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SOVIET FOREIGN POLICY IN THE LIGHT OF
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Submitted by the

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SOVIET FOREIGN POLICY IN THE LIGHT OF THE SUMMIT CONFERENCE

THE PROBLEM

To assess current Soviet foreign policy in the light of the Summit Conference.

CONCLUSIONS

1. Since Stalin's death, and especially since early 1955, the Soviet leaders have been increasingly active in seeking a gradual reduction in the tensions of the cold war. At the Geneva meeting in July and since, the Soviet leaders, while revealing no change in their positions on disputed issues, have cultivated an atmosphere of amicability. (Paras. 6-7, 9)
2. We believe that a number of factors have been at work to produce this change in the Soviet posture. One of these was the succession of a new leadership which apparently believed that Stalin's conduct of Soviet policy had hardened Western determination to resist further Communist advances and created a rearmed alliance of the Western states. The fact that this process brought finally a move to include a rearmed West Germany in NATO almost certainly gave the Soviet leaders serious concern and accelerated the change in Soviet conduct. In addition, we believe that a growing realization of the dangers of nuclear conflict convinced the Soviet leaders that it was necessary to minimize risks of general war, at least until they had narrowed the gap in nuclear warfare capabilities. At the same time, the great cost of modern weapons was apparently forcing difficult choices in the allocation of resources so that if the USSR did continue heavy military expenditures, as it could do, it would probably have to pay a price in reduction of the high rates of economic growth which have been a principal aim of Soviet policy. Finally, the Soviet leaders apparently believed that a reduction in international tensions would open up rifts in the West and bring a decline in the Western defense effort. (Paras. 12-13, 15-17)
3. We conclude that the Soviet leaders have not abandoned their long-range aims. During the current phase, however, they have embarked on a policy aimed at a general easing of cold war tensions and apparently pointed toward these main objectives:
 - a. To reduce the threat of nuclear conflict arising from continued tensions, particularly during the period of their nuclear inferiority;
 - b. To give time for the USSR to continue its military build-up and to deal with its economic problems; and

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c. To open new opportunities for dividing the Western Powers, undermining Western strength, and extending Communist penetration of the free world. (Para. 18)

4. The nature of the motivations discussed above suggests that the Soviet leaders have adopted the new policy as more than a short term tactical shift. Soviet policy has in the past, however, shown itself capable of sudden reversals. Such a reversal could again occur if the present policy failed to achieve its expected results, or if it led to developments prejudicial to Soviet interests. On the whole, we are inclined to believe that it is the present intention of the Soviet leaders to continue their current policy for some time. (Para. 19)

5. At the coming Four Power meetings the USSR will probably try to convey an impression of flexibility on the issues under discussion without making significant departures from its present positions. In

order to mask the rigidity of its position on Germany, the USSR will almost certainly attempt to focus attention upon the question of European security. The Soviet leaders may imply a willingness to compromise on the form of a security agreement, but the purpose of any Soviet proposal would be to bring about the collapse of NATO. On disarmament, the Soviet leaders, without themselves agreeing to unrestricted inspection, will probably try to commit the West to fixed levels of armament and, by continuing to press for a ban on nuclear weapons, will try to limit Western freedom of action to employ such weapons. They may, however, agree to tentative and exploratory steps to test the effectiveness of inspection in limited areas. They will make much of the issue of increased contacts between nations, mainly with a view to undermining Western trade controls and to lending support to the general propaganda line of their present policy. (Paras. 22-26)

DISCUSSION

I. THE RECENT "CONCILIATORY" TREND IN SOVIET POLICY

6. Since the death of Stalin, the Soviet leaders have been increasingly active in seeking a gradual reduction in the tensions of the cold war. The latest phase was initiated in early 1955 with the USSR's sudden change of policy with respect to an Austrian peace treaty. After Bulganin's favorable reaction in March to the idea of a Four Power meeting of heads of government, the USSR made a series of conciliatory gestures. They included an apparent willingness to accept some important aspects of the Western position on disarmament, a marked decline in the use of hostile and tension-building themes in domestic and foreign propaganda, and a more normal handling

of diplomatic contacts. In addition, the USSR attempted to improve its position with respect to individual countries, as in the re-establishment of "normal" relations with Yugoslavia. By the time of the Summit meeting, even the special abuse reserved in Soviet propaganda for US motives and policy had virtually ceased.

7. Despite the atmosphere of amicability which the USSR cultivated, the positions on substantive issues which it put forward at the Summit meeting revealed no significant departure from those previously held. On the major issue of Germany, the long-sustained pretense that the USSR desired German unity at an early date was frankly abandoned. In the discussion of European security, Bulganin made clear Soviet insistence that security

arrangements, to be satisfactory to the USSR, must eventually bring about the dismantling of NATO and the withdrawal of US power from Europe. On disarmament, the USSR in effect stood firm on its proposal of 10 May. The Soviet delegates made it clear that, while they desired a more normal relationship with the Western Powers, they wished to achieve this on the basis of recognition of the status quo in Europe and without settlements of outstanding issues which would require major Soviet concessions. They bluntly rejected any discussion of the status of the European Satellites or of international Communism. They did imply that a major improvement in the international atmosphere could lead eventually to settlements of presently insoluble conflicts, and in particular they seemed to regard the issue of disarmament as offering some prospect for agreement.

8. The argument which the Soviet delegation advanced at the Summit meeting was that a solution of substantive issues might be found in due course provided that "mutual trust" between East and West was first established. The phrase "mutual trust" seemed to be the principal slogan of the new Soviet policy, and was represented at the Summit meeting not only as a means to an end, but as an end desirable in itself. As portrayed in Soviet statements, the significance of the Summit meeting depended not upon any advance which it registered toward substantive agreement, but upon the degree to which it brought about this atmosphere of "mutual trust." In brief, the Soviet delegates appeared to wish to demonstrate that a regularization of relations on the basis of the status quo in Europe might be mutually beneficial.

9. In the post-Geneva period, the USSR has sought energetically to sustain what it defines as the "spirit of Geneva," that is, an atmosphere of mutual confidence between the contending power blocs. Soviet propaganda, although more critical of the US than during the Summit Conference, has continued to reflect a tone of calculated optimism. It has handled old controversies with a new civility, and has responded with relative mildness to voices in the West which it said were depart-

ing from the "spirit of Geneva." Plans for visits of statesmen, for broadening cultural and economic exchanges, and even for promoting tourism have been projected at least into 1956.

10. While the USSR has thus sought to maintain an amicable posture, it has also given renewed demonstrations of firmness on substantive issues, and has taken other moves designed to strengthen its position vis-a-vis the West. The Soviet leaders have sought, by exhibiting an air of self-confidence and certainty, to underline the firmness of their intentions, and in conversations with visiting foreigners they have stressed Soviet military and economic strength and their belief in the ultimate victory of Communist doctrine. In the recent meetings with the German Federal Republic and with East Germany, the USSR reaffirmed its position that German unity will depend in the first instance upon a rapprochement between the two parts of Germany, and thus indicated that it expects a divided Germany for some years to come. In the Near East, the USSR has since April pursued a more active policy, notably by offering military assistance to certain Arab states. In the Far East, the Communists since January have relaxed their pressure in the Formosa Strait, but they have continued to build up their military capabilities and have not modified their positions on basic issues. The announcement of plans to reduce the Soviet and Satellite armed forces, and the decision to return the Porkkala naval base to Finland, while not materially altering the general military situation, have provided the USSR with a basis for arguing that the West should take similar action.

II. FACTORS MOTIVATING CURRENT SOVIET POLICY

11. The impression left by the recent Soviet posture is that while the USSR's basic position on major issues remains unmodified, the conduct of its foreign relations has undergone a notable change. The Soviet leaders probably recognize that the USSR's impact on the Western world is determined not only by the substance of the Soviet position but by the

manner of Soviet conduct as well. A number of factors have worked together to produce the change in the Soviet attitude.

12. The mere fact of the appearance of a new leadership in the USSR following the death of Stalin is one important factor. While it is possible that some similar changes would have come about even if Stalin had not died, nevertheless there is much about the style of present Soviet policy which probably would not have been possible under him. Stalin's passing released Soviet policy from the inhibitions imposed by his personality. The new leaders have even indicated, largely by indirection and innuendo, their realization that Stalin's conduct of Soviet policy was counter-productive in that it had isolated the USSR, hardened Western determination to resist further Communist advances, and thus consolidated the Western alliance. Much of their current behavior is clearly intended to undo these errors. In addition, the "collective" nature of the new leadership appears to have brought about a more relaxed behavior among the top leaders themselves, and may have led to a more realistic appraisal of the USSR's internal and external situation.

13. The change in Soviet conduct was almost certainly accelerated by the ratification of the Paris Accords. This event was a serious setback for Soviet policy, which for years has had as one of its major objectives the prevention of West German rearmament under NATO. While the short-run menace of a rearmed West Germany may not have seemed very great, the long-run prospect of a substantial further increase in NATO strength, together with uncertainty as to the effect which German influence might eventually have on NATO policy toward the Bloc, has almost certainly given the Soviet leaders serious concern. Once the Accords were ratified, it probably appeared imperative to the Soviet leaders that a new course be taken.

14. The final stage in the West's decision to incorporate a rearmed West Germany in NATO coincided with a growing crisis in the Formosa Strait. We are unable to estimate what effect this situation or other unsolved problems in

Asia had on the Soviet leaders' view of their position. They may have genuinely feared an outbreak of hostilities between the US and Communist China which would have carried serious risk of Soviet involvement. They may have decided, perhaps in concert with the Chinese, that Communist aims in Asia would be more effectively achieved by a phase of diplomatic maneuver based on a "conciliatory" line. In any case, whatever the precise motivation, we are inclined to believe that the situation in Asia played a part in the calculations which led the USSR to adopt its present course.

15. Soviet concern over West German rearmament and over tensions in Asia was probably heightened by a growing realization that any serious risk of war, given the probability that the US would make large scale use of nuclear weapons, had become unacceptable. Probably the USSR's own progress in nuclear weapons in recent years, together with a greater heed possibly given to professional military views in policy deliberations since Stalin's death, contributed to this realization. In any case, we believe that concern over the danger of nuclear war has been one important factor in the USSR's current desire to reduce international tensions. The USSR is probably particularly concerned over its presently inferior nuclear capabilities vis-a-vis the US and therefore wishes to minimize risks of general war. We believe that one of the important motivations for current Soviet policy may be the desire to gain time to narrow the gap in nuclear warfare capabilities.

16. Economic considerations have almost certainly been another factor in the Soviet policy change. While we believe that Soviet resources are adequate to continue building up the USSR's military strength, the effort forces upon the USSR a series of difficult choices in the allocation of resources. Besides continuing its traditional emphasis on heavy industry, the USSR is currently engaged in a vast effort to increase agricultural production by expanding cultivated areas, a program which involves a large-scale investment. In addition, the rate of increase in the size of the industrial labor force, on which Soviet industrial growth has been largely based, is declining.

This factor, together with declining rates of increase in labor productivity, will require heavy investments in further mechanization, automation, and replacement of machinery if Soviet industrial output is to continue to grow at high rates. The desire to "catch up" to the West in basic industrial power certainly continues to be a leading Soviet aim. The USSR is also under some political compulsion to assist in the industrialization of Communist China. At the same time, the enormous cost of the modern weapons which the Soviet leaders will wish to acquire over the next few years — in air defense, in strategic air capability, in modernization of ground and naval forces for nuclear warfare — will probably press hard on the economic programs mentioned above. Accordingly, it seems likely that the Soviet leaders would welcome the opportunity to stretch out their military programs and thus to make additional resources available for economic expansion. We believe, therefore, that the Soviet moves to ease international tensions were stimulated in part by the desire to reduce the burden on their economic resources.

17. All the problems and concerns described above would be eased if the West could be persuaded to cooperate in promoting a "relaxation of tensions." We believe that the Soviet leaders estimate that, while the Western alliance grew in strength and unity so long as Soviet policy continued an aggressive and hostile tone, it might prove vulnerable if the USSR persisted in a convincing demonstration of peaceful intentions. The USSR appears to have concluded that a less provocative posture on its part might be rewarded by the appearance of rifts in the West and by a decline in Western defense efforts. If such results are obtained, the Soviet leaders will expect eventually to achieve a much greater latitude of diplomatic maneuver which might enable them to undermine the effectiveness of NATO and other free world alliances, and thus move toward one of their principal objectives, the political and military isolation of the US. They may also calculate that, as the conviction grows in the free world that the Communist states do not present a serious threat, the

Communist parties will be able to break out of the isolation into which they have been forced, particularly in Western Europe, and will become more effective instruments of Soviet policy. The present Soviet line probably springs therefore not only from a desire to ease certain problems with which the USSR is confronted, but also from the expectation that the new tactics can bring positive advances toward Soviet objectives.

Soviet Objectives in the Current Phase

18. We conclude that the Soviet leaders have not abandoned their long-range aims. During the current phase, however, they have embarked on a policy aimed at a general easing of cold war tensions and apparently pointed toward these main objectives:

a. To reduce the threat of nuclear conflict arising from continued tensions, particularly during the period of their nuclear inferiority;

b. To give time for the USSR to continue its military build-up and to deal with its economic problems; and

c. To open new opportunities for dividing the Western Powers, undermining Western strength, and extending Communist penetration of the free world.

19. The nature of the motivations discussed above suggests that the Soviet leaders have adopted the new policy as more than a short term tactical shift. Soviet policy has in the past, however, shown itself capable of sudden reversals. Such a reversal could again occur if the present policy failed to achieve its expected results, or if it led to developments prejudicial to Soviet interests. Moreover, it is always possible that a shift within the leadership could bring to authority persons or factions favoring a different international policy. On the whole, we are inclined to believe that it is the present intention of the Soviet leaders to continue their current policy for some time. The care which they have taken to publicize this policy within the USSR, and thus to encourage among the people the expectation of a period of relaxed international tensions, suggests that they intend to persist in their present course. While we believe that the USSR could reverse a policy of relaxation at any

time, it is possible that if such a policy continued for a long time, the present Soviet leadership would have to take into account the domestic problems which might follow a sudden reversal.

20. The Soviet leaders may regard the present phase as only an interim one to be used to close the gap between their nuclear capabilities and those of the US. They may think that, once they have achieved a rough parity in nuclear capabilities, they can revert to a more aggressive policy, confident that in any crisis they could outbluff the West. However, even if the USSR does catch up in nuclear capabilities, the Soviet leaders could still not be confident that in a general war the USSR itself would escape nuclear devastation. They may be coming to feel that war in an age of nuclear devastation involves wholly unacceptable risks and that therefore they must continue to pursue their ultimate objectives by means which so far as possible exclude danger of major war. Finally, the Soviet leaders may hope to achieve a disarmament settlement which would effectively eliminate nuclear warfare, after which they could again pursue an expansionist policy without incurring nuclear risks.

III. PROBABLE SOVIET TACTICS IN FORTHCOMING NEGOTIATIONS

21. Although we believe that the USSR will continue its diplomatic and propaganda efforts to preserve what it calls the "spirit of Geneva," the Soviet leaders have indicated their determination to maintain their positions in forthcoming Four Power meetings. They probably hope to obtain a general detente on the basis of a Western acceptance of the status quo in Europe which would legitimize all the post-1945 Communist regimes, including that in East Germany, and "normalize" their relations with the rest of the world community. The USSR is probably confident that the Western Powers will not be able or prepared to bring such pressure on the Bloc as would force acceptance of Western views. Indeed they may hope that the process of negotiation itself will open fissures of opinion within and among the Western states.

22. It will be evident from the foregoing that the task which the Soviet leaders have set for themselves at the Four Power meetings will be to convey an impression of flexibility on the issues under discussion without making significant departures from their present positions. That they have foreseen the difficulties involved is apparent from the strenuous efforts they made at the Summit Conference to contrive a formula for the agenda which would permit them the greatest amount of leeway in guiding the discussions into areas in which the appearance of agreements might be achieved without actual concessions. They achieved some success in subordinating the German question to that of European security in the wording of the agenda, and undoubtedly hope by this device to mask the rigidity of their position on Germany. The complex topic of disarmament and the catch-all topic of East-West contacts will almost certainly provide the Soviet leaders opportunities to display the amicability of their intentions, without requiring them to make significant concessions, at least at the October meeting. They will probably seek to avoid showdowns and to contrive delays by provisional compromises.

23. The Soviet leaders have already indicated that they will not negotiate a German settlement on terms acceptable to the West. They foresee, of course, that the brunt of Western diplomatic pressure will be focussed on this question, and that the atmosphere of cordiality which they so carefully nourished at the Summit meeting could be imperilled by their obstinacy on this issue. Even at this risk, however, the Soviet leaders will almost certainly refuse to compromise their position. The USSR has made clear that it will not accept the reunification of Germany unless the internal political situation is so altered as to insure that a reunified Germany would not become either an open or secret partner of the Western alliance. The Soviet leaders probably believe that West German rearmament will not pose a security threat to the Bloc for some years at least. In the meantime, they hope to discourage support for West German rearmament in Western Europe and in West Germany itself. Believing that there will be

little enthusiasm in the West for an attempt to solve the German problem by military pressure, they probably expect to be able to maintain the status quo in Germany indefinitely. They will therefore hold to the line that the German situation cannot be settled until conditions of "mutual trust" have been established through a European security organization.

24. Under whatever form this latter project may be presented, its purpose would be to undermine NATO and bring about its collapse. European security is a topic with many ramifications impinging upon all of the other issues under discussion. It is almost certain that the Soviet leaders will try to make this the central topic of negotiation because its scope, intricacy, and projected time range could provide endless opportunities for unavoidable and "well-meaning" delay. The USSR may offer to accept the Eden suggestion for a security treaty among a few countries, but would not accept a unified Germany in such a scheme, and would insist on the admission of the two Germanys. The USSR would hope that some such limited security arrangement would at least commit the West to recognition of the status quo in Europe. It would hope that mutual pledges of security between the two blocs would tend gradually to sap support in the West for a sustained defense effort by NATO. The USSR may also propose regional pacts, for example in the Baltic area or in the Balkans, which would include some Satellite states. Finally, the return of Porkkala and Soviet statements on abandoning bases may presage a firm proposal for reducing Soviet and American troops and bases in Europe, possibly dramatized by a unilateral withdrawal of some Soviet forces from the Satellites.

25. Disarmament is another topic upon which the Soviet leaders have laid stress and for which they have prepared a plausible and ostensibly negotiable position. Like European security, it is a topic of such scope and complexity that negotiations on it can be sustained for long periods. The USSR will insist that inspection and control be made contingent upon a prior agreement on reduction of

forces and prohibition of nuclear weapons. Its aims in the negotiations will probably be to commit the West to fixed levels of armament and to limit Western freedom of action to employ nuclear weapons without itself agreeing to unrestricted inspection. To achieve these ends, the Soviet leaders will probably be willing to agree to similar restrictions on their own use of nuclear weapons and actually to undertake some reductions in the size of their own forces. The process of negotiating even a limited disarmament agreement seems certain to be prolonged, however, and during its course the USSR will hope by its general behavior to divide Western opinion on the issue and to encourage a relaxation of military effort in the West. Eventually, the USSR may agree to tentative and exploratory steps to test the effectiveness of inspection in limited areas. This would probably not involve any vital Soviet security loss and would enable the USSR to keep the issue alive while at the same time permitting it to demonstrate "correct" adherence to an agreement.

26. All four powers agreed at the Summit Conference to take steps to eliminate barriers which interfere with the flow of information, persons, and trade among nations. The USSR may be expected to place stress upon this subject not only because of its less controversial nature, but because it is one which can easily be exploited to present the face of Soviet policy which the USSR evidently now wants the world to see. Quite aside from emphasizing this subject in the negotiations, where it will be used to support the "mutual trust" slogan, we expect the USSR to continue and expand the program of social and cultural exchange, tourism, and trade promotion which it has launched in recent months. This can be done on a unilateral basis and without risk since all such activities will on the Soviet side continue to be of an official nature and closely controlled. In particular, the USSR will attack Western controls as barriers to the free flow of international trade. The Soviet leaders probably count heavily on widened cultural and economic contacts to have a persuasive impact on Western opinion in support

of their general policy line during the coming period.

IV. SOVIET POLICY BEYOND THE PRESENT PHASE OF NEGOTIATIONS

27. The policy which the USSR has unfolded over the past several months is not limited to the preparation of negotiating positions for a Four Power Conference. Tactics to achieve a "reduction of tensions," by a "normalization" of relations which aims at transforming the Communist Bloc states into respectable and accepted members of the world community, have been applied widely. By seeking to blur the lines which have been drawn between the Communist and free worlds, the Communists

hope to promote neutralism, to reduce the vigor of anti-Bloc alliances, and thus to create a more favorable climate for political and propaganda activity. This pattern of Soviet activities does not establish that there has been any change in Communist ideological or expansionist motivations, but it does suggest that the impulse toward the readjustment in Soviet policy which we have been witnessing sprang from considerations of broad political strategy in the world conflict. It also suggests that the objectives of current Soviet policy extend beyond the present phase of negotiations, and that the USSR now intends to persist in its present strategy even if the October meeting of foreign ministers ends in stalemate.

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