter regiments which had been disbanded in October. Initial observations were made in K8then and Finow, and by mid-December all nine regiments were reorganized, for the most part at the old sites.

The personnel of these new units have had extensive flight training, but are now being re-trained for MIG-15 jet fighters. Presumably all personnel arrived from the USSR recently. This is certainly true in the case of the two new units stationed in K8then. At the end of December, these units had not yet been completely equipped with personnel and materiel; their pilots were still undergoing individual training.

The reason for the rotation of flight personnel is presumed to be as follows:

The outgoing personnel had been in Germany since the end of the war and were exceptionally well trained. It is in the interest of the Soviets to employ these personnel elsewhere (as training instructors, in critical defense zones, Korea?). The new personnel are to gain experience, close to the front, in flying the most up-to-date aircraft, under the special conditions prevailing in central Europe.

After mid-December, a few other, less important, shifts took place in East Germany.

For the distribution of units at the end of December 1951, see Appendix 13.

2) Equipment of the 24th Air Army

Fighters: MIG-15

Attack aircraft: IL-10

Bombers: PE-2; TU-2; twin-engine jet bombers

Reconnaissance aircraft: IL-2; IL-10; PE-2; TU-2; twin-engine jet bombers

Transport aircraft: LI-2; IL-12; C-47.

3) Strength of the 24th Air Army

	<u>Number of Aircraft</u>	
	<u>Per Unit</u>	<u>Total</u>
6 Fighter division staffs	4	24
18 Fighter regiments	38	684
2 Bomber division staffs	3	6
6 Bomber regiments	39	234
2 Attack division staffs	2	4
6 Attack regiments	56	336
2 Reconnaissance regiments	20	40
1 Air transport regiment		36
1 Air transport squadron		10
		<u>1,374</u>

Since the disbanding of 50 percent of the fighter units in October 1951, a total of only 980 - 1,000 crews have been fully ready for assignment.

SECRET

25X1A

SECRET

- 26 -

4) Training Status and Combat Value

Flight training of the units consisted for the most part of joint exercises carried out by several regiments of the same branch of the service, under a joint command which issued its orders through a radio installation on the ground. These exercises, which were observed more frequently in the autumn of 1951, sometimes in conjunction with Soviet Army exercises, were later conducted with the participation of various branches of the Air Arm. The control of entire units by means of ground-installed radio or radar no longer seems to offer any difficulty. Presumably, therefore, the units of the 24th Air Army are in a position to carry out their missions to the fullest extent, in the event of a critical situation. It may be assumed with reasonable certainty that especially the nine fighter units which were not affected by changes are equal in air combat efficiency to any Western opponent. The nine fighter regiments which have been in the process of reorganization with new personnel since mid-November 1951 will not be expected to attain this very satisfactory training status and combat value until after completion of training with regimental units and after the 1952 autumn maneuvers, at the earliest.

- 5) The expansion of airfields in East Germany, which has been in progress since 1948, was continued in 1951 with the construction of 2,500-meter take-off runways at five airfields. Of the 25 airfields with permanent runways (two in 1948) two have runways at least 2,000 meters long.
- 6) The radar system for picking up enemy aircraft and for controlling Soviet Air Arm units in the air was expanded in 1951. The most notable achievement was the creation of the western radar belt, with stations near Gotha, Quedlinburg, Gardelgen, and Wismar. The entire area of Soviet-occupied Germany is now under radar control. It may be estimated that radar equipment in the western part of the German Democratic Republic can cover as far as the mouth of the Elbe, Bückeberg, and Hanau. For positions of radar installations see Appendix 15.

d. The Soviet Air Arm in the Satellite Countries

- 1) Besides the 24th Air Army in East Germany, the Soviet Air Arm at present has at its disposal the following combat elements in Soviet-occupied Austria and in the satellite countries (see Appendix 16):

4th Air Army in Polish-occupied Germany

59th Air Army in Soviet-occupied Austria and in western Hungary

Parts of the 5th (?) in Rumania

- 2) The fighting quality and training status of the 4th and 59th Air Armies compare unfavorably with those of the 24th Air Army, because of a shortage of modern aircraft. Equipment of the bomber units with the outmoded PE-2 aircraft and the lack of modern jet bombers preclude the carrying out of extensive operations beyond the scope of tactical missions. The fighter units, on the other hand, are being equipped with an increasing number of MIG-15's, and it is reasonably certain that at least 50% of the fighter units have been re-equipped. It is impossible to venture a conclusive opinion regarding the fighting quality and training status of those parts of the 5th Air Army which are stationed in Rumania. However, it appears more likely that the fighter units there are also being equipped with jet aircraft.

- 3) The units of the 4th and 59th Air Army are stationed, en masse, on airfields which were used by the German air force during World War II. In the 4th Air Army area the runways on airfields at which fighter units are stationed (Brieg, Ohlau, Prottau) have been lengthened to about 2,000 meters. In addition, airfields which are not now occupied by Soviet units have been expanded, especially in the following areas:

Stolp-Gdynia-Marienburg

Bydgoszcz-Toruń

Warsaw-Radom-Lódź

SECRET

25X1A

SECRET

- 27 -

Although no Soviet units are stationed in Czechoslovakia at present, it may be assumed that airfields are being expanded and newly constructed, at least partially under Soviet control, with a view to the possible commitment of units of the 4th Air Army. The areas in question are the Zatec-Plzen-Prague region in Bohemia and the Brno-Prerov region in Moravia.

No construction or reconstruction of airfields has taken place in the Soviet Zone of Austria, in view of the possible evacuation of that area, following the conclusion of a treaty. The Strasshof (Deutsch-Wagram) airfield is an exception. For the accommodation of units of the 59th Air Army, in the event of an evacuation of Austria, numerous airfields are now being constructed in Hungary. The fact that 10 airfields with 2,000-meter or 2,500-meter take-off runways have already been constructed in Hungary would seem to indicate that Hungary is to serve as an air base in the event of an armed conflict involving Yugoslavia. The same interpretation must be given to the expansion of airfields in Rumania and Bulgaria.

It is obvious that, since the expansion of airfields in East Germany is more or less complete, similar expansion will now be carried out with accelerated speed farther back in the satellite areas, in order to create a belt of airfields between the Baltic and the Black Sea which will be echeloned in depth and projected toward the West in a broad curve.

e. Air Armament (See also Section B/VIII)

1) Postwar developments and present status:

After the war, the Soviet air armament industry, unlike that of other countries, was not deactivated, reduced, or converted to peace-time production. On the contrary, its efficiency was increased, both quantitatively and qualitatively.

By exploiting every possibility, the Soviets succeeded in improving the quality of modern engines, fighter aircraft, and light tactical bombers so that they are now on a par with similar aircraft of the western powers, while quantitatively the USSR's industrial output of this equipment exceeds that of the West.

a.) Fighter Aircraft:

To begin with, the greatest stress was placed on the development and production of serviceable fighter aircraft. At present, probably more than two thirds of all fighter units are equipped with modern jet fighters. With a monthly output of 800-1,000 jet fighters, conversion is proceeding at a rapid pace.

The performance of jet fighter aircraft (based on designs by Mikoyan, Lavochkin, and Yakovlev) is on a par, in every respect, with that of the most up-to-date U.S. combat types.

Maximum speed	approximately 1,000 km/h
Ceiling	14,000 - 15,000 m
Penetration range	450 km
Modern weapons	One 37-mm and two 23-mm cannon
Sighting mechanisms	
Night-flying and blind-flying instruments	

All fighter units in East Germany have been converted to MIG-15's.
(See Appendix 17.)

SECRET

25X1A

SECRET

- 28 -

b) Bombers:

The development of jet-propelled fighter aircraft was succeeded by the development of two-, four-, and six-jet bombers. Apparently, the twin-jet bombers are now being mass-produced. The bomber units in East Germany are at present being converted to this type. The performance of this type of bomber (see Appendix 18) corresponds approximately to that of the British Canberra, according to size and aerodynamic construction.

Useful load	2 tons
Maximum speed	over 800 km/h
Tactical penetration range	850 km

- c) There are no indications that a new-type attack aircraft, equipped for modern aerial warfare, has been developed. Attack units are still equipped with IL-10 type aircraft. Observations made would indicate that, following conversion of the fighter units, attack aircraft units will be equipped with jet fighter aircraft similar to those of the fighter units (as is customary in the air forces of western countries).

Performance of IL-10

Maximum speed	350 km/h
Penetration range	270 km
Bomb load	400 kg
Armament:	two 23-mm cannon; two 7.52-mm machine guns; one 12.7-mm machine gun

2) Planning:

It is the objective of the Soviet air armament industry to improve the performance of the MIG-15, to make available a light bomber with a more extensive operating radius than that of the IL-2 jet bomber now in use, and to fill the current gap between the medium and heavy bomber types.

There can be no doubt that the Soviets will improve the performance of the fighter aircraft and that they will make every effort to penetrate the sonic barrier. In view of the more powerful jet engines now available, production of light bombers with improved performance should be fairly simple. Model P-150 will meet the specifications for medium-heavy bombers. This type will be constructed as soon as the turbojet engine for 5,000-kg. thrust is ready for mass production. No strategic bombers, however, are apt to be produced within the foreseeable future.

3) The Air Forces of the Satellite Countries

- a) The total strength of the various satellite air forces is as follows:

Poland	approx. 400 combat aircraft with	8,000 men
Czechoslovakia	" 350 "	" " " 10,000 "
Hungary	" 100 "	" " " 4,000 "
Rumania	" 250 "	" " " 6,000 "
Bulgaria	" 180 "	" " " 5,200 "

- b) The organization of these Air Forces can be seen in Appendix 16.

SECRET

25X1A

SECRET

- 29 -

c) Combat Readiness and Combat Value

The air forces of the satellite countries are still in the development stage. The politically conditioned personnel policy and the characteristic distrust of the Soviet Union, which is giving way very slowly, have had a distinctly unfavorable influence upon this development.

For the most part, the satellite air forces are equipped with the outmoded standard Soviet types. With the exception of Czechoslovakia, none of the satellites has its own aircraft industry, and they are therefore entirely dependent upon the USSR.

The training of pilots is based essentially on the traditional pattern. The first retraining of satellite air force personnel in modern jet aircraft was carried out in the USSR in 1949. Since 1951, some of this retraining has been taking place at the following training centers outside the USSR:

Warsaw-Bernerowo (Poland)

Milovice (Czechoslovakia)

Kunmadaras (Hungary)

Bucharest-Pipera (Rumania)

It can probably be assumed that the active fighter units in the satellites will gradually be equipped with jet aircraft during 1952.

The accelerated expansion and construction of airfields is carried out in close collaboration with the Soviet Union, which is thereby creating, for its own purposes, an aerial ground organization which covers the area between the Soviet zones of Germany and Austria and the western regions of the Soviet Union proper.

The present combat value of the satellite air forces is limited to patrol and combat missions within the respective satellite countries. In the event of a war with Yugoslavia, however, greater significance may attach to the fighter units, especially to those of the Balkan countries.

IV

Navy1. The Soviet Navya. Strength and Distribution

At present the following modern or modernized units of the Soviet Navy are in service:

	Baltic Sea	Arctic Ocean	Black Sea	Pacific	Total
Battleships	1	-	2	-	3
Cruisers	4(3)**	2(2)	3(2)	2(2)	11(9)
Destroyers	19(5)	10(3)	12(2)	18	59(10)
Torpedo boats	6	3	3	12	24
Large submarines*	24	6	-	-	30
Medium submarines	31	22	16	50	119
Small submarines	43	14	20	35	112

SECRET

25X1A

SECRET

- 30 -

*) To this total must be added a large number of submarines of all sizes which are either in reserve or under construction.

** () Ships under construction.

b. Harbors and Support Bases

The five possible, separate naval war theaters of the USSR -- the Baltic Sea, the Arctic Ocean, the Pacific Ocean, the Black Sea, and the Caspian Sea -- require five largely independent shipyard and replacement organizations. The most important one is the Leningrad-Kronstadt shipbuilding industry; it accounts for about 50 percent of the total USSR capacity and takes care of the Baltic fleet and the Arctic fleet. In Leningrad, also, are the most productive submarine yards. The shipyards of East Germany, especially the Neptun yard in Rostock, are regularly used for repair work.

The Arctic Ocean coastal region has developed its own shipbuilding industry, centered principally in the ports of Murmansk and Molotovsk.

In Nikolaev, on the Black Sea, there is an independent and productive industry for the construction of naval vessels, which, after elimination of extensive damage caused by the war, is once again operating at full capacity. In the harbor of Sevastopol there are newly erected extensive repair installations and arsenals.

The center of warship construction in the Far East is Komsomolsk, the importance of which, however, is reduced because of its location (some 400 kilometers up the Amur River) and because of ice drifts and the formation of sandbanks in the river.

The Caspian Sea is joined to the Baltic Sea and to the Arctic Ocean by the network of inland waterways. Connection with the Black Sea is being achieved with the construction of the Volga-Don Canal. The Caspian Sea is important not only because of its connection with Persia but also because, with its favorable conditions, it is used for development and experimental projects, particularly in regard to torpedoes and mines.

c. Personnel

The personnel strength of the Soviet Navy can be estimated at 450,000 - 500,000 men, 250,000 of whom are on naval vessels. Obtaining suitable personnel causes difficulties. Therefore, much of the personnel of the Soviet merchant marine is being utilized for the Navy.

d. Armament, Equipment, Development of Types

In regard to battleships it seems that the USSR is limiting herself to those modernized ships already on hand; the existence of the new battleship SOVIETSKI SOYUZ, announced as being in the Baltic Sea, has so far not been confirmed.

There are no aircraft carriers, and apparently there are none under construction. Only a few seaplane tenders, of small value for fighting, have been reported.

Nothing has become known about equipping ships with rockets.

The modern heavy cruisers, the construction of which has been repeatedly noted, belong to the "Kirov" class. In the newer models the main battery of three turrets with three 18-centimeter guns each has been increased to four turrets. The installations for carrying aircraft aboard have been gradually removed. Anti-aircraft armament and radar equipment of the ships is inadequate. (The German ships LUEFZOW, SEYDLITZ, and GRAF ZEPPELIN apparently are used only as quarters for personnel.)

The situation concerning the destroyers is more favorable. Those destroyers already at hand during the war have been modernized and made more seaworthy. The new types have greater seaworthiness and increased armament; they can be classified as "high-sea destroyers".

SECRET

25X1A

SECRET

- 31 -

Torpedo boats are clearly no longer being built. Their functions have been transferred in part to convoy vessels and in part to the motor torpedo boats, which have greatly increased in number.

In regard to submarines, those types known from the war, which are still available in large numbers, have been modernized, principally through installation of snorkels. The installation of new radar equipment (S-Gerät--Asdic) has been reported. It is doubtful whether the experiments with new power plants for greater underwater speed (conducted with the help of many German experts) have been successful. So far, it has not been possible to determine accurately whether the Russians have other submarines than those which fell to them from the German Navy. On the other hand, one may assume that advanced methods of submarine construction are being applied everywhere, and so one may count on a fairly rapid increase in the number of submarines. There have been numerous attempts to make submarines safe from detection when submerged; the methods used are those on which the Germans worked unsuccessfully during the war.

There has also been a great increase in the building of small boats. In general, these boats are of a basic type which is equipped as minesweeper, submarine chaser, or patrol boat.

Coast artillery has in general remained on about the same level as at the end of the war, or has been brought up to that level. Some rocket-launching bases have been added, particularly along the Baltic. The experimental station at Peenemuende is not in operation.

During the first World War, the Russians were quite successful in the development of mines, but today there is no evidence that they are doing any serious work along this line. At present, the West probably possesses a definite superiority in this field.

e. Evaluation

The USSR is a continental power. Since, however, she would in any conflict be obliged to fight sea powers, she has faced the necessity of having a strong fleet. Her navy is being increased; its importance was emphasized by the formation in 1950 of an independent Ministry of the Navy.

The USSR must maintain sea strength in five widely separated theaters of operation. To the defensive operations (coastal zone security and coastal defense) must be added the offensive ones: attacks on the numerous and extensive sea lanes of the western powers. It is striking that the strongest part of the fleet is stationed in the Baltic. These forces are neutralized as long as the entrances to the Baltic and the Danish islands are in the opponent's hands. Either this area must be won immediately at the beginning of the war, or the sea war must be carried out from the start by offensive units (cruisers and submarines) based in the Arctic Ocean. The Arctic Ocean bases (so long as northern Norway is not occupied by enemy troops) are more favorable because of their more protected position, because of the open sea room, and because of the depth of the waters.

The special importance which the USSR lays on small craft in the Baltic indicates that the intention is to rely on landing parties operating with small boats. The great number of small fishing boats being built in East Germany could be pressed into service, too. The geographical position of the Baltic is favorable to landings which would threaten the flanks of hostile coastal defense troops, or to a surprise attack on the Danish islands.

The number of small craft in the other naval theaters is insufficient for large-scale landing operations.

SECRET

SECRET

- 32 -

In any evaluation of the distribution of sea forces one must remember that a certain shifting of forces between naval theaters is possible; only the Black Sea is really isolated. As long as Turkey was not a member of NATO, the Black Sea fleet had no essential duties to perform. Now the Black Sea has assumed real strategic importance, since the western powers can carry the war there. Accordingly, important defensive duties now fall to the Black Sea fleet. The offensive task of the Black Sea fleet is to get control of the Bosphorus and the Dardanelles so that the fleet can penetrate the Mediterranean Sea. There it would be able to use Albania, with the Bay of Valona and the island of Saseno, as a base; without such bases the Soviets could not conduct a sustained war in the Mediterranean. These bases would make it possible for the submarines of the Black Sea fleet to attack the West's sea lanes to the Orient. Viewed as a whole, the naval preparations of the USSR seem uncoordinated and to some extent caught up in an outmoded concept of the existing situation. This is, in some measure, the result of former naval policy, of the available bases, and of technical limitations. However, many new plans and developments are recognizable which will tend gradually to meliorate the existing weaknesses and to strengthen the influence of the Soviet sea power in a war.

2. The Navies of the Satellite Countries

The navies of the Soviet satellites - Poland, Rumania, Bulgaria, Albania - are negligible in comparison with the Soviet Navy; they have practically no combat value. Nevertheless, they do have some geographical importance and can be of some use to the Soviet Navy as reserves, particularly from the point of view of personnel. These navies are, more or less overtly, under Soviet control, and there are a number of Russian personnel even in the lower ranks. The bases are permanently or temporarily used by Soviet units and are correspondingly equipped with Soviet materiel.

a. Poland

The combat units consist of:

1 Destroyer	2 Motor torpedo-boats	15 Minesweepers
3 Submarines	12 Submarine chasers	

In addition there are river boats on the Vistula, Oder, and Warthe rivers.

The main base of the combat units is Gdynia, the main practice area the Bay of Danzig. Other naval authorities are at Swinemunde and Kolberg. A Russian ~~vice admiral is supreme commander.~~ The total strength, including coastal defense units, is estimated at a minimum of 6,000 men. All necessary shore installations are set up at Gdynia. The naval vessels use the Danzig shipyard and the Elbing shipyard; the latter is at present used mostly by submarines.

b. Rumania

The combat units consist of:

2 Destroyers	3 Gunboats
2 Torpedo boats	Several special craft

These units are united under one naval and coastal command; the main base is Constantza. The craft stationed on the Danube seem to be under Soviet command. According to the peace treaty, the total strength is 5,000 men.

SECRET

25X1A

SECRET

- 33 -

c. Bulgaria

The combat units consist of:

1 Destroyer	2 Submarine chasers	5 Motor torpedo-boats
5 Torpedo boats		12 Patrol boats
3 Submarines		12 Minesweepers

These units are formed into a Black Sea Fleet and an Ocean Division. There is also a Danube River Fleet. The main bases are Varna, Burgas, and Ruse on the Danube. According to the peace treaty, the strength is 3,500 men. The Army determines the commitment of these naval units in time of war. Special training courses for officers, for submarines, and for torpedo ordnance are conducted in the USSR.

d. Albania

Albania possesses a few insignificant naval craft. However, the Bay of Valona and the island of Saseno at its entrance form a geographically favorable base which is of paramount importance to the USSR for any possible operations in the Mediterranean. On that account the USSR has become very much interested in Albania -- particularly since the defection of Yugoslavia. The USSR is continuing the work, begun by the Italians, of making Saseno into a naval base. It is not possible to state positively that Soviet naval forces are stationed there; however, Soviet merchant vessels call frequently at the port with construction material and supplies.

V.

Supply in East Germany

1. General Situation

The Soviet occupation forces draw their supplies extensively from the occupation zone and do not consider themselves bound by the generally recognized principles of international law.

Supplemental supplies from the USSR include only ammunition, special equipment, weapons, communications and engineering equipment, and tanks, including replacement parts. The Soviet supply organization is purely military and is similar to that of the Germans during the last war. (See Appendix 19 for supply depots.) In accordance with the present status, the supply system has been relaxed and is now something between a peace-time and an emergency system. At present, the mobile supply installations are utilizing permanent installations.

At the beginning of January 1952, the location, type, and size of approximately 325 Soviet supply installations were known. About 100 of these are under special guard, because they are group and army installations.

Concurrently with the release of German workers at the end of 1951, a stricter supply system was instituted. In addition, a decentralization of the large supply depots was begun. New ammunition and fuel depots are being set up according to military standards; i.e., camouflage, protection against fragmentation, and accessibility at all times are being stressed.

2. Status of the Various Supply Categories

a. Ammunition

Supplies are obtained exclusively from the USSR and are within normal limits. The depots are well filled, so that there is an adequate stockpile of ammunition on hand.

SECRET

SECRET

- 34 -

b. Weapons and Materiel

Supplies are obtained from the USSR. There are no figures available on the production of weapons in East Germany. The supplies in the depots are scant and presumably can meet only current needs. There is a fair-sized supply of water-crossing equipment at Ketschendorf.

c. Fuel Situation

The Soviet Army requires 30,000 - 35,000 cubic meters of fuel per month, or approximately the equivalent of 40 percent of the present monthly output of the hydrogenation plants of East Germany. In contrast to the situation in 1950, current requirements are at present being covered almost completely by the East German output.

d. Rations

With the exception of makhorka, tea, and buckwheat, the required rations are drawn entirely from East Germany. At the beginning of January there was a stockpile on hand sufficient for 25 days.

e. Clothing

The troops are entirely supplied from East Germany.

f. Motor Vehicles

There are approximately 60,000 Soviet motor vehicles in East Germany, including those belonging to the Soviet Control Commission. A large number of these are American vehicles (Studebaker, Ford) and captured German vehicles. Consequently, a certain percentage of these vehicles must be considered antiquated and of limited use only.

g. Tank Repairs

Tank replacements come from the USSR. There are adequate tank repair shops in East Germany where general repairs can be made and where German spare parts can be utilized.

h. Medical Service

The quantity of supplies in the known depots is insignificant. Medical care must be described as inadequate from the Western point of view.

3. Evaluation

The Soviet supply organization is ready for action, and there is a normal store of supplies on hand. In the event of sudden military action, there would be no immediate supply problems.

So far as supplies are concerned, there was no evidence of preparations for an offensive military action as of the beginning of 1952.

SECRET

SECRET

- 35 -

D. Transportation in East Germany

1. General: An analysis of 1951 reports indicates that the sovietization of the East German railroad system is making further progress. The old German reliability and workmanship has had to give way to Soviet methods based on improvisation and to a striving for unconditional fulfillment, and if possible even overfulfillment, of theoretically calculated quotas. As a result, noteworthy achievements have been accomplished, which, however, are limited by the present material shortages and which, furthermore, were made at the expense of quality.
2. As a result of Soviet dismantling of approximately 7,000 kilometers of track, the railroad network of East Germany has become single-track with the exception of five lines, and as a result its capacity has decreased considerably. The reconstruction of double-track lines, strongly propagandized, faces a shortage of rails, ties, and fastenings. No shipments of rails are forthcoming from the USSR or the eastern-bloc countries. Because of West - East trade restrictions, shipments from the German Federal Republic or other western countries are no longer possible, or are possible only by illegal means on a very small scale. As a result, reconstruction of double-track lines in East Germany must be limited to short sectors carrying heavy traffic. Even here the necessary material can be obtained only by further dismantling or by exchange with other lines (exchanging heavy rails for lighter rails), a method so wasteful that it could have developed only out of a serious emergency. The following lines have been dismantled or converted to lighter rails:

Dismantled: Bismark - Peulingen, Salzwedel - Bergen, Schwerin - Rehna, Schönberg - Pötenitz, Grevesmühlen - Klütz, Neubukow - Bastorf, Haldensleben - Letzlingen, Bleicherode - Zwinge, Pretzin - Gommern - Loburg, Karow - Roggßen, Gr. Kreuz - Lehmin, Schönefeld - Mittenwalde, Golpa - Burgkennitz, Mosel - Ortmannsdorf, Wolkenstei, Königswalde, Grünthal - Deutschnedorf, Dresden - Possendorf, Grossdorf - Hohnstein, Petersdorf - Silberberg, and other short lines near the western zonal border.

Converted to lighter rails: Hagenow - Zarrentin, Ludwigslust - Dömitz, Stendal - Salzwedel, and Radibor - Weissenberg.

Appended map No. 1 shows the railroad networks as of the end of 1951. The following changes, brought about by the reconstruction which followed the dismantling campaign, are noteworthy:

- a. The new construction of the Berlin outer freight belt, single-track to the east and north (Mühlheide - Marzahn - Karow - Basdorf - Oranienburg) and double-track to the south (Gr. Beeren - Mahlow - Schönefeld - Grünau). It serves on the one hand to ease the load on the Berlin rail center, and on the other hand to create a possibility of avoiding the sectors of Berlin which are occupied by the western powers.
- b. The expansion of the Löwenberg-Neustadt/Dosse - Rathenow line as a main line to create a serviceable northwest by-pass around Berlin.
- c. The reconstruction of the following dismantled lines: Pritzwalk - Meyendorf and Schwaan - Rostock, to improve the connection with Baltic ports; Zehdenick - Templin, to improve transportation facilities to the Soviet training ground in Templin; and Frankfurt - Küstrin-Kietz, to establish a direct line between these two border points.
- d. The reconstruction of the second track on the following lines: Jüterbog - Bülzig, Belzig - Wiesenburg, Wittenberge - Gestgottberg, and Frankfurt/Oder - Guben. The latter construction will not be completed until spring 1952, because of the difficulty in procuring rails.

SECRET

25X1A

SECRET

- 36 -

- e. The new construction of a second track on the Aue - Schwarzenberg - Johanngeorgenstadt line, to improve transportation conditions in the uranium mining region.
- f. The reconstruction of the important double-track railroad bridges across the Oder at Küstrin and Frankfurt. These projects have been started and will be completed during 1952.

- 3. The locomotive park is old and in need of repair (cf. Appendix 20 for break-down). It has not been possible to ascertain whether new locomotives are being built.

Particular emphasis has been placed on the conversion of normal locomotives to coal-dust locomotives. This measure was made necessary by the almost exclusive use of brown-coal briquettes, which can be stored for only a short time and have a low thermal value. On 30 November 1951 there were 75 such locomotives. However, only 38 were in operating condition, indicating that a fully satisfactory design has not yet been achieved.

- 4. The freight-car park shows a picture similar to that of the locomotive park (cf. Appendix 21). In order to alleviate the shortage of cars the USSR has declared itself ready to return 20,000 former German freight cars which had been taken to the Soviet Union as booty. In connection with this it has been found that the German Democratic Republic must pay 3,000 marks for each car; that almost all the cars are considerably damaged and can be put in operation only after extensive repairs; and that the German freight car, with its smaller load capacity, is uneconomical for the Soviet broad-gauge network. This project of returning cars began during the first part of June 1951 and was to be completed by 31 December 1951. The cars were returned via the border points Küstrin-Kietz, Frankfurt (Oder), and Guben.
- 5. The coal reserves play an important part in the appraisal of railroad operations, particularly during the winter. In comparison with the previous year, when the East German Reichsbahn had over 400,000 tons of fuel at its disposal, on 26 December 1951 only the following amounts were on hand:

95,902 tons of black coal
22,401 tons of crude brown coal
136,655 tons of brown-coal briquettes
1,750 tons of coke
<u>821 tons of brown-coal dust</u>
Total 257,529 tons

This corresponds to 11.5 days of fuel consumption. In view of the small amount of black coal (37 percent of the total reserve) and the low thermal value of the brown coal, the fuel situation for the winter must be described as poor.

- 6. The Soviets use German railroad cars, German locomotives, and German personnel for the transit traffic through Poland to supply the occupation authority in East Germany. This contradicts international practice, according to which Poland, as the transit country, would supply locomotives and personnel, for which it would be reimbursed. There are probably two reasons for this deviation from established practice:
 - a. It reduces expenses, because the German services are considered to be reparations and are therefore free.
 - b. There is a certain distrust of Polish services.

SECRET

25X1A

SECRET

- 37 -

For these purely Soviet assignments the German personnel and the German locomotives are organized into columns of 25 - 30 brigades each. Each brigade consists of a locomotive and a dormitory car for eleven men (three engineers, three firemen, two conductors, two trainmen, one car foreman). At the end of 1951 there were six active columns, four in Frankfurt/Oder, one in Cottbus, and one in Hoyerswerda. Besides these, the locomotives of six columns deactivated in autumn 1950 are kept cold in operating condition at various stations as reserve (cf. Appendix 22).

There is also the Soviet column No. 42, which, with German passenger locomotives, operates the daily Soviet passenger through-train between Berlin and Brest-Litovsk and the two Soviet furlough trains between Frankfurt/Oder and Brest-Litovsk, one of which runs daily, the other three times a week. Altogether, 370 locomotives of the best and heaviest types in the German locomotive park are being provided for these purposes:

23	locomotives	of	type	01
86	"	"	"	50
261	"	"	"	52.

7. Border traffic: Only the East German border points Scheune (Stettin), Küstrin-Kietz, Frankfurt/Oder, and Guben and the corresponding transit lines through Poland have been used for Soviet purposes. The following minimum numbers of daily trains have been agreed upon by contract among the USSR, Poland, and the German Democratic Republic:

Scheune	1 train	in each direction
Küstrin-Kietz	6 trains	" " "
Frankfurt (Oder)	10 trains	" " "
Guben	8 trains	" " "

With the exception of Frankfurt (Oder), actual traffic in 1951 was below these minimum figures.

East German uranium ore shipments from the Aue area run via Frankfurt (Oder) - Brest-Litovsk exclusively. During the past four months they amounted to an average of .8 trains per day (on the basis of 45 loaded boxcars per train).

Also in use for Soviet interests is the Bad Schandau border crossing, which is used particularly for crude oil shipments from Zistersdorf (Austria) via Czechoslovakia to hydrogenation plants in East Germany. Increased oil traffic, amounting to a daily average of 70 - 73 tank cars, was noted from 20 November 1951 on (still noted on 30 December).

8. Soviet control over and influence on the East German Reichsbahn are extremely strong and far exceed the usual extent of supervision by an occupation power six years after the war. Attached to each Reichsbahn directorate is a Soviet staff of 10 - 15 officers and numerous subordinates. This staff receives its orders from and reports to the transportation department of the Soviet Control Commission. Almost all major measures affecting organization, construction, and operation require prior Soviet approval, and their purpose and priority are primarily determined by Soviet needs. Party loyalty to the SED, and thus to the Soviets, outweighs professional competence in appointments to executive positions. This fact, and an extensive system of keyhole-spying and informing on even the lower officials, clerical employees and laborers, ensure the development of the Reichsbahn according to the Soviet concept which in many cases is contrary to German interests.

SECRET

25X1A

SECRET

- 38 -

9. Evaluation.

Compared with Western standards, the railroad situation in East Germany is poor. However, contrary to frequent assertions in the western press, the railroads do not by any means face imminent collapse. In their present form they can carry on another 5 - 10 years without any substantial aid.

SECRET

25X1A

SECRET

- 39 -

E. Over-All Evaluation of the Situation

1. The important objective of all evaluative work is to find an answer to the question whether and when the Soviets will attack the West.

This question can be answered with a certain degree of assurance only by one who examines all aspects - politics, economics, the military situation - together, and obtains a total evaluation from judgments of these individual aspects.

At the same time the evaluator must attempt to put himself in the position of the Soviet leaders, so that, in addition to the facts, he can take into consideration, in so far as is possible, the imponderable elements of all types, of which those in the psychological field are of considerable importance.

2. Such an estimate of the situation - viewed from the Soviet standpoint and developed in accordance with the details given in Sections A to D - may appear as follows:

- a. The political situation of the eastern bloc is, to a large extent, "balanced". The political consolidation of the countries drawn into the bloc since the end of the war has been essentially successful, but it is not yet complete. A war would interrupt this consolidation process, and could even lead to a partial or complete loss of the gains. Western hopes for a collapse of the régime in peace-time are unfounded.

The political structure of the West is not uniform; the West has not yet succeeded in concentrating its manifold nations and peoples into a united, forceful defense. The minor successes achieved in this respect do not constitute a serious threat for the East in the near future.

The Soviets will therefore be better able to serve their goal - achievement of world Communism under the direction of Moscow - at the present time by an intensive continuation of the "Cold War" than by setting off a Third World War. The results achieved so far in this direction are satisfactory (trouble spots in the Far and Near East; strong Communist parties in western Europe; only slow progress in the unification of the West); there is no cause to doubt that in the future too, these "successes" can be continued and developed.

- b. In contrast to the political situation of the eastern bloc, the economic situation must be judged as "unbalanced".

Mining and production exceed the requirements of a long-term war in many regions, but are still completely inadequate in other regions.

The conversion of the satellite countries to the Communist system (collectivization of agriculture, industrialization) is still under way; this process cannot be definitely completed until 1955 at the earliest. Only then will a centralized exploitation of all economic factors be possible. The occurrence of a war before this time must lead to serious disruptions of the economic structure.

In terms of mining and production, the economic position of the West is good, but it suffers - just as is the case with the political structure of the West - from the diversity and lack of uniformity of the economic structure, which lacks a common leadership. Herein lie the weak points, which - according to Communist dogma - will one day result in capitalism's destroying itself (perhaps even without a Third World War).

- c. The military position is characterized by the overwhelming superiority of the mobile armed forces of the eastern bloc.

However, the most favorable time for the utilization of this superior strength was lost, with the outbreak of the war in Korea, because since that day, the West has seriously begun to rearm.

SECRET

25X1A

SECRET

- 40 -

The military situation of the West shows the same characteristics as the political and economic structure: non-uniformity and the resultant weaknesses. Although the rearmament of the West has been started, it probably will not develop into a serious threat for the East within the next few years.

3. The over-all evaluation - seen from the Western point of view - is as follows:

a. The struggle for preponderant authority in the world is at present "undetermined".

The East, which did not attack Europe when it was practically defenseless - from 1945 until today - will also, in all probability, not begin a war of aggression in the near future, that is, not in 1952 and presumably also not in 1953. The reasons for this prediction are that the preparation of the eastern bloc for a war economy and its political development are not yet ready for an offensive war, and that the Soviet leaders can better serve their ultimate objective of world Communism at the present time by means of the Cold War. Only if the Soviet leaders believe that they must forestall a possible Western attack, or that they must take advantage of a very crucial weakness on the part of the West (which is highly improbable), will they take the offensive. Disregarding the latter possibility, the East will continue, in the near future, to promote consolidation and development in all fields within its territorial domain; and, outside of its geographic boundaries, it will fight through the medium of diplomacy and the Cold War to approach its goal of world Communism.

b. Two factors elude speculative evaluation:

The world situation today resembles - as it will in the future - a powder keg, which could be exploded by a spark unforeseen and unintended by either side.

The characteristic feature of a dictatorship is the fact that in the final analysis one man makes the decisions - even though he generally is accustomed to rely on the advice of several members of his staff. It is true that up to the present time, Stalin has proved to be a calculator possessed of sober, unimpassioned judgment; despite this, emotion may one day conquer reason, and thereby evoke unforeseeable developments.

SECRET