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28 January 1968

CIA/DIA/STATE MEMORANDUM

SUBJECT: Reactions to Certain US Actions

1. In this memorandum we consider some recent developments in North Korean, Soviet and Chinese policy in connection with the Korean crisis and the possible reactions of these countries to several US courses of action.

## I. DEVELOPMENTS IN COMMUNIST POLICY

2. The attack on the Blue House in Seoul and the seizure of the Pueblo are the most flagrant and conspicuous manifestations of an aggressive policy of armed subversion against the ROK developed by Kim Il-Sung since the fall of 1966. This policy aims at the eventual reunification of Korea by revolutionary violence, and is designed to exploit the current US and ROK involvement in Vietnam to this end.

3. In the current crisis they have apparently acted independently and probably intend to keep the affair in their own hands insofar as they can. The influence of China in the

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present circumstances is marginal, and the influence of the Soviets in Pyongyang, though greater than Peking's, is not decisive. The Soviets have considerable potential leverage, but they would be unlikely to apply severe pressures on North Korea unless they thought hostilities on a continuing and extended scale were becoming likely. They would be reluctant to risk the recovery of their influence with the Asian Communist parties, a goal they have been seeking for several years, unless they believed that a major danger to their own security was developing.

4. In the last week, the North Koreans have maintained a consistently hard and unyielding public position. However, there is, in private statements through the Neutral Nations Supervisory Commission, some suggestion of a willingness to bargain for the release of the Pueblo's crew. We judge that the North Koreans wish to avoid military retaliation and a possible resumption of hostilities in Korea. Their primary concern is to manipulate the crisis so as to discredit the US and complicate US-ROK relations.

5. The USSR and China probably approve these immediate North Korean aims, though they may have concern over Pyongyang's tactical handling of the crisis. They may even be concerned

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that a prolonged crisis or possible hostilities in Korea would adversely effect Communist prospects in Vietnam by encouraging a general hardening of US policy in Asia. Both the Soviets and Chinese have thus far refrained from involving themselves directly. The Chinese, after remaining virtually silent for several days, have offered only pro forma support, mainly because of their severely strained relations with Kim Il-Sung, and perhaps because of their own confused internal situation. In public the Soviets have maintained a general support for Pyongyang, but without adding to the tensions. They did pass a US message to Pyongyang and through calculated leaks they have endeavored to hint at the possibility that the Pueblo incident could be settled peacefully if the US made some concessions.

## II. POSSIBLE US COURSES OF ACTION

6. The possible US courses of action discussed below are grouped into two broad categories: first, those that are purely demonstrative in intent; second, those which are retaliatory or involve the use of force in some way. Under the first category, we also discuss the question of possible warnings to the North Koreans or through the USSR.

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~~S-E-C-R-E-T/SENSITIVE~~DEMONSTRATIVE ACTIONS

7. The demonstrative actions, discussed below, taken singly or even together, would not be likely to effect the release of the Pueblo or its crew. Probably they would not even convince the North Koreans that the US in fact intends to use military force if the crisis is not settled satisfactorily. The North Koreans might still feel their possession of the crew was strong insurance against US retaliation. They might also believe that the US was constrained from moving very far in the direction of military action by the requirements of Vietnam. But taken together with a further significant buildup of US military capabilities in the area these demonstrative actions would probably reenforce North Korean concern over US retaliation and raise apprehension in Moscow and in Peking over US intentions. While we cannot be sure, we believe there is a fair chance that some combination of demonstrative actions, diplomacy, and a force buildup would lead to the release of all or most of the crew, and possibly the ship.

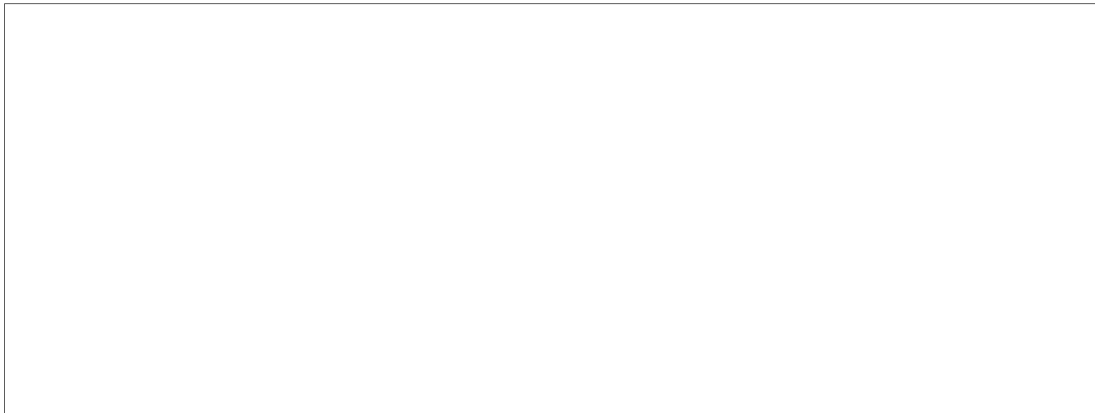
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A. The US would deploy the USS Banner and a suitable escort and air cover to the general location of the Pueblo seizure, following the route of the Pueblo; the following day the Banner would retrace this route and the procedure would be repeated as long as desirable.

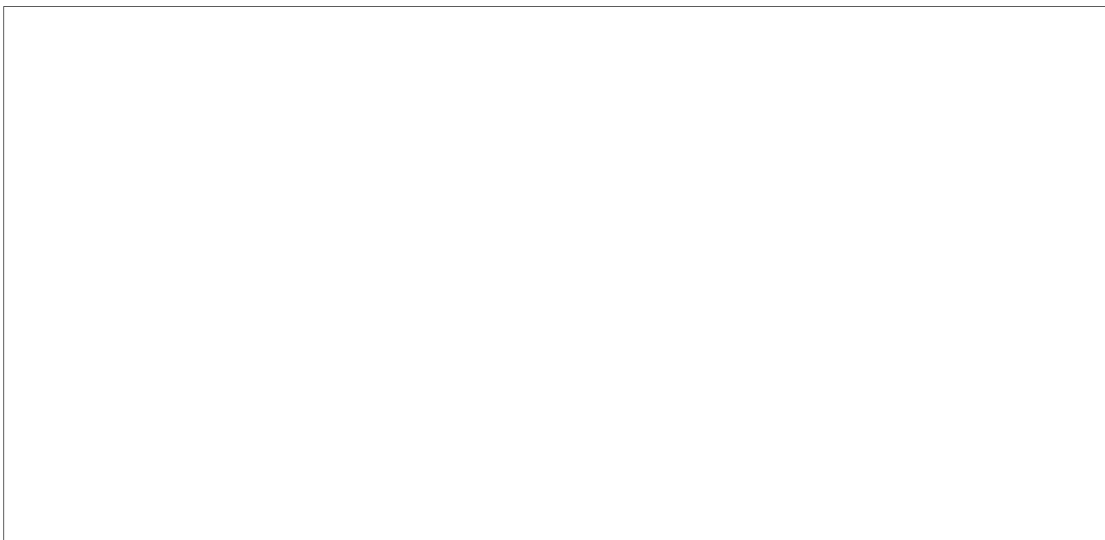
8. No direct military reaction to this move is likely. All of the Communists would recognize it as a demonstration, and as long as North Korean territorial waters were not violated, there would be no response. There would be further military alerts in North Korea and a Soviet vessel would probably shadow the US force. There would be the danger of incidents, particularly between the Banner's air cover and patrolling North Korean fighters. And such incidents would draw considerable international criticism of the US for deliberately seeking such encounters. This course of action probably and any incidents certainly would undercut US diplomatic efforts aimed at a peaceful solution of the Pueblo episode.\*



(b)(1)  
(b)(3)

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(b)(1)  
(b)(3)

- C. The US could move some ships to the site of the Pueblo seizure and begin salvage operations. (Assuming that the North Koreans were not already on the scene for this purpose.)

11. The Communists would see in this operation a marginal show of defiance and also an attempt to recover gear to support the US claim regarding the precise location of the Pueblo. The North Koreans would probably do nothing in response, except perhaps complain publicly that the US was trying to provoke another incident. If the US claimed to have recovered Pueblo gear, the North Koreans would deny US veracity and continue to insist that the incident had occurred in their territorial waters.

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- D. The US would convey indirectly a warning to the North Koreans that military reprisals were intended at an early date unless there was a satisfactory termination of the Pueblo affair.

12. The question here is one of credibility. The North Koreans would have some reason to believe that the US might be bluffing. At least they could not be sure. Presumably they would consult with the Soviets and ready their own defenses. If the US were simultaneously making significant military moves indicating an increased readiness for major hostilities in Korea, however, then the North Koreans would probably make some gesture to forestall US actions. They might make an acceptable offer to bargain; they might even release part of the crew. Any Soviet advice in these circumstances would probably run along this line.

13. If the US involved the Soviet Union as a channel to convey a warning to North Korea, the Soviets would almost certainly refuse to be a party to conveying officially an American ultimatum. Nevertheless, the Soviets would probably pass the warning to Pyongyang. It should be emphasized, however, that there is no guarantee that the Soviets could persuade the North Koreans to make concessions, even if they decided to try to do so. There is a good chance, however, that the Soviets

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might open up clandestine channels to the US, hoping to gain time while they explored further both US and North Korean positions and the possibility of a settlement.

RETALIATORY ACTIONS

14. As indicated above, there is a fair chance that a combination of demonstrative actions, diplomatic moves, and military reinforcement in Korea would persuade the Kim Il-Sung regime to end the current crisis by releasing the crew and perhaps the ship. Once the US took retaliatory actions involving the use of military force against North Korea, however, the chances of obtaining early release of the crew and ship would be virtually eliminated. Moreover, retaliation would probably bring the Chinese and Soviets more directly into the situation. They would probably still try to contain the crisis, but would feel compelled to take some steps to show they were prepared to aid North Korea's defense. Thus, the risks of an enlargement of the crisis and actual hostilities would be increased.

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- A. The US would mine Wonsan harbor, preferably at night, by an air drop.

15. North Korea would, of course, defend against this action; it might also attempt some retaliation of its own, for example against US ships or forces. The USSR would assist in any efforts to remove the mines, if requested, and they would also begin to build up North Korean air defense capabilities around Wonsan and other major ports. Mining of Wonsan would be of special concern to the USSR, not only because Soviet ships use the harbor, but also because the action might be seen as a precedent to similar action against Haiphong.

- B. The US would quarantine or blockade one or more ports, but limit the action to North Korean naval vessels. This would be a close in blockade with some US ships entering North Korean waters.

16. There would be a high risk that the North Koreans would challenge the blockade with their forces. The Soviets might ostentatiously move ships through the blockade line, possibly including some military vessels. Some move would probably be made by the Soviets at the UN; they would have good prospects for getting wide support. At this point the North Koreans and Soviets would conclude that further US military action might

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follow; they would move ahead rapidly with defensive preparations. The Chinese too would probably begin some show of military activity in North China and Manchuria.

- C. The US would attempt to seize a North Korean vessel and hold it in return for the Pueblo and its crew.

17. If time and circumstances permitted, the North Koreans would defend against such a seizure, regardless of whether in international or territorial waters. Presumably, they are perspicacious enough not to expose a major ship to such action beyond the reaches of their air cover. In any case, the North Koreans would not be likely to bargain for an exchange. And the resulting propaganda would becloud the original US case against Pyongyang. No military retaliation would be likely, however.

- D. The US or the ROK would undertake a raid in reenforced battalion size across the DMZ.

18. The North Koreans are probably alert to this possibility; in any case the action could build up into a major battle involving reenforcements on both sides. It would certainly not bring about the return of the Pueblo's crew. Indeed it is possible that action on this scale would be tantamount to reopening the

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war. The Soviets would probably accelerate arms aid to North Korea, and the Chinese might make some gestures to indicate more support for Pyongyang.

- E. The US and/or the ROK would conduct an air strike against one or more selected targets: a US air strike against Wonsan airfield and Mumpyong Ni naval base; the ROK AF would strike against guerrilla training centers in North Korea.

19. The North Koreans would of course defend themselves against the attack. They would weigh carefully the desirability of a retaliatory air strike of their own against South Korea. They would recognize that such action would invite a continuing exchange and a virtual air war. On balance, we believe they would probably not retaliate in this way unless they judged that the US intended to continue its attacks.\* At the same time, they would probably not be willing to accept the US and ROK actions. Probably they would immediately sentence the crew; perhaps they would hint at an execution.

20. The attitude of the Soviets and Chinese in this situation would be of increasing importance to the North Koreans.

\* The DIA representative believes that the North Koreans would make such a retaliatory air strike.

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Chinese-Korean relations are currently so strained and the situation in China so confused that the North Koreans would probably not count on Chinese support. While the Chinese would take a hard propaganda line, they would almost certainly refrain from any action against the US.

21. The North Koreans cannot afford to proceed very far in a confrontation with the US without some assurance of Soviet military support. We doubt that any firm Soviet assurance would be given at this stage, despite Soviet obligations under the 1961 Mutual Assistance Treaty. We think that the Soviets would initially respond to a US air strike by tough public support of Pyongyang, but probably they would also make private efforts to persuade North Korea and the US to end the crisis and for Pyongyang to restrain its own reactions.

22. Nevertheless, the Communists would be greatly concerned that the US might embark on a course of sustained air attacks. They would step up preparations to meet this contingency, including new measures to strengthen North Korean air defense, since both the USSR and China regard North Korea as an area of special security interests to them.

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23. International Reactions: If the US did resort to sanctions or punitive measures against North Korea, it would gain considerably among certain of its allies in Asia, but it would certainly draw criticism in those quarters already opposed to US policy in the Far East. Indeed, most Free World countries think that an early resort to military action would be unjustified. If, after a retaliatory action, there were no serious consequences, international concern and alarm would die down. The US position in the UN would deteriorate; charges would be made that the US was misusing forces operating under UN auspices.

24. Should the US try to marshal support for a break in trade between North Korea and the Free World, it would probably meet considerable resistance. Japan, the largest of North Korea's trading partners in the Free World, would be reluctant, because of domestic considerations, to join the US. Indeed, the Japanese left would exploit the Korean crisis to bring heavy pressure on the government, and among other things to harass and inhibit the use of US bases in the country. The Sato Government would be placed in a very uncomfortable position.

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