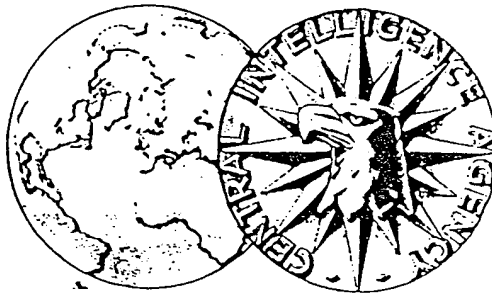


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THE STRATEGIC VALUE TO THE USSR OF THE CONQUEST OF WESTERN EUROPE AND THE NEAR EAST (TO CAIRO) PRIOR TO 1950

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ORE 58-48

Published July 30, 1948

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NO CHANGE IN CLASS.
X DECLASSIFIED
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NEXT REVIEW DATE:
AUTH: HR 70-2
DATE: 1/29/80 REVIEWER: G29904
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FOREWORD

This paper is supplementary to ORE 22-48, entitled "Possibility of Direct Soviet Military Action During 1948". The latter paper concluded that both the available evidence and the "logic of the situation" indicated that the USSR would not resort to military action during 1948. At the same time it suggested the possibility that the USSR might gain sufficient strategic advantages from the employment of its recognized military capability of overrunning Western Europe and a large part of the Near East to induce Soviet leaders to decide upon this course of action, particularly if the Kremlin should interpret some US move or series of moves as indicating an intention to attack the USSR or its satellites. The purpose of the present paper is to determine, on the basis of the maximum available factual data, whether or not the conquest of these areas prior to 1950 would actually place the USSR in a strong strategic position. Four subcommittees have examined in detail the economic, scientific, military, and political advantages and disadvantages that would accrue to the USSR if it adopted this course of action. The present paper is a synthesis based on these detailed subcommittee reports; the reports themselves will be published subsequently in the form of an appendix to this paper.

CENTRAL INTELLIGENCE AGENCY

15 July 1948

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THE STRATEGIC VALUE TO THE USSR OF THE CONQUEST
OF WESTERN EUROPE AND THE NEAR EAST (TO CAIRO)
PRIOR TO 1950 *

Report by a Joint Ad Hoc Committee

STATEMENT OF THE PROBLEM

1. To analyze and evaluate the advantages and disadvantages that would accrue to the USSR if it should elect, prior to 1950, to overrun the European continent and the Near East (to Cairo), with a view to determining whether or not the strategic position thus acquired would be sufficiently strong *per se* to induce Soviet leaders to adopt such a course of action.

ASSUMPTIONS AND FACTS BEARING ON THE PROBLEM

2. The USSR has the military capability of overrunning Europe (excluding the UK) and the Near East to Cairo in a short period of time.

3. The Western Powers would undertake immediate counteraction, including maximum employment of US air power, using the atomic bomb at least against Soviet targets.

4. A substantial part of the merchant and naval ships belonging to the countries which were overrun would manage to avoid falling under Soviet control.

5. A large part of the Near Eastern oil facilities and installations would be seriously damaged or destroyed prior to evacuation by present operators.

6. The Western Powers, through naval blockade, would effectively cut off commerce between continental Europe on the one hand and the Western Hemisphere, Africa, and Southeast Asia on the other.

7. In addition to the assumptions enumerated above, the basic problem of analyzing the Soviet position following the occupation of the areas in question must be considered under two broad alternative assumptions:

a. That the USSR obtains a negotiated peace shortly after the occupation of these areas.

* This paper was prepared by a joint ad hoc committee representing CIA and the intelligence organizations of the Departments of State, the Army, the Navy, and the Air Force. It has been concurred in by the Directors of the intelligence organizations of the Departments of State, Army, and Navy. The dissent of the Director of Intelligence, Department of the Air Force, is appended as Enclosure B.

b. That, after the occupation of Western Europe and the Near East as far as Cairo, the USSR is faced with a continuing global war with the US and its allies, involving ultimate US invasion of Soviet controlled territory.

(The first assumption is necessary because Soviet leaders might elect to exercise their current military capabilities in the belief that, after Soviet occupation of these areas, the US public would not support the continuation of a war to liberate the European continent, and because, under the assumption of a quick negotiated peace, the Soviet position would differ greatly from what it would be if the USSR were forced to sustain the weight of a continuing global war.)

8. The position of the UK following Soviet occupation of the European continent would obviously have an important bearing upon the basic problem, particularly under the assumption in 7 b above. If the UK were either occupied by the USSR or completely neutralized, US capabilities for counteraction, particularly through naval and air operations, would be reduced. If, on the other hand, bases for US Naval and air operations from the UK remain tenable, substantial continuing damage could be inflicted upon the Soviet war potential, and shipping along the European coast would be largely interdicted.

9. An effort has been made in this paper to develop the maximum number of factual data with reference to the basic problem. This has been possible to a considerable degree with respect to the economic, scientific, and military factors. In the final analysis, however, we are still to a large extent dependent upon "the logic of the situation" and upon deductions from the pattern of Soviet behavior for our conclusions as to the possibility of direct Soviet military action.

DISCUSSION

(See Enclosure A)

CONCLUSIONS

10. If the USSR could obtain a negotiated peace shortly after the occupation of Western Europe and the Middle East to Cairo, the potential economic, scientific, and military advantages to the USSR would appear to be very substantial, but the USSR would not begin to reap significant advantages for a period of from two to three years after the completion of the occupation.

11. The occupation of Western Europe and the Middle East, however, would involve the Soviet leaders in grave political risks.

12. We believe that, in spite of the prospect of substantial tangible economic, scientific, and military gains, the Soviet leaders would consider these political risks so serious a threat to their own positions of power and to their ultimate objective of a Communist world that they would be unlikely to undertake this operation—even under the assumption of a negotiated peace—unless they anticipated an attack or became involved in military action through accident or miscalculation.

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13. An analysis of the economic and military position of the USSR under conditions of continuing global war against the US and its Allies prior to 1950, indicates clearly that the total realizable resources under Soviet control would be inadequate for the defense of the conquered areas.

14. We conclude, therefore, that neither the recognized military capability of over-running Western Europe and the Near East to Cairo, nor any strategic advantages to be gained thereby are of themselves likely to induce Soviet leaders to undertake this course of action prior to 1950.

15. It is emphasized that the foregoing conclusions are based on an effort to weigh objectively the various considerations with respect to the stated problem and do not reflect an over-all estimate of Soviet military intentions prior to 1950.

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ENCLOSURE A

DISCUSSION

1. This discussion will undertake to analyze and evaluate, under the following headings: (a) Economic, (b) Scientific, (c) Military, and (d) Political, the advantages and disadvantages which would accrue to the USSR if it should exercise, prior to 1950, its currently estimated military capability of overrunning Western Europe and the Near East (to Cairo).

Assuming a Negotiated Peace

2. If the USSR could obtain a negotiated peace shortly after the occupation of the areas in question the economic, scientific and military advantages *per se* would seem so far to outweigh the disadvantages that Soviet leaders might be tempted to undertake the venture. Without giving any weight to destruction during the period of the military operation, or to the factors of non-collaboration and organizational difficulties, the theoretical potential gains may be enumerated as follows:

a. *Economic.* Occupation of this area would more than double the technically skilled manpower—engineering, mechanical, managerial—available to the Soviet Union. It would increase the non-agricultural labor force under direct Soviet control from 31 millions to 84 millions. The addition of European facilities for the production of precision and special purpose machine tools, optical instruments, and chemicals would relieve a serious current Soviet deficiency. The supply of coal under Soviet control would be more than doubled and steel capacity almost doubled. Shipbuilding capacity would be increased five-fold. Although the oil of the Middle East could probably not be raised and transported in significant quantities to the Soviet Union or Europe within the next several years, it would in the meantime be denied to the UK and the US and would eventually be available to the USSR and its newly acquired areas. Within 10 years' time the joint economic power of the USSR, its Satellites, and the occupied areas would probably equal that of the US.

b. *Scientific.* The exploitation of the facilities and the personnel of the pure and applied scientific institutions in Western Europe could, within five to seven years, increase the Soviet war potential by as much as 50 percent. Through the acquisition of the engineering and manufacturing facilities of Western Europe, the rate of progress of the Soviet atomic energy program could be doubled and the probable date by which the USSR will have exploded its first atomic bomb would be advanced from mid-1953 to mid-1951 or mid-1952, depending upon whether the USSR overran Europe in 1948 or 1949. The USSR would obtain the stockpile of uranium in France which is estimated to equal 25-50 percent of the present Soviet stockpile. In such important industries as precision equipment, liquid fuels, metallurgy of high speed and high temperature ferrous and light metal alloys, fine chemicals and plastics, the acquisition of

European scientific facilities and personnel would within three years accelerate Soviet developments in these fields by between 15 and 30 percent. The electronics capacity would be doubled or tripled; production capacity for guided missiles of the operational German type would be increased by 25 to 100 percent, and aircraft research by 25 percent. Capabilities for the development and production of chemical and biological warfare agents would be substantially increased.

c. *Military.* The USSR by this operation would have extended its Western boundaries to to the Atlantic Ocean, eliminated all potential military powers on the European continent and all possible beachheads from which the US could (without amphibious assault) begin counter-operations on this continent. The extension of her territory on the south, to include all of the Near East as far as Cairo, would provide increased protection for her vulnerable industrial areas in the Black and Caspian Sea regions. Soviet submarines could operate from ports along the entire Atlantic coast. Soviet air power could cover the entire Mediterranean Sea and extend far over the Atlantic. Soviet capabilities for defense against US strategic air attack would be substantially increased. Under these circumstances and given a protracted period for the exploitation of the industrial resources and shipbuilding facilities of this vast area, the USSR would be in a position to build up a navy and a long-range air force comparable to those of the US. After a period of ten years the Soviet economic potential for war would equal that of the US and the manpower resources for its military forces would be vastly superior to those of the US.

3. The estimated advantages as outlined in a, b and c of 2 above could be realized, however, only if the USSR had an extended period of peace in which to organize and consolidate the area. Initially the USSR would be faced with serious problems and difficulties. Substantial, although indeterminate, damage to industrial installations would have been effected by US atomic (probably in the USSR only) and ordinary bombing during the period of the military campaign. The channels of necessary imports from the Western Hemisphere and the Far East would be reopened slowly. The escaped shipping might be slow in returning to operation under its original flags. The organization of the area both from a political and economic standpoint would place a great strain on Soviet administrative personnel and upon security forces. Entirely apart from bomb damage, over-all industrial production would probably decline during the first year or so as a result of purges in management personnel, changes in methods, sabotage, and reluctance of the technically trained population to collaborate fully with the conquerors. An attempt to integrate quickly the Western European scientific and engineering personnel and machinery into the Soviet scientific research program might lead to confusion and dissipation of effort that would temporarily impede scientific progress; in any event the USSR would not obtain any substantial scientific benefits for from six months to two years. However, it is believed that under conditions of peace, Soviet police methods could successfully cope with these problems, particularly in France and Italy where there would be large, well organized Communist parties and where the tendency to jump on the Communist bandwagon would

be pronounced. After a period of several years, therefore, of uninterrupted concentration on these problems, the USSR should begin to reap benefits of the magnitude indicated in *a*, *b*, and *c* of 2 above.

4. There are certain basic political considerations, however, which might restrain Soviet leaders from adopting this course of conquest even under the assumption that they would subsequently have a long period of peace in which to realize these large tangible benefits. Soviet leaders would very likely view with grave concern the sudden mass exposure of military and administrative personnel to the ideology and the bourgeois fleshpots of Western Europe. The increased security measures and the thorough re-indoctrination program which Soviet leaders have carried out since the war among the entire Soviet population, as well as among the returning soldiers, and the measures taken to protect the occupation troops, bear eloquent testimony to the apprehension with which Soviet leaders regard any deviation from pure Marxist ideology and discipline. Soviet leaders might fear—and their fears might well be justified—that if this vast area were suddenly overrun by military force, rather than progressively converted to, or taken over by, communism from within, the democratic bourgeois society might, after a period of years, contaminate and absorb the conqueror with the result that the Communist regime would disintegrate. Soviet leaders might also be restrained by the realization that resort to conquest on this scale would alienate the Moslem world and the peoples of the Far East as well as those of the Western Hemisphere; it would undermine the validity of their anti-imperialism propaganda and probably eliminate the possibility of winning the world to communism through subversion. In essence, Soviet leaders could not help but see in this operation serious risks to the maintenance of their position and power and a possible obstacle to the attainment of their ultimate objective of a Communist world. If they took these risks they would definitely be stepping out of character, as in the past they have always acted with great caution.

5. It is obviously extremely difficult to estimate the relative weight which Soviet leaders would attach to the advantages and disadvantages of a course of conquest as outlined above. Admittedly, the potential tangible economic, scientific, and military gains would appear to be substantial. Communist control would be extended to all of Europe and to a large part of the Near East in one quick stroke; the possibility of achieving a similar advance through subversion and the collapse of capitalism would appear remote and uncertain. However, we are inclined to believe that, in spite of the large tangible advantages, Soviet leaders would be unlikely to incur the risks inherent in this operation unless they anticipated attack and believed offensive action necessary for defensive purposes. They have already made substantial gains—partially undigested—since the war. They are basically realistic and concerned with the preservation of their own positions of power. They would, therefore, probably give predominate weight to the danger of the breakdown of the ideological discipline and security upon which their present control of the USSR and its Satellities so largely depends.

Assuming a Continuing Global War

6. If, after the occupation of Western Europe and the Near East to Cairo, the USSR were faced with a continuing global war with the US and its allies, involving ultimate US invasion of Soviet-controlled territory, the following basic factors would prevent the USSR from obtaining the tangible advantages outlined under the assumption in 2 above.

a. The maintenance of a naval and air blockade would effectively cut off the European continent from overseas imports vital both to the full exploitation of the economy under peacetime conditions and to the prosecution of a war effort.

b. Continuing damage to industrial installations, oil facilities, and transportation from US bombing.

c. Increased difficulties in organizing the economic and political administration under war conditions.

d. Greatly increased difficulties in dealing with underground movements and resistance to collaboration on the part of the technically trained part of the population.

7. Only *a* in 6 above can be measured in concrete terms. An analysis of the economic position of the total Soviet-controlled area in the face of a naval and air blockade, which would shut it off from the products of the Western Hemisphere, Africa, and the Far East, indicates the following serious deficiencies:

a. The USSR would probably be unable to provide the minimum food requirements for this area. The area would have a deficit in grains of between 8.0 and 10.0 million metric tons a year. Similar over-all deficiencies would exist for fats, oils, and other foods.

b. Many essential commodities, such as natural rubber, tin, cotton and wool fibers, copper, lead and zinc, would not be available in adequate quantities to support full-scale industrial activity in Western Europe. These commodity shortages, together with the virtual absence of stockpiles of essential raw materials, the poor condition and repair of industrial plants, and the general economic dislocation prevailing in Europe, would result in a reduction in industrial production in Western Europe for an indefinite period to not over 60 percent of that presently contemplated for 1948-49.

c. Petroleum supplies that could be made available from limited synthetic production in Western Europe and exports of crude from the Soviet Union and its present Satellites, probably would be barely adequate to meet essential Soviet requirements for direct military purposes, but would not be adequate for industrial uses. This would restrict the full exploitation of industrial and transportation capabilities of Western Europe.

d. The demands upon land transportation facilities would be greatly increased by the military requirements of the extended Soviet lines of communication, increased raw material requirements from Soviet sources made necessary by the naval and

air blockade, and the partial disruption of coastal shipping. Land transportation facilities for East-West movement between the Soviet Union and Western Europe probably would be barely adequate for the movement of military supplies and of limited quantities of cereal grains, petroleum, and industrial raw materials. In the Middle East, transportation facilities would be adequate for occupation, but not for defensive, purposes.

8. The analysis in 7 above indicates that the naval blockade alone would create for the USSR sufficient economic deficiencies to raise serious doubts as to whether, from the economic standpoint, the acquisition of Western Europe and the Near East prior to 1950 would adequately equip the USSR for the continuation of a global war with the US. This analysis, moreover, makes no allowance for continuing bomb damage to industrial installations, oil facilities, and transportation, nor for losses of production resulting from increased organizational difficulties, resistance of the populations to collaboration, and actual sabotage.

9. These latter factors cannot be evaluated in terms of a definite percentage loss in production. It seems reasonable to assume, however, that the loss would be substantial. If this loss were superimposed upon the critical situations created by the blockade, particularly in food, oil, and transportation, the conclusion appears inescapable that the over-all Soviet economic capabilities for conducting a global war would be substantially less than adequate.

10. The military position of the USSR after the occupation of the whole of Europe and the Near East to Cairo would, on the surface, appear to be exceptionally strong. The USSR would have denied the enemy the bulk of readily accessible bases from which to undertake large ground and amphibious attacks. It would have acquired new forward air and naval bases from which to strike at the enemy and his advance bases. By an early development of powerful sustained attacks against the UK and other enemy areas beyond the limits of the Soviet advance, the USSR might hope to hold the enemy on the defensive and seriously limit the development of his counter-offensive forces and activities. With respect to an air attack on UK, the USSR would initially have facilities to support an air force of 6,500 aircraft (which could be increased to almost 10,000 in a matter of months). Guided missiles could be employed against the UK on a scale equal to that of the German attack of 1944, provided an adequate production program had been underway for a sufficient period. The Soviet Submarine Fleet, from the forward bases of Western Europe, could seriously interfere with the shipping to and from the UK and to the Mediterranean Sea. Under these circumstances the USSR could seriously reduce the effectiveness of, or possibly neutralize, the defenses of the UK.

However, except for these further capabilities against the UK— in themselves largely defensive—the USSR would have exhausted its capabilities for offensive action, except for air operations, after it had overrun Western Europe and the Near East to Cairo. It would be forced immediately upon the strategic defensive, primarily for two reasons: (a) the conquest of these areas would not increase significantly its re-

sources immediately available for the conduct of further offensive operations; (b) the USSR would have undertaken a global war before it possessed the appropriate weapons—the atomic bomb, a long-range air force, and a deep sea Navy—with which to strike effectively against the US. The USSR would therefore have realized its impressive tactical capabilities at the expense of committing itself to war in a situation that would probably very soon place it at a serious strategic disadvantage, as a result of counter-attacks that would in due course greatly diminish its military capabilities and result in the loss of a substantial amount of the territory which it had acquired. It would then never be able to develop the capabilities for the prosecution of a true global war that an extended period of peace might eventually have enabled it to develop.

The following specific weaknesses in the Soviet military position under conditions of continuing global war would make it impossible for the USSR successfully to defend its conquests against the counter-attack of the US and its allies:

a. As indicated above in the analysis of Soviet economic problems, Soviet economic capabilities for conducting a global war at this time, would be substantially less than adequate. Although the USSR could readily meet the estimated requirements of between 7 and 9 million men for military duties, this would mean the withdrawal of 3 to 4 million workers of more than average skill and productivity from the Soviet economy, thereby further reducing the economic potential.

b. The destruction of even a part of its meager oil refining and transport facilities would seriously cripple both Soviet industrial and military capabilities for resisting a counter-offensive.

c. The transportation system would be barely adequate to meet minimum industrial and military requirements. As the US counter-offensive developed, the competition between military and industrial requirements would increase and the mobility and the endurance of Soviet units far from their home bases would steadily decrease.

d. The Soviet position in the Near East would be particularly weak and vulnerable. Logistic difficulties would prevent the accumulation of adequate stockpiles for successful defensive operations in that area, and even limited enemy attacks on transportation facilities could seriously disrupt the very close balance between ordinary occupation requirements and capabilities for moving supplies to the troops. Under these circumstances, the USSR would not be assured of free use of the Mediterranean over an extended period of time and could not defend successfully against an enemy offensive from the Persian Gulf area.

e. Naval forces would be totally inadequate to defend the vast coastline under the Soviet control.

f. Soviet military morale, politically unstable, would be a serious weakness under condition of protracted occupation duties and would be an important target for Allied propaganda efforts.

g. Although the USSR could probably deal successfully with resistance movements and sabotage during the period of its advance and for some time thereafter,

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these factors would be a source of great weakness when the enemy counter-offensive got under way. Basically, the USSR would be faced with the difficult problem of conducting its defensive operations along the entire perimeter in the midst of hostile populations; it would not, as in the last war, be defending Russian territory against an invader.

h. Although the acquisition of advance bases for Soviet defensive aircraft would make possible early interception of Allied air attacks upon strategic targets in the USSR, the use of these forward bases would entail a vast dispersion of the Soviet defensive air effort and diminish the intensity of fighter defense closer to the vital targets in the Soviet Union.

i. Present Soviet radar facilities are not sufficient to meet the additional defensive requirements that would develop, and any reorganization of radar defensive systems required by the conquest of Western Europe and the Near East would at least temporarily tend to disrupt present systems.

j. The supply of Soviet anti-aircraft equipment would be grossly inadequate for the defense of strategic targets in the vast area now under Soviet control.

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ENCLOSURE B

DISSENT OF THE INTELLIGENCE ORGANIZATION

DEPARTMENT OF THE AIR FORCE

1. The paper "The Strategic Value to the USSR of the Conquest of Western Europe and the Near East (to Cairo) Prior to 1950" is not concurred in.

2. The following comments are submitted:

a. Although this paper purports to deal objectively only with the advantages and disadvantages which would accrue to Russia if she were to overrun Europe and parts of the Middle East, prior to 1950, it actually goes further and attempts to strike a balance and to draw conclusions and so indicates "intent". It therefore is in a position to influence decisions. For this reason, the comments to follow include alternative conclusions which this Directorate considers more sound as a basis for decisions.

b. It is admitted in the paper that the evidence of Soviet intent is so inadequate as to leave no recourse but to logic. An attempt to forecast Soviet action on such a basis is considered unwarranted.

c. The balance struck in the paper under consideration is through the processes of Western, not Soviet, logic.

d. The paper implies that the Soviet leaders would be induced not to adopt the course of action of overrunning Western Europe solely because of an unfavorable balance of certain factors vis-a-vis the West and at a given time. The total balance of power is not considered, nor does the statement of the problem itself permit the projection of immediate advantages and disadvantages of overrunning Europe, against long range Soviet ambitions. It implies that Soviet leaders would adopt this specific course of action if they should decide that the advantages to their strategic position were greater as a consequence of overrunning Western Europe and the Near East than the disadvantages, without proper qualification as to the time period in which the advantages or disadvantages would accrue. This can not be accepted as a legitimate statement of the problem because the time period is not consonant with accepted Soviet long range expansionist plans. It is possible that adoption of the course of action soon, might pay them dividends later.

e. The paper does not weigh or consider those forces which will bear on Soviet total power vis-a-vis the West *after* military action has been initiated. The differences between the communistic and democratic systems, under conditions of war, may reverse an unfavorable balance. For example, it is implied that being forced on a "strategic defensive" would in itself be a handicap to the Soviets in their national aims. This is false in the light of the basic Soviet conception of war, and their possession of the resources in time and in depth to turn a strategic defense to an ultimate advantage.

In arriving at a comparison of war making potentials, it is necessary to consider the total national resources of the Soviets, which can be developed and exploited under the communistic system, as against the total resources of Western states which can be harnessed to war, but which must be developed and exploited under a totally different system. Using such criteria, the long-term advantages to the Soviets, from their point of view, become formidable. The habit of military organization and command requires no readjustment of the Soviet national psychology during the period of overt military action comparable to the great national dislocations suffered by the western democracies when they are converted to a full war-time basis. It is entirely possible that the Soviets believe that their system would prove hardier under the conditions of continued global war than that of the western democracies.

f. The paper attempts to strike a balance by examining and analyzing four separate categories: economic, political, scientific, and military, each explored separately in supporting papers, but synthesized for the final estimate. Such compartmental consideration does not give full play to the dynamic inter-relationships and relative values of these factors in determining the overall strategic position of the Soviet nation at any given time. Nor can they be studied without reference to the dynamic force that stems from Soviet ideology. For this reason, any assessment of advantages or disadvantages contained alone in economic, scientific, military, and political categories, will reveal only part of the truth. It is in the synthesis of these elements, influenced by an over-riding, guiding principle, the basic ideology, that some appreciation can be reached which is bound to come nearer the whole truth.

The phenomenon of a new, virile society, thrusting itself conspicuously on the world stage and demanding a share in world power commensurate with its enormous mass and population is not new or unique, but the conditions under which this phenomenon reappears requires closest study if it is to be effectively resisted. Simply stated, the emergence of the Soviet nation is due to its will-to-power, supported by a secret police, and motivated by an ideology that is challenging, which influences and undermines all existing systems in a contest for world domination. The Soviet development of their present capability was by design and implies a willingness to exercise it.

The salient historical fact of World War II is not only that the Soviet Union emerged from that war at the greatest peak in power in the entire history of the Russian people, and as one of the two greatest world powers, but also that it has accomplished this in face of vast destruction, and at a great cost in blood spilled. For this reason, any consideration of such factors as the economic, scientific, political, and military without link to the two great new forces, the unified land mass and the ideology, is futile and dangerous.

g. The paper presents an unrealistic appraisal of the political risk since it is hardly conceivable that the Soviets would take military action under circumstances whereby they are clearly the aggressor. More probably they would promote a situation wherein they goaded the West into taking the offensive in which case Soviet ideology would provide the rallying point for the "down trodden" world underlings subjected to the Wall Street imperialists. If they were successful in establishing these

conditions, the Soviet leaders and World Communism would not weaken but greatly strengthen their position.

h. In any comparison of relative Soviet and Western potentials, it must be assumed that the Soviets will eventually possess an atomic capability. Where the balance will stand then is not estimated in this paper. It may not be necessary for the Soviets quantitatively to equal our atomic capability, or even to possess a similar weapon, in order to neutralize effectively our use of the weapon. For the Soviets to recreate the balance of power in their favor it may be unnecessary for them to subject their economy to the degree of strain that our atomic requirements impose on our own. They may consider that with their vast expanse, their reserves of slave labor, and their rigid, centralized control, in any final atomic contest our capitalistic economy could not endure the same intensity of punishment we would be capable of visiting on the Soviets, and which they may be better equipped to absorb. This factor may to them render a decision in favor of military action prior to January 1950, far less perilous than it seems. There are also grounds for Soviet belief that in a show-down, the US policy might be to not use the atomic bomb.

It would also seem dangerous to dismiss any consideration of the possibility that the Soviets have already decided that they will have the means of neutralizing our use of atomic weapons should military action begin. Soviet capability of overrunning the Western European nations in a rapid thrust that would envelop large segments of populations friendly to the US, as well as many US nationals, including our occupation and diplomatic personnel, is generally admitted. The Soviets would have no more bourgeois compunction about using these people as hostages against US use of the atomic bomb than they would in sacrificing their own diplomatic personnel in the West, if necessary. The hesitation, if not stoppage, that this maneuver would cause in Washington is a tribute to the humanitarian aspects of our system. The Soviets suffer no such handicap. It is a potential equalizing instrument that they would not hesitate to use. They may consider further that their bacteriological capabilities are an "equalizer" to our "equalizer".

i. The Soviets have seen the economies of all the Western capitalist nations broken by World War II. The United States economy alone remains intact. Their own predictions have emphasized their belief in its collapse in a matter of time. So far, US economy has resisted their predictions. However, it is in keeping with Soviet thinking to conclude that another World War may do the final job of wrecking our economy, thereby ending the last major opposition to Soviet Communist expansion, and it may well be to their advantage to get it started. Since the end of World War II, all the usual means of Soviet war-making short of military action have been directed against the US, but resistance has, if anything, stiffened. New counter-forces are coming into being, such as mass education in the hard realities of Communism and other types of counter-propaganda. The Soviets may fear that their efforts to meet this challenge may not succeed. Likewise, their efforts to promote continued economic and political chaos in the Western capitalist states, as well as to absorb into the inner Soviet system the newly dominated satellites, do not seem to be proceeding according to plan. It

may be possible that these factors, together with an evaluation of the present and impending success of the ERP would lead the Politburo to conclude that the law of diminishing returns from their use of all means *short* of war has already set in.

j. It is possible that the Soviets have confidence in the ultimate survival of their ideology, even though they may suffer a military defeat in World War III. It is almost inconceivable to envisage a military decision in an atomic war that leaves intact much of Western Civilization as we know it. To the Soviets, champions of a new world system, avowedly to be built on the ashes of the old, this may not have so frightening an aspect. Their system thrives on a brutalization of mankind, such as might be consequent to the devastation of atomic warfare. Their ideology has been their most exportable commodity, and their enthusiasm for building it up securely at home, at the expense of millions of their own lives, and spreading it around the world, may dictate bold action, regardless of certain practical risks, with confidence in their ability to build out of the ensuing chaos the new world Communist order under Soviet domination.

3. CONCLUSIONS:

a. Should the Soviets be "provoked" into a "defensive" military conflict with the Western powers, the external political position of Communism might, in the long run, be strengthened, not weakened.

b. Any action on the part of the USSR which would surely bring forth US atomic counteraction would result in formidable destruction to a major portion of strategic Soviet industry. From the Soviet point of view, however, this might not be a determinant factor.

c. US counter blows would not necessarily result in a quick military decision; Soviet capabilities against the US: bacteriological, subversive, and the use of ruthless reprisals, would provide a partial counter balance to the atomic bomb, and a protracted conflict with its greater strain on US capitalistic economy could work to the eventual advantage of the Soviets.

d. The situation facing the Soviets: a revitalized rearmed Europe, increasing Western reaction, a rearmed US and development of strong counter-revolutionary forces everywhere, may be sufficient to outweigh all other considerations in a decision to launch military action prior to January 1950.

e. We conclude, therefore, that the immediate disadvantages in the political, economic, scientific and military fields, that would accrue to the Soviets should they elect to adopt their capability of overrunning Western Europe and the Middle East prior to 1 January 1950, are not sufficiently firm or weighty to justify any relaxation of US preparations to prevent or to counter such action, and further that this conclusion should be made unmistakably clear to all US policy makers.

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