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CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

3 February 1958

STAFF MEMORANDUM NO. 5-58

SUBJECT: O/NE Consultants' Conference, Princeton, New Jersey,
23-24 January 1958

1. Participants:

Consultants

Hamilton Fish Armstrong
Cyril Black
Robert R. Bowie
Harold R. Bull
Klaus Knorr
William L. Langer
Harold Linder
Max Millikan
Philip Mosely
Joseph Strayer

CIA Representatives

Allen W. Dulles
Robert Amory, Jr.
Sherman Kent
Abbot Smith
James Graham
Willard Matthias
Charles Cremeans

[Redacted]
[Redacted]
[Redacted]

(OIR, Dept. of State)

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2. Agenda:

- I. Briefing on the Syrian Situation (23 January, morning session)
- II. NIE 12-58: OUTLOOK FOR STABILITY IN THE EASTERN EUROPEAN SATELLITES (Board Draft) (23 January morning and afternoon sessions)
- III. NIE 100-58: ESTIMATE OF THE WORLD SITUATION (Staff Draft) (23 January afternoon session and 24 January)

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I. Syrian Situation (Morning Session, 23 January)

Summary: Mr. Cremeans briefed the consultants on recent developments in the Syrian situation, highlighting the struggle for power which is apparently taking place within the ruling group between a pro-Soviet faction and an Egyptian-supported neutralist faction. He discussed the prospects for Syrian-Egyptian union in the light of these developments. Several of the consultants expressed doubt that Egypt's apparent opposition to pro-Soviet elements in Syria was really a development favorable to US interests in the Middle East. It was generally agreed that new manifestations of Egyptian-Syrian unity would probably have a significant effect on the course of developments in Jordan, Iraq, and Saudi Arabia.

II. NIE 12-58: OUTLOOK FOR STABILITY IN THE EASTERN EUROPEAN SATELLITES (Morning and Afternoon Sessions, 23 January)

Summary: Discussion of the Satellite paper occupied about half of the morning session and the beginning of the afternoon session on 23 January. There were few major disagreements with the substance of the paper, which was discussed in terms centering on Poland, the impact of Western policies on the Satellites, and Soviet-Satellite-Western relations. A division concerning the Polish estimate emerged, but

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was resolved by general agreement that the situation in Poland is precarious but probably not explosive. There appeared to be common agreement that the attempt to deal with Western policy in an NIE was a good development. Most of the consultants were in accord with the substance of that section and some offered suggestions for improving its form. The relatively brief discussion of Soviet-Satellite relations included comment on the extent of Yugoslav influence in Eastern Europe, Bloc economic relations, and East-West trade and cultural contacts.

Highlights of the Discussion

SMITH opened the discussion by remarking that our Estimates written prior to the Hungarian and Polish affairs had regarded the Satellites as "monolithic" and had, as a consequence, seriously erred in judgment.

MOSELY suggested that the errors were understandable since revolts are not easy to foresee, and AMORY noted that the Satellite estimate published in early 1956 had been written prior to Khrushchev's secret speech on Stalin (February 1956). BOWIE said that the basic failing in the earlier NIEs was the conviction that, despite unrest in the Satellites, the Soviets would be able to keep a grip on the situation.

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SMITH, referring specifically to 12-58, posed two questions:

- (1) what was the consultants' reaction to the last section dealing with the impact of Western policies--a "maiden" effort in NIEs; and
- (2) were there any general comments on the other portions of 12-58-- anything intolerable or any major points omitted?

STRAYER responded, criticizing the section on Poland. He stated that the situation in Poland is far more precarious than suggested in this estimate. He just did not believe that the Poles could successfully walk a tightrope for the next five years or so. BOWIE agreed, and AMORY pointed out that the British would agree too.

A general discussion of the precarious situation in Poland ensued, with LANGER making the point that the "Polish communist party is stronger than we had thought." BOWIE wondered if that weren't partially the result of sufferance on the part of the Roman Catholic Church in Poland. MOSELY said the regime can count on tolerance from groups who would be opposed were it not for the Soviet threat. AMORY added that the Natolinist had been cleaned out and that the peasants are better off now than at any time in the last fifty years.

STRAYER restated his objection, noting that popular enthusiasm for the regime is waning, the economy is sagging, etc., and asking

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whether the Soviets would tolerate such a deterioration. LANGER asked what the alternatives to the present situation are.

SMITH called attention to paragraph 10, dealing in part with the possible affects on Poland of a withdrawal of foreign economic aid. Did the consultants think that, in the event of a loss of such aid, the Polish regime could revise its investment program and thereby avoid trouble with the people?

KNORR said that this was conceivable in economic terms but it might not be done because of the regime's ideological convictions. Further, such an investment shift would perforce involve a big transfer of the labor force. MOSELY felt that if Soviet aid were withdrawn, the people would rally behind the regime and support an investment shift, and BLACK said that the US would probably step up its aid in such an event. STRAYER said that withdrawal of Soviet aid is highly unlikely.

SMITH then asked if all were agreed that, if a revolt occurs, it is most likely to be caused by economic distress.

KNORR thought so, given the other factors considered in the estimate. ARMSTRONG said that a revolt would be caused by economic distress and the "Moscovite presence." STRAYER believed that the cause would be political. LANGER commented on the unlikelihood of any revolt,

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citing the effect of the Hungarian example and noting that the Poles had endured oppression in the 19th century for long periods. AMORY added that he had been told that many young polish intellectuals--feeling that things were too tough nationally--were focusing all their energies on material improvement, in the spirit of 19th century Polish neo-positivism.

SMITH observed that there now seemed to be general agreement that the situation in Poland is precarious but that it would probably stay that way without an explosion--which, he noted, is more or less the way the estimate puts it. He then changed the subject to Soviet-Satellite economic relations and asked if the Satellites could now be considered an economic liability to the USSR.

There appeared to be general agreement with LINDER's remark that this is a matter of very complicated figuring and that the question probably cannot be answered. All also agreed, however, that the change in economic relations had been in the Satellites' favor. LINDER traced the evolution of Soviet economic practice in the area, describing the first period (post war) as "straight robbery," the second as "trade on terms very advantageous to the USSR," and the third as involving "investment and long-term paper, with the Soviets dominant in the current account."

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SMITH observed that the Soviet empire had evolved toward "normal administration," not permanently exploitive. This has been accompanied by political changes--the day of unlimited Soviet control is at an end. STRAYER demurred, stating that if the Soviets continue to receive fewer and fewer hard goods from the Satellites, they will revert to tougher management.

A brief discussion of the strategic value of the Satellites to the USSR included BULL's remark that the Soviets would not risk removing their troops from the area under virtually any circumstances. LANGER concurred, but BLACK noted that the need for large standing armies has diminished. BLACK criticized the estimate for omitting consideration of the strategic factors.

SMITH then shifted the conversation to the estimate's section on the impact of Western policies and asked for comments. There was general agreement that this section was a worthwhile and "encouraging" innovation in an NIE.

LANGER stated that he agreed with the estimate that there is not much the West can do in the Satellites. In his opinion, the West "shouldn't push too hard"; if the situation is going to disintegrate, it will do so by itself. Outside actions to hasten the process might actually slow it up.

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The discussion then centered on paragraph 54, dealing with the possible impact of Soviet troop withdrawals or East-West negotiations discussing such an eventuality. After some disagreement over specifics had emerged, ARMSTRONG expressed the opinion that the subject of negotiations warranted more thought, possibly in a special study. ARMSTRONG and LANGER agreed that a clearer differentiation between the Satellites should be made in any such study.

During the afternoon session, SMITH raised the question of Tito's influence on the other Satellites. MOSELY pointed out the unique origin of Tito's regime and said that Yugoslavia does not offer the other Satellites much inspiration. He agreed with ARMSTRONG that there had been little change in Yugoslavia's international position over the past two years, but added that since the rapprochement with the USSR, Belgrade has looked ahead 10-15 years--it used to look ahead in terms of months. The Yugoslavs are now very much impressed with the inevitability of Communism in the underdeveloped areas of the world.

SMITH wondered if the only significant thing to look for in the Satellites was disaffection in the leaderships, not in the peoples. BLACK thought most disaffected leaders had been purged. asked (b)(3) how a drift toward greater freedom from Moscow could be recognized by the intelligence community if the Satellite leaders involved were not

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anxious to call such a trend to Moscow's attention. He cited Rumania as a possible example. LANGER didn't think it could be recognized; STRAYER thought that economic indicators would be the most revealing in this event.

MOSELY pointed to cultural relations as an indicator and mentioned Rumania's recent moves in this field. This led to a general discussion of East-West cultural and economic contacts, with AMORY commenting on the Soviet willingness to expand such contacts. BOWIE remarked that this willingness was in large part the result of the heavy Soviet propaganda pitch and ARMSTRONG agreed, pointing to the relatively greater contacts between the USSR and the underdeveloped areas. AMORY observed that there had been few Soviet defections in the West and added that such defections would not be in the West's interests anyhow-- the US wants Bloc visitors to go back home to spread their impressions of the West.

Following the DIRECTOR's arrival, SMITH recapitulated the morning session on Poland and on the impact of Western policies. The DIRECTOR expressed interest in the estimate vis a vis the situation in Poland after Gomulka's death and spoke generally of the Satellites. He called attention to a report he had read on Czechoslovakia which said that the situation was slowly liberalizing, despite the absence of revolts. He

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then asked if anyone doubted that it was in the US interest to expand trade contacts with the East. There was general agreement that this was in the US interest. This was followed by further discussion of Soviet motives.

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III. NIE 100-58: ESTIMATE OF THE WORLD SITUATION

Summary

Discussion of the World Situation paper filled three separate sittings of the meeting and ranged over a number of arbitrarily selected controversial high points. There was considerable division over the paper's full impact between those who found its tone of pessimism suited to the moment and those who felt it tended to underestimate the long range difficulties which the Soviet bloc would increasingly face. Although no firm agreements were reached in debate, the force of discussion indicated a few major developments of common concern: (1) that the Soviets were experiencing great success with non-military methods of implementing their national interests, and that these methods were attuned to the general nature of political and economic evolution in the underdeveloped areas of the world, (2) that both in the West and elsewhere new opportunities for independence, if not for neutralism, were stirring the thoughtful, and provided significant portents of the pattern of future alignments, and (3) that conditions of mutual deterrence in the cold war were shaping basic strategic thinking and policy motivations of the principal antagonists, but that imponderables remained which emphasized the risks and raised the stakes of the game.

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Highlights of the Discussion

(Afternoon Session, 23 January)

SMITH summarized the discussion on the World Situation paper which had taken place at the last meeting of the consultants. He pointed out that the draft which the consultants were now considering had not yet been approved by the Board and would be affected by the present meetings. He remarked that the single most important event of the past year was the alteration of the structure of power and prestige in the world wherein the USSR had gained considerably. He asked for comment on (a) the general import of the whole paper, and (b) whether any significant factors had been omitted.

All of the consultants expressed general approval of the paper. LANGER, MILLIKAN, STRAYER, and BULL felt that the tone was a little too gloomy. BLACK, KNORR, ARMSTRONG, LINDER, and MOSELY did not share this feeling.

STRAYER suggested that the underdeveloped countries were making cold-blooded decisions in the light of their own interests rather than succumbing to Communist blandishments or achievements. BULL pointed out that the underdeveloped countries in many cases have

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very poor alternatives to their present positions and that this will act as a check on their adopting a pro-Soviet policy. He added that the full impact of Soviet technical achievements will probably be felt -- especially in Western Europe -- only when Soviet missiles are operational and site emplacements completed.

BLACK said that many of the pessimistic factors in the paper had existed for some time but had not previously been recognized sufficiently. ARMSTRONG indicated his deep concern over the unfavorable reaction in Western Europe, particularly in England, to recent Soviet achievements. He read excerpts from an editorial in the New Statesman to demonstrate the intensity of this reaction.

MILLIKAN felt that the paper placed too great emphasis on the psychological aspect and paid too little attention to actual developments which may occur in the near future. Citing the example of Indonesia, he stressed the importance of internal developments in various countries which develop independently of their leaders' attitudes toward the US, USSR competition but are frequently a vital setting for that competition. He also suggested that the paper should give more attention to the

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relationship of the strategic military situation to potential actual crises -- e.g. the Soviet leaders may feel that their enhanced global military strength MAY make the US less willing to employ military force against them and thus increase the chances of "brushfire" conflicts.

BOWIE agreed that more attention should be paid to the real alternatives that various countries face and less to the frame of mind of their leaders. He said that the paper in general could be looked upon as a companion piece to an annual strategic policy review; as such, the long term view is important, and more attention could well be given to the underlying prospects in the less-developed countries.

KNORR expressed the feeling that the psychological approach in parts of the paper was a great virtue. He pointed out this does not appear elsewhere and suggested that specific developments in the under-developed countries have been and can better be treated in area papers. SMITH suggested that the paper's emphasis on attitudes could be justified in part by the fact that a major facet of sputnik was that it revealed to the world the potential of Soviet technological development which had previously been known only to relatively small informed groups. ARMSTRONG agreed that this made it desirable to focus the paper on attitudes.

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Commenting on possible omissions from the paper, LINDER suggested the desirability of consideration of the population problem and its impact in the uncommitted countries and recommended more emphasis on the raw material resources of these countries. ARMSTRONG thought that recent changes in Western Europe deserved more attention and recommended particularly that more detailed treatment be given to individual countries rather than focusing analysis on the area as a whole. MOSELY also felt that differentiation should be made as to how various countries are coping with their problems and suggested that sometimes they can usefully be judged on that basis. LANGER pointed out that the paper pays relatively little attention to Soviet weaknesses and problems which are still very real in certain areas.

At SMITH's request, summed up the State Department's reading of world reaction to recent Soviet technological advances. He indicated that in world opinion an in-balance does now exist to some degree between the US and the USSR, and that as long as it does, some of the uncommitted groups, which doubt the US ability to catch up, may gravitate toward the USSR.

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Turning to the strategic aspects of the present and probable future world situation, STRAYER commented that the major fact is that the USSR can now -- or will be able soon -- to hurt the US badly and quickly. MOSELY suggested that the Soviet leaders have probably for some time been weighing the possibility of preventive war, but now they can feel that it is a real option which they have. He opined that it is at least possible under these circumstances that they might at some stage decide to use a decisive technical advantage to attempt to end the competition with the US. MILLIKAN asked if the appraisal of danger to the US had shifted sharply over the past few months.

THE DIRECTOR replied that there was nothing qualitatively new in recent developments, although there was a new time element involved. The main change resulting from hard intelligence was to bring closer by a year or a year-and-a-half our estimate of the time at which they would have certain capabilities. In response to a question from MOSELY as to whether the Russians had thus demonstrated their ability to speed up their programs, THE DIRECTOR said that from their point of view, no speed-up may have taken place; we merely gained additional information on what was going on.

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MILLIKAN felt that the time element in the balance of US-USSR strategic capabilities was of vital importance and that the facts of the strategic competition should be discussed in realer terms than merely world reaction to it.

In response to SMITH's request for comment on the subject of negotiations with the USSR, STRAYER and BLACK indicated their uncertainty as to the meaning and implications of paras. 33 and 35 of the paper. In explaining the paragraphs, MATTHIAS emphasized the seriousness with which the British are studying the problem of negotiations with the Russians and [] suggested that West German Chancellor Adenauer may feel that the increased degree of US dependence on IRBM bases gives him considerable leverage in determining Germany's relations with the Western alliance. (b)(3)

LANGER doubted that the West European powers will seriously undertake negotiation with the USSR in the face of US opposition but expressed the opinion that if they did, it would severely damage the Western alliance. BOWIE pointed out that if the Western European desire for negotiations was this intense, we would probably not oppose it. THE DIRECTOR expressed doubt that the USSR has any interest in

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negotiations with any single European power, except on terms of that power adopting neutralism. He agreed with ARMSTRONG that the German question is probably an exception to this. It was generally agreed that a redraft of the final sentences of para. 33 would be desirable.

SMITH inquired what the West European countries other than Germany have to negotiate with the USSR about? BLACK suggested the possibility of their asking the USSR what would you give us if we expelled the NATO bases. THE DIRECTOR pointed out that the USSR would gain little from negotiations with one country to expel the bases as long as other countries maintained them. MILLIKAN suggested, however, that the precedent would be valuable.

Preliminary to a discussion of para. 35, MATTHIAS summarized recent developments in the direction of an independent Western European military policy. MILLIKAN felt that these should be a source of worry to the USSR. THE DIRECTOR said the Russians are worrying about them. He added that some of the European powers, looking back to 1914 and 1939, may feel that development of their own nuclear capability is the one way to ensure US involvement in any future conflict in which they may become engaged. They may feel, he suggested, that as long

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as the US is the only Western power to have a nuclear capability, the US might draw back and leave them in the event of a non-nuclear conflict.

MILLIKAN and BOWIE said this should strengthen NATO considerably. THE DIRECTOR agreed -- but felt it would do so only if the US can be sure that the European capability will be used if the US alone were attacked. SMITH added that the European Powers might not be desirous of getting involved in a conflict, perhaps vital to US interests, which began in a distant area, such as Iran.

STRAYER said that what the Western European countries really want is to maintain their independence. Until they develop their own capability, they will remain dependent on the support of American retaliatory power. When they have developed an independent capability, they may feel that they can stay out of conflicts in which Europe is not directly involved. BOWIE indicated that he would not be surprised to see the Western European position made explicit when an independent nuclear capability is attained: "We have our own capability now. Americans go home from West and Russians from East Europe."

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THE DIRECTOR recommended rewording of para. 35 in the light of the discussion -- especially the third sentence. He suggested that it be made clear that the Western European military capability being discussed was a nuclear one and that a substitute be found for the phrase "minor aggression." SMITH added that the development of an independent capability and its implications may occur somewhat more quickly than we have indicated and that perhaps "neutral" might be a better word than "independent" to describe it. He also thought it might be worthwhile to consider the implications of a war arising outside Europe which involved US but not European interests.

January 1958.

(Morning Session, 24 January)

SMITH reopened consideration of the World Situation paper by proposing to focus the first part of the morning's discussion on two questions concerning the power conflict between the US and the USSR. Referring to para. 62, he asked the consultants to ponder: (1) the probable Soviet view of the nature of future armed conflicts, both

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limited and general wars; and (2) the probable estimate of the US views on these matters as held by Soviet policymakers. Recalling Toynbee's precept that the establishment of democratic systems and industrialization made general wars possible, he queried whether the Soviets conduct their policy planning on the basis of an assumption that limited war is possible -- and whether they feel we are capable of limiting a conflict in which we might become engaged. He proposed the use of geographical rather than weapons limitations in considering these questions.

KNORR interjected that curbing the SAC of both sides was a primary condition of limitation. Analyzing probable Soviet reasoning a propos limiting hostilities, he observed that since each side knew the other could destroy it, incentives to impose limits were strong. However, he felt the Soviets would regard the US capacity to limit war as lower than the Soviet's because our military force was less flexible. Hence, he thought that the Soviets might be inhibited from aggravating dangerous situations, or even from undertaking limited hostilities for fear that the only riposte open to us would be all out nuclear reprisal. ARMSTRONG refused to accept this thesis entirely, pointing out that the Soviet planners were also aware that the factor of cautious restraint would stay the US hand.

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BOWIE reminded the group that the Soviets were likely to select areas and issues of combat which would divide the Western allies rather than confront them with clear cut choices. In such cases he felt the Soviets would have the advantage of anticipating US reluctance to resort to all-out war. BOWIE then tabled what he felt was the most dangerous possibility for the future -- namely that the US and the Soviets having subverted two competing lesser states would confront one another suddenly as champions of their respective protegés. LANGER pointed out that there had been very little actual infiltration of Soviet soldiers or citizens in Korea and Indo China, probably because the USSR was unwilling to provide motivations for US attack on its homeland. KNORR responded that he felt that if Soviet pilots had engaged US squadrons, this too would have been an indication that limits were acceptable. LANGER felt the Soviet Union would not allow hostilities between the two principal adversaries to become so direct before pulling off its gloves.

SMITH then sketched out a hypothetical situation in which US backed Turkey invaded Soviet supported Syria. MOSELY stated that the USSR would very promptly move into Turkey. MILLIKAN felt they would more likely hesitate briefly, first giving full warning to

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major European cities and branding the aggressor before the UN. LANGER observed that the Soviet decision would be based ultimately on whether Syria was worth more to them than Turkey was to the West. THE DIRECTOR said it would not be Syria that was in the scales, but Soviet national prestige. KNORR responded to this remark that a decision by the Soviets to withdraw, or not to march would in today's situation result in their winning enormous prestige as the preservers of world peace. THE DIRECTOR remarked that our restraint during the Hungarian uprising had won the US no prestige.

MOSELY, pointing out that the discussion seemed to emphasize the delicacy of making accurate assumption about the other fellow's motives in times of passionate crisis, returned to his earlier stated hypothesis that preventive war was now at least a possible option for Soviet decision makers. This course might, he felt, offer attractions when the imponderables in any given situation became so difficult to estimate that they risked the chance of serious miscalculation. THE DIRECTOR, reinforced by BULL, stated that he felt this choice would not be available to the Soviet Union until 1959-60.

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A rather rambling discussion of different foreign policies that the Soviets might pursue in the next few years ensued. The various options mentioned in paras. 18 and 62 of the draft, economic penetration, war by proxy, infiltration, etc., were touched on by several consultants. The general opinion seemed to cluster around two points: (1) that non-military tactics were serving the Soviets well, and hence would be employed extensively, and (2) that restraints on the use of force operated differently on the US and USSR.

In response to MOSELY's reiteration of the possibility of preventive war, THE DIRECTOR remarked that he felt the Soviet leaders did not want to provoke such a calamity, and further that the Soviet people were not willfully destructive and had little interest in world conquest. He insisted that the decision to launch preventive war would not simply be a function of the degree of superiority in destructive power which the Soviets might some day feel they had achieved over the US. On the other hand, THE DIRECTOR questioned where -- at least in Europe -- a war-by-proxy might take place. He also underlined his earlier position by observing that a nation cannot win confidence in the world's chancellories by backing out of situations threatening danger. LINDER differed with THE DIRECTOR to the extent that he felt the Soviets would be less

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inhibited from risking war than the US, and hence might push crisis situations belligerently. He suggested that the Soviet leaders were at least subconsciously persuaded by their own personal doctrinal equipment that in any catastrophic war between East and West, the West could not recover because of the internal contradictions of capitalism.

MILLIKAN referred to p. 45 of the estimate and said that he was disturbed by the implication here that US-Soviet troop confrontation will lead to general war because, in effect, we (the US) would not let such a confrontation remain limited. He stated that, in his opinion, the Soviets might well try to keep a conflict limited.

BOWIE stated that the Soviets may feel that they can make aggressive moves and not run a serious risk of meaningful US reaction. They may be inclined to reason that the situation since Hungary inhibits the West. This, plus the sputniks, is perhaps alarming.

ARMSTRONG remarked that the discussion was dealing with present dangers and was assuming a lessening of this danger when the US had ICBM capabilities. But suppose, he said, the Soviets can counter the ICBM by the time we have it -- wouldn't this change our prognosis?

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MOSELY answered, asserting that Moscow would feel in that event that they had us neutralized. BOWIE wasn't so sure and said that the key in such a situation would be the degree of Soviet certainty -- how could they ever feel certain that they had us neutralized? KNORR agreed and stated that it is very unlikely that either side will ever possess clear-cut superiority.

STRAYER, referring to page 45 in the draft, suggested that the last two sentences be rewritten in order to clarify and amplify the thought. Obviously, he said, it will be easier to prevent a general war if limited wars involve the US and USSR only by proxy, in remote areas, where prestige would not be a vital factor. The closer a limited war is to major areas of interest to the big powers, the harder it will be to keep it limited.

BULL raised a specific example of a possible limited war: Suppose the Soviets went into Iran, and then the US entered, with both sides intending to limit the conflict. What would the US reaction be if it were realized that, if the war remained limited, the US was going to lose? He asked if American leaders could then go to the public and say "we give up?" Would American willingness to enter such limited wars -- and to keep them limited -- eventually result in our being "nibbled to death?"

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MILLIKAN stated that the US won't be able to limit war unless it accepts the "nibbling proposition" -- i.e. the US might lose one such war but would counter by its entry in another. KNORR agreed, saying that even if you lose one you have a chance of winning the next. The real comparison here should be between the losses involved in losing limited wars and losses involved in "raising the ante" -- there should be no interest in raising the ante if in the process you destroy everybody.

A general discussion, involving the definition of "limited" and "brush-fire" wars followed. AMORY said Iran was not a good example since it was too "blue chip" an area to be brush-fire. LANGER disagreed. SMITH pointed to Korea as a limited war and traced it in terms of US objectives -- first, a very limited US objective, which then was expanded after successes, and then amended again after defeats. The end result was a compromise.

SMITH then shifted the discussion to a consideration of the first six paragraphs of the draft, which serve as a generalized introduction. Did the consultants have any particular reactions to these paragraphs?

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BOWIE expressed his view that the introduction was too short-term a "cataclysmic framework;" it should reflect a longer-range view. AMORY commented that it dealt with two things -- the shift in US prestige and the general long-range view; paragraph 1 did not really distinguish between the two and failed in its objectives. SMITH remarked that perhaps the paper made too much of the short-term, obscuring the distinction between short and long-term.

THE DIRECTOR said the paper over-emphasized US loss of influence and observed that, in his opinion, the Soviets are losing influence in many parts of the world. MILLIKAN questioned the phrase "shining example" as applied to the USSR, and LANGER wondered if the US really had suffered a loss in moral influence.

THE DIRECTOR called attention to paragraph 4, line 4 and questioned the statement about the "world's respect" for Soviet "intellectual and economic accomplishments." He would not mind the use of "scientific" but objected to the use of "intellectual". In the intellectual field, he said, the Soviet accomplishment is the most "barren since the Dark Ages." ARMSTRONG added that the USSR has substituted scientific progress for cultural progress and has "exploited"

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more than it has "created." SMITH said that perhaps "intellectual" is too broad but that "scientific" is too narrow after LINDER had noted that the Soviets were getting a lot of people well-educated.

MILLIKAN stated that the real point is that the Soviets have undermined the anti-Communist belief that the Soviet system is "intellectually stifling in all directions."

Referring to paragraph 6, LINDER said that to assume that the peoples of the world are really concerned with world affairs is going too far. The estimate should talk of attitudes in terms of governmental attitudes.

BOWIE observed that too much was made of actual changes. It's not so much that, he said, as the fact that we have been "jolted" by sputnik into greater realism; the paper almost has a "Jeremiah quality."

Prior to his departure, THE DIRECTOR commented generally that the paper was a good one, but that, as the head of an agency which has dealt with Soviet capabilities, he thought it a "little too alarmist." He thought that the discussions with the consultants had been extremely

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useful, and suggested that a new section be added to the paper to deal with Soviet problems, from the point of view of the Soviet planner. He also referred to the desirability of another estimate to discuss US initiative in non-military fields.

THE DIRECTOR concluded by stressing his interest in discussions of the limited war concept and in the difficulties the US may face in attempting to counter Communist take-overs. In this respect, "Black Africa may be the sputnik of the next five years."

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After a short halt in the proceedings, discussion of the World Situation paper was resumed. The consultants covered a broad range of points, but there was little effort to synthesize the various views expressed, because no concensus emerged. The first phase of the talks centered on Soviet accomplishments in non-military affairs. AMORY kicked off the discussion by observing that there was a danger of underestimating the degree to which the Soviet people consider their society a successful welfare State. This led to perusal of other satisfactions in Soviet life and to consideration of achievements that contributed to domestic tranquillity. There was no agreement as to whether Soviet advances in science could be interpolated to suggest significant overall intellectual accomplishment, but at the insistence of LINDER, formidable "educational" gains were noted. BLACK and ARMSTRONG disagreed as to whether Soviet higher education was available to large enough numbers.

SMITH shifted the discussion to the economics content of the paper (specifically paras. 59 and 60). He suggested that the world might be conveniently divided into those countries which would be harshly affected by US recession and those that would not be. LINDER (with KNORR concurring) stated that he felt there might be a touch of over-emphasis in the paper as to the effect of US recession on Europe.

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After some detailed discussions of the paragraphs in question, AMORY summarized the relatively more optimistic views of the consultant economists by suggesting that European sensitivity to fluctuations in the US economy was diminishing as their long range investment plans began to bear fruit in the form of increased and more varied productive capacities. STRAYER observed that economic pressures on Europe were likely to spring from other causes, citing the closing of the Suez Canal as an example. The general view was the European economies were on the whole reasonably sound, and that slowing up in the rate of growth could be attributed to gear-shifting and salutary efforts by the French and British to check inflation.

The concluding time was spent on a general discussion of the significance of mutual deterrence in effecting basic policy decisions. Three general positions emerged: (1) LANGER argued that the Soviets' fear of the US would probably equal our fear of them; MILLIKAN saw little comfort in this, expressing the misgiving that doctrinaire communists might conclude the leaders of a decaying capitalism would strike out blindly in desperation against them, and hence would be less reasonable themselves. MATTHIAS pointed out that fear of large wars also now created hesitations about starting small ones which might develop uncontrollably. (2) MOSELY and BOWIE were less optimistic about

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the equilibrium achieved in a condition of mutual deterrence; the latter noted that deterrents needed constant shoring up to remain effective, they were not automatic. (3) A third position was advanced in which the danger of war was seen as at least in part attributable to technical factors. AMORY and KENT spoke to the proposition that under conditions of mutual deterrence, marked by bluffing and counter bluffing of both sides, the technical commitment to attack at some moment might become progressively firmer until a point was reached where the act became irrevocable. KENT observed that the indications systems of both sides were so delicate that alerts might be conceivably signalled although no actual hostile step had been taken.

The discussions ended with the expression of several views as to Soviet motives in calling for summit negotiations. LANGER felt it was a time-gaining device while ICBMs were being perfected. KNORR disagreed strongly. He felt that the Soviets were making a calculated effort to reduce nuclear armaments so that they would be unchallengeable in a world where power was measured in conventional military terms. SMITH concluded by suggesting that the USSR was seriously interested in reducing the tensions of cold war competition, estimating it could best develop its potentialities in a more relaxed world atmosphere.

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